

# DOUG PALMER

A&P

**Tackling giant retail brands head-on, A&P's vice president of store brands writes his own playbook.**

➤ BY JILL RIVKIN

**N**ow serving as vice president of store brands at The Great Atlantic and Pacific Tea Co. (A&P), Doug Palmer has made a indelible impression on a long and notable line-up of brands. Take Safeway's O Organics, which revolutionized store brands by creating a store-wide program for high-quality organic products priced so that consumers would bite, literally. Palmer spearheaded the development and launch of O Organics and has been credited with rebuilding the Pleasanton, Calif., retailer's program overall.

And then there was, and is, A&P's newly reinvigorated store brand program that barely resembles its offering of just a few years ago.

"There is no comparison," Palmer says. "The brands that existed then have been redesigned with contemporary photography and images, and we also added several new brands to accommodate the growth in organic and natural foods—Green Way—and in Italian cuisine—Via Roma." >

**BRAND**<sup>10</sup>  
**INNOVATORS**

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> Intense focus on identity and positioning prevented Via Roma from becoming another me-too Italian brand.

Via Roma was designed to put all of A&P's Italian products under one unique brand—one that relays authenticity and delivers the right assortment across the store. In developing Via Roma, Palmer says there was intense focus on the identity and positioning. The packaging features photographs of the inhabitants of Lucignano, a small village in Tuscany, Italy. The grayscale photos exude a very personal and strong presence on the shelf, and convey heritage and authenticity for the brand.

> FINDING THE RIGHT LINE-UP

Underlying all of Palmer's efforts, and influencing his decisions in the brand-building and renovating process, is what he describes as "the biggest trend in store brands." That is, the evolution from "private label" to "brand building."

Consider that, when Palmer stepped into his role at A&P, he had a huge assortment of brands and messages to manage—many with a heritage linked to the more than 150-year-old company—as well as the challenge to integrate the retailer's 2007 acquisition of Pathmark Stores and the chain's accompanying brands.

But just a few years later, he had built a solid foundation of store brands for A&P and increased penetration, all the while welcoming new lines in response to today's consumer buying habits.

Palmer says he is most proud of the retailer's Via Roma launch because, he explains, "we approached it from day one as a stand-alone brand."

"The entire thought process and development was a collaboration of our design partners [United Design in New York] and the entire A&P own brands team," says Palmer. "We started with a vision and built the brand with a desire to avoid becoming another me-too Italian brand. The positive response we have received from our customers tells us we succeeded."

> BUILDING THE PLAYBOOK

Having also revamped A&P's classic America's Choice brand, launched America's Choice Kids and worked on other value lines including Preferred Pet, Live Better and Market Spa in his relatively brief three-year tenure, so far, it's clear that brand building is imperative to Palmer's efforts and, as a result, to A&P's approach to store brands.

Not quite ready to disclose what they are, Palmer says he and his team are "working on a couple new projects," so Palmer's influence undoubtedly will continue to impact A&P and its concentration on own brands. Indeed, Palmer and his team of 35 have been quite busy focusing on the sales and penetration growth of store brands at A&P, up two percent in the past few years.

"Within two years, we redesigned over 3,000 SKUs, added four new brands, acquired the Pathmark program and still managed to grow our store brand sales," Palmer says. "I couldn't have done it without the support of senior management and the rest of the organization."

With Palmer's help, A&P's program has come a long way since the first store brand product—baking powder—made its retail debut almost 130 years ago. And while times have changed and the combination of a weak economy and much-improved quality from private label suppliers has driven the store brand industry overall, the challenge of creating thoughtful, effective brands remains.

"Every day presents a new and different challenge," Palmer says. "That's probably why I have stayed in retail so long. It's never boring!" **BP**

**NAME:** Doug Palmer

**TITLE:** vice president of store brands

**YEARS IN CURRENT JOB:** 3

**BEST ADVICE YOU EVER RECEIVED:** Don't follow the beaten path."

**WHAT BRANDS DO YOU ADMIRE?** The brands that haven't been created yet! Because I know the effort it will take to be successful and compete in an already overcrowded culture of brands.

**WHAT'S ON YOUR NIGHTSTAND?** Unfortunately, my Blackberry!