Why?
Independent grocers are proud, friendly, entrepreneurial business owners.

Retailing is in their blood. Many grew up in the business and now own stores in their second, third, or even fourth generation of service to the community. They understand that lots of hard work and good decisions – and often some luck – were required for their predecessors to start and then build the business. It wasn’t easy, but they did it.
It hasn’t gotten any easier with new competitors and formats, complex regulations, and expensive technology. It’s tough enough to find time to solve today’s issues let alone to figure out the way to a more secure future for the next generation of the business, for the family, and the larger community.

IGA Retailers face the same challenges as non-branded independents – but there’s a difference – IGA Retailers are not out there alone. Sure they’re still independents – but they start each day with confidence because they have The IGA Advantage.

What is the IGA Advantage?
Customers see IGA as bigger and stronger than non-branded independents.
IGA is a full-fledged brand!

IGA is more than a simple banner – it’s more than private label merchandise on the shelf. The IGA Brand is custom-designed for the independent who wants to access the security – the heritage and traditions, the connections and partnerships – of a brand trusted locally across the United States for over 80 years.

In fact, the IGA Brand now extends around the globe to the Caribbean basin, South America, Europe, Russia, Korea, China, Australia, and beyond.
Only IGA independent grocers have access to the largest group of their peers, trading partners, and brand-building programs customized for their needs anywhere in the industry. And while IGA has brand standards for image, identity, and store operations to guide you toward success, it hasn’t forgotten the most important fact – you’re successful because you’re an independent – and responsive to your local community. The IGA Advantage is not a restrictive franchise – it includes a generous dose of what every independent business owner wants...

the freedom to make it work!
IGA is the biggest affiliation of independent grocers in the United States – even around the world! IGA Retailers are members of the IGA Alliance, a unique partnership including leading wholesalers called IGA Licensed Distribution Centers, and premier national brand manufacturers, IGA Red Oval Partners. Guided with professional leadership from the IGA USA team, Alliance partners work together to create more sales and profit potential for all Alliance members, especially for IGA Retailers.
Research has proven time after time that *IGA customers choose IGA because of the service they receive from employees they like*. Even more, the IGA Brand owns this powerful, emotional distinction – it’s something no other banner can claim!

“They love their IGA!”

“IGA Customers choose IGA because of the service they receive from employees they like.”
IGA customers won’t settle for less than the best of both worlds—*the responsiveness of an independent retailer with the assurance of a world-recognized brand*. Since 1926, the iconic *IGA Red Oval* has been *the symbol of this covenant with our customers*—their assurance of an enjoyable and satisfying shopping experience with friendly employees in a store locally-owned by people they know and trust. IGA Retailers are involved in the community, and customers know they will be *warmly welcomed and sincerely appreciated* for their patronage.

1 Source: © 2008 TNS – Shopper 360°
What's the bottom-line of the IGA Advantage?
It’s simple –
IGA Retailers start each day well ahead of non-branded independents:

the **Security**
of being connected with an established, proven brand

the **Support**
of peers, partners, and programs custom-designed for independents

the **Power**
of customer preference – worldwide

Read on to learn how thousands of IGA Retailers go to market every day with the strength of the IGA Advantage!
How IGA Delivers for YOU

In business for yourself, but not by yourself. Independent IGA Retailers have the strength and support that comes from being part of a tremendous retailing family for over 80 years. There’s nothing quite like it anywhere else in the industry. With IGA you find individuals united by name who are excited to freely share experiences with each other and motivated by the desire to make the family stronger. Simply put, they build the brand value for each other. Turn the page for a quick overview of five IGA Advantage for YOU programs supporting IGA Retailers.
The stores and brands we all love deliver a consistent shopping experience on every visit – with personalized sincerity, not cookie-cutter formality. From the customer’s view, this is IGA in a nutshell. IGA is recognized for consistently delivering an IGA Brand customer service experience to every customer on every shopping trip. Turn the page for a quick overview of the IGA Advantage for YOUR STORES programs supporting IGA Retailers.
The IGA Advantage for YOU

Dedicated Trading Partners
Retailers in the IGA Alliance have “friends in the business” – wholesaler and manufacturer contacts available only to IGA Retailers.

Recognition for Superior Performance
It’s thrilling to be recognized by peers for major accomplishments – and it’s rewarding to be in the company of winners.

Opportunities to Learn from Each Other
IGA events are profit-building opportunities where IGA Retailers freely exchange innovative ideas and creative solutions.

Member-Driven Leadership
IGA initiatives and priorities are guided by input from member boards and committees.

Customized Communication
IGA Retailers receive concise, targeted communications customized for independent grocers.
The IGA Advantage for YOUR STORE

IGA Image & Identity
IGA creates consistent brand identity with simple guidelines designed to complement your name and décor.

IGA Marketing & Communications
IGA marketing clearly communicates why IGA is different – now for over 80 years – and better than non-branded independents!

IGA Private Brand Merchandise
IGA Private Brand matching the name on the store provides hundreds of millions of free “advertising impressions” for IGA Retailers.

IGA Retail Store Standards
Retailers appreciate programs that monitor and support consistent delivery on the IGA Promise across the entire Alliance.

IGA Store Formats & Retailer Requirements 31-32
Monthly Dues & Annual Fees 33
Application Fee 34
Additional Information 34
Dedicated Trading Partners

IGA Licensed Distribution Companies (LDCs) are dedicated to the success of IGA Retailers. They provide day-to-day support and special IGA programming for their IGA Retailers. Prospective IGA Retailers (those who meet IGA standards) must be recommended to become Licensed IGA Retailers by an IGA LDC. IGA LDCs are full-line wholesalers and are exclusively licensed to supply IGA Private Label merchandise. Wholesalers who are members of IGA recognize the power of the IGA Brand to continually build their business by attracting top-tier independent retailers.
“Leaving a secure job with a successful grocery chain to open my own store was a major decision. Choosing to become a member of IGA eased much of our anxiety because it seemed that no matter where we turned, whether to our IGA counselors or to our IGA supplier, everyone was pulling for us to succeed.”

Bob Buonomano
Owner, Bob’s Windham IGA
Willimantic, Connecticut

IGA
Red Oval Partners

The world’s premier consumer product manufacturers are also members of the IGA Alliance, rounding out a true partnership of wholesalers and retailers to address the issues and opportunities of independent grocers. These manufacturers recognize the importance of the independent channel. While independents are traditionally stronger outlets for national brands, they are tougher to serve, especially in the face of industry consolidation and cost-cutting. Through their Red Oval membership, they are able to offer incremental support and programming through IGA to its independents in ways no other independents can be supported.
Recognition of Superior Performance

IGA Awards of Excellence Program

By their very nature, entrepreneurs are creative, intuitive – and independent. And since IGA is the program for independent grocers, entrepreneurs, it’s no surprise that IGA Retailers are leaders in the industry. They don’t just think – they put their ideas into action. They deliver what the customer wants, often in surprising ways that challenge the status quo – the newest service and merchandising ideas, the most innovative store formats and décor, the most fun service team training and performance plans.

Imagine the thrill of earning recognition as one of three IGA USA Retailers of the Year by this retailing family. And from this select group, one joins the most elite assembly of independent grocers in the world – IGA International Retailers of the Year. Their recognition is presented in the company of the leaders from national brand manufacturers and wholesalers from around the world at the annual IGA Global Summit.
The IGA Advantage for YOU

Opportunities to Learn from Each Other

The IGA Events Program

At IGA, there’s no out-of-date corporate manual standing in the way of innovation and success. Instead, IGA Retailers have the advantage of sharing best practices with each other, with their LDC support team, and their Red Oval Partners. IGA Retailers can choose to explore the leading edge of retailing innovation, or revisit time-tested solutions to pestering problems from peers with decades of experience.

IGA events bring Alliance members together. While each agenda is unique, the goal is to blend presentations, working sessions, and outside speakers for maximum take-home value. The events are also a refreshing “time out” from the day-to-day press of business to meet new people, share stories and solve problems in the company of understanding, like-minded people. Bottom-line – you’ll return to your store with new ideas and plenty of new energy to implement the opportunities you just discovered.

And keep in mind – your new IGA friends are just an e-mail away between events!
The IGA Advantage for YOU

Member-Driven Leadership

IGA’s success is measured by its members – how well it serves the needs of retailers, wholesalers and Red Oval Partners. In its role as “coordinator,” the IGA leadership team relies on input and guidance from its members and licensees to identify projects and set priorities.

Member-driven leadership starts with an “open door” invitation to call, e-mail, or calendar a meeting with the IGA team, or members of the various boards within IGA. It continues with formal, scheduled board meetings to ensure that appropriate action plans are in place, and to provide regular progress updates. There are a number of boards and councils:

The **IGA USA Board** includes a representative from each of the IGA LDCs, three IGA Retailers, and the IGA USA Chairman. It is a decision-making board responsible for all initiatives and activities including budget and governance.

The **National Retailer Advisory Board (NRAB)** is made up of nine IGA Retailers, along with three representatives each from the LDCs and Red Oval Partners. Its role is advisory, focused on program development to increase the value of the IGA Brand as a marketing differentiator.
“In the end, it all comes down to growth, both in sales and retailer membership. We work to keep open communications among the retailers, LDCs, and Red Ovals, making sure to clarify for IGA the challenges of all the members. I must say we are pleased with the way IGA and the IGA USA boards are using the NRAB and its recommendations.”

Archie McGregor
IGA National Retailer Advisory Board Chairman
Owner, Archie’s IGA
St. Maries, Idaho

The Red Oval Advisory Council (ROAC) is a group of the most active Red Oval Partners who sponsor marketing events and work most closely with individual IGA Retailers. Its role is advisory as well.

The LDC Advisory Council is the newest formalized board, organized to provide input, guidance and consensus on initiatives to redesign and reenergize IGA Private Brand.

Membership on the IGA USA Board is governed by the By-laws. Membership on the Advisory Boards and Councils is by invitation and approval to experienced individuals with demonstrated understanding of the purpose and goals for the growth and strengthening of the organization and the IGA Brand.
The IGA Advantage for YOU

Customized Communication

Concise, timely information is currency of business in today’s fast-paced world.

The Independent View

This quick-to-read digital digest provides IGA insights and industry-related information you need to stay on top of your game.

IGA Grocergram Quarterly

Looking for more depth on retailing issues and opportunities? Read IGA Grocergram Quarterly for best practices and other useful information.
IGA News

IGA Retailers receive *IGA News*, an as-needed e-mail blast targeted to specific groups within IGA. *IGA News* is used for updates, last-minute reminders, member surveys, or urgent information.

IGA Alliance Web Site

The IGA Alliance Web site is the ultimate up-to-the-minute resource for IGA Retailers. It contains information about programs, products, and partners they rely on to realize the benefits of the Alliance. It also serves the IGA Licensed Distributors and Red Oval partners in support of the IGA Brand.
Creating powerful “brand identity” requires that everything the customer sees, hears, touches and experiences is managed to consistently support the brand’s position and message. It covers everything from the exterior appearance of the store, parking lot and landscaping, to the interior décor fixtures and equipment and housekeeping, to product quality and variety, to the service provided by employees. This is a tall order for any business, but especially an alliance of independent retailers.

How does IGA establish consistent image and identity when no two stores are alike? First, we emphasize that each store is independently owned and positioned to use its individuality to cater to the needs of individual customers.

Next, we require that each store consistently incorporate IGA identity in a manner designed to enhance an independent retailer’s established identity. Examples include exterior IGA signing, interior décor elements, and sales receipts.
Most importantly, IGA Brand differentiation is based on the customer’s experience with the service personnel – “the service they want from people they like.” Consistency in this critically important area is supported with training through the IGA Coca-Cola Institute.

IGA image and identity is supported with the following programs:

• The IGA Promise
• Exterior Sign Lease program
• Interior Brand Décor
• IGA Consumer Web site
• IGA Image Apparel Program
• IGA-Branded POP Program
• IGA-Branded Gift/Debit Card Program

“We wanted a program that would give us the benefits of a chain, yet would allow us to maintain our independence. IGA had name recognition, training, and professionally designed marketing materials and we realized that with IGA, we would have the power of something bigger behind us.”

Tyler Myers  
Owner, Kress IGA  
Seattle, Washington
Successful brands use marketing to communicate their history and values – to reach out to prospective customers and maintain friendships. The best brands actually form an emotional connection with their customers. Research shows that IGA customers have developed this kind of relationship with their IGA-branded independent store.

IGA marketing and communications provides IGA Retailers with a marketing event program designed to promote IGA’s Brand identity – to invite new folks to become friends and stay connected with the regulars. These events help customers know our values and what they can expect. Simply put, that they will find a friend in IGA.
“Participating in IGA’s national marketing events shows our customers that our local IGA is a part of something big. They like knowing that they’re in the running for a national sweepstakes, but at the same time, they like knowing that Columbia IGA will make sure the event serves our community, as well.”

Wayne Ray
Columbia IGA
Columbia, Kentucky

Eventually, these customers become IGA advocates – providing the most valuable but least costly advertising available – word of mouth!

The IGA marketing events are funded by IGA Red Oval Partners, and to be completely successful, these events are coordinated through the LDC’s IGA ad group. Check with your prospective IGA LDC for information about their IGA ad program.

IGA marketing and communication is supported with the following programs:
• IGA Marketing Events
• IGA Brand Pyramid
IGA Retailers enjoy a powerful private label advantage over other independent grocers. Private brand at IGA matches the name on the store. This translates into hundreds of millions of “impressions” – the number of times that the IGA logo appears to consumers around the world! It’s impossible to put a value on the advertising impact this has in the homes and on the tables of IGA Customers. And IGA Brand products are National Brand Equivalent quality, consistent with IGA’s overall brand positioning, and the spirit of the IGA Customer Promise. Each of IGA’s Licensed Distribution Companies can provide a list of the IGA items customized to the regional needs of their IGA Retailers.
IGA Private Brand is supported with the following programs:

- IGA Private Brands
- IGA Private Brand Partners
An IGA Customer Experience – “Service they want from people they like” – is the essence of the promise made to each IGA customer as they enter the store. It’s the core differentiator of the IGA Brand.

The customer experience is important, but there’s more that IGA Retailers expect of each other – standards for presentation, cleanliness, and freshness that must also be present in every store to meet even minimum customer expectations.

IGA Retailers have three powerful proprietary programs to help them with store standards.

The IGA Coca-Cola Institute enables retailers to provide consistent IGA training for every one of their store associates, and to manage the overall learning function for their store. Associate training is conveniently delivered through the internet on an unlimited basis to all employees. The IGA Coca-Cola Institute also offers training for department managers, and an annual week-long supermarket management class for IGA store owners and managers.
The IGA Five Star Assessment program is a management tool for IGA Retailers. Third-party shoppers complete four unannounced visits to each store and prepare a report about their customer experience. One announced visit is also conducted accompanied by the store owner. Questionnaires are available in advance for IGA Retailers to review and prepare their service teams. Based on performance across the year, IGA Retailers can earn designation as a Three, Four, or Five Star Retailer. Only Five Star Retailers can be nominated for consideration as an IGA USA Retailer of the Year.

**Customer Feedback Program**

The IGA Advantage includes an IGA-branded Web-based program for customers to provide feedback about their shopping experience. Participating IGA Retailers report that suggestions and employee compliments far outweigh complaints.

IGA Retail Store Standards are supported with the following programs:

- IGA Coca-Cola Institute
- IGA Five Star Assessment program
- IGA Customer Feedback program

“We feel that the IGA Coca-Cola Institute gives our employees the confidence they need to achieve and maintain the highest standards, and treat our customers with the personalized service they deserve.

At the end of the day, that’s what IGA is all about...”

Rick Stewart
Owner, Susanville Supermarket IGA
Susanville, California
The IGA Advantage for YOUR STORE

IGA Store Formats & Retailer Requirements

IGA Store Formats

The IGA Brand works for large and small stores across the full spectrum of markets from rural to suburban and urban. All IGA stores fall into one of three formats for which IGA maintains trademarked exterior signage:

**IGA Supermarket**

IGA Supermarkets are defined as stores over 10,000 square feet in size and/or $50,000 in weekly sales.

**IGA Everyday**

IGA Everyday are defined as stores between 7,000 and 12,000 square feet.

**IGA Express**

IGA Express are defined as stores under 7,000 square feet.

Requirements for IGA Retailers

The following requirements apply to all IGA Retailers regardless of format:

- **Sign and submit an IGA Retail License Application** along with:
  - All appropriate fees
  - Exterior and interior pictures of the store
  - A signed License Agreement
  - A Signed Sign Face(s) Agreement
“Being part of IGA has given Mick-or-Mack IGA the ability to compete and prosper in a retail market where margins are close and competition is fierce. As a member of IGA we have the ability to compete and have the name recognition that customers today want to see and know they can trust.”

Mike Carper  
Owner, Mick-or-Mack IGA  
New Castle, Virginia

- Within 30 days of opening for business as a Licensed IGA Retailer, meet all minimum IGA Standards regarding exterior signing and interior IGA brand decor

- Use IGA trademarks only in a manner approved by IGA, INC.

- Pay Monthly Dues and Fees when billed

- Regularly offer for sale in IGA Supermarkets a minimum of 70% of the IGA store brand items made available through the LDC

- Participate in all IGA marketing events

- Maintain a Three Star rating or higher on the Five Star Assessment Program

- Submit average weekly sales data when requested for purpose of dues calculations

- Use a fully operational front-end scanning system

- Establish and maintain an e-mail address to receive IGA communications
The IGA Advantage for YOUR STORE

Monthly Dues & Annual Fees

Monthly Dues

A monthly fee is assessed to every IGA store and billed to the store’s LDC. The fee is calculated uniformly for all stores as .045% of annualized average weekly sales divided by 12 months (excluding fuel sales). To be fair recognizing the range of sales across IGA stores, the actual monthly fee charged will fall within a range which is increased each year by the “Food at home CPI”.

<table>
<thead>
<tr>
<th>Rate (for annualized average weekly sales divided by 12 excluding fuel sales)</th>
<th>Supermarket</th>
<th>Everyday</th>
<th>Express</th>
</tr>
</thead>
<tbody>
<tr>
<td>.045%</td>
<td>.045%</td>
<td>.045%</td>
<td></td>
</tr>
<tr>
<td>Minimum (monthly)</td>
<td>$179.07</td>
<td>$179.07</td>
<td>$54.60</td>
</tr>
<tr>
<td>Maximum (monthly)</td>
<td>$406.91</td>
<td>$406.91</td>
<td>$163.75</td>
</tr>
</tbody>
</table>

Annual Fee

For unlimited use of the IGA Coca-Cola Institute, each IGA store pays an annual $100 fee charged along with their October monthly dues billing.
Application Fee

The New Store Application Fee is charged to offset costs related to evaluating applications. All fees must be paid at the time the application is submitted.

<table>
<thead>
<tr>
<th>New Store License Application Fee</th>
<th>Supermarket</th>
<th>Everyday</th>
<th>Express</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-store group rates (same owner)</td>
<td>$1,500</td>
<td>$1,000</td>
<td>$750</td>
</tr>
<tr>
<td>1 – 10 stores:</td>
<td>$1,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 – 15 stores:</td>
<td>$1,250</td>
<td></td>
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<tr>
<td>16 – 20 stores:</td>
<td>$1,000</td>
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<td></td>
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<tr>
<td>21 or more:</td>
<td>$750</td>
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</table>

IGA Coca-Cola Institute Initial Fee: $300

For existing stores:

| Change in wholesaler | $750 |
| Retailer License Reinstatement Fee* | $750 |
| Change in ownership fee* | $150 |

*IGA Coca-Cola Institute Initial Fee also applies

For more information

Want to learn more? Contact Nancy Vicelli for the name of the IGA Area Director in your area to answer questions and provide more information.

Nancy Vicelli, Retail Administrator - IGA USA
nvicelli@igainc.com
773-695-2615