

Olives Gourmet Grocer: The Return of the Neighborhood Food Store

IT ALL STARTED WHEN TWO FRIENDS WHO WORKED AT WHOLE FOODS were strolling along a trendy Long Beach street on a chilly Saturday night.

“We were walking around the neighborhood after dinner when we came upon this space with a sign that said ‘For Lease,’” recalls Erin O’Hagan, co-owner. “We peeked in the window and began talking about how the space could be converted to a specialty food store.”

Three days later, O’Hagan and her partner Laurie Semon signed a one-year lease for the 1,800-square-foot space on East Broadway. Seven months later, Olives Gourmet Grocer opened its doors to consumers in the Belmont Heights/Bluff Park neighborhood.

And they came. Two years in, Olives Gourmet Grocer is attracting about 1,900 customers a week, recording estimated weekly sales of \$39,000.

Escape from Whole Foods

O’Hagan and Semon are not neophytes to the food retailing business. O’Hagan has worked in the grocery business for 25 years, beginning at Von’s and moving to the Newport Beach location of Irvine Ranch Farmer’s Markets, a premier specialty supermarket of the 1980s. She also helped develop the Riverfront Farmer’s Market in Colorado and worked for eight years at Nature’s Fresh Northwest in Portland, Ore.

Her most recent move was an eight-

year stint with Whole Foods, culminating in the supervision of prepared foods at 23 Whole Food Markets in Southern California, Nevada and Arizona. “I set sales targets for each market, managed a recipe base of 450 selections, worked on merchandising concepts and oversaw production,” says O’Hagan.

Meanwhile, Semon was working as an x-ray technician. Yet she always had a passion for cooking and food. She attended culinary school, had a brief stint as a caterer, then also joined Whole Foods. She worked at the natural foods giant for six years, and served on the recipe development team.

O’Hagan and Semon learned a lot at

Co-Owners Erin O’Hagan right, and Laurie Semon apply the high-quality standards they learned at Whole Foods to their two-year old, fresh-focused grocery. With the help of Executive Chef Matthew Reyburn, they’ve created their market’s focal point around a service deli case overflowing with prepared foods.

PHOTOGRAPHY BY RON TANNER



Store Stats

Olives Gourmet Grocer
3510 E. Broadway
Long Beach, CA 90803
562.439.7758
www.olivesgourmetgrocer.com

DATE OPENED: October 2004
TYPE OF LOCATION: City street
TOTAL AREA: 1,800 sq. ft.
SALES AREA: 1,500 sq. ft.
EST. NO. OF ITEMS: 4,000
FULL-TIMERS: 11
PART-TIMERS: 11
AVG. WEEKLY TRANSACTIONS: 1,900
EST. WEEKLY VOLUME: \$38,000

SALES DISTRIBUTION
DELI: 60%
GROCERY: 20%
CHEESE: 4%
CATERING: 5%
WINE & BEER: 5%
OTHER: 6%

profile

wherewithal of Whole Foods. For instance, they wanted to rip out the tile because they felt a concrete floor was more conducive to their fresh food concept. Says O'Hagan, "When we learned that it was \$20,000, we decided that we could live with it."

After seven months of tireless effort, Olives Gourmet Grocer opened in October

2004, with Semon managing the store and O'Hagan serving as silent partner, keeping her day job at Whole Foods. Four months later, O'Hagan joined full time.

The Daily Deli

Deli accounts for 60 percent of sales, an estimated \$23,400 per week. It is the cor-

nerstone that attracts regular customers from the community. "Our goal is to be the neighborhood food store, a place where the staff greets you by name and remembers what you like to eat," says Semon. "The service deli is where most of that activity takes place."

Sales are strongest at mid-day, when people who live and work in the neighborhood come by for a sandwich, a salad and a cold beverage. Olives sports an extensive sandwich menu; some of the more popular ones include Prosciutto di Parma, Fresh Mozzarella and Roasted Red Peppers, drizzled with olive oil, salt and pepper (\$7.29) and the Caprese, fresh mozzarella, vine-ripened tomatoes and basil dressed with Olives signature Parmesan spread, olive oil, salt and pepper (\$6.99).

Salads feature a California take. The Corn and Edamame Salad (\$6.99/pound) sells well, as does the Sonoma Chicken Salad. Of course, Olives has an olive bar, boasting 11 types of olives which can be mixed and matched at \$9.99 a pound.

To bolster prepared food business beyond lunch, Olives hired Executive Chef Matthew Reyburn in February 2005. He creates a dinner menu each month, which is posted on Olives website and passed out in the market. Olives sells about 25 daily menu selections each night.

Cheese and Specialty Groceries

A well-edited gourmet grocery selection rings the walls of the market, and accounts for 20 percent of sales.

"We focus on categories where we can differentiate the store, such as olive oils, vinegars, condiments, sea salts, cookies, crackers and cooking sauces," says O'Hagan.

Cheese has grown into an important element. The market sells about 90 selections, including Organic Mt. Tam and cheese from Neal's Yard Dairy.

As Olives Gourmet Grocer heads into its third holiday season, business is brisk. "People desire a neighborhood grocer," says O'Hagan. "In this hectic world, people want to spend their money with somebody who is local and knows their name." ■

Ron Tanner is the editor of Specialty Food Magazine.



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