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## Kroger rival Whole Foods expands its small-store concept

### Amazon is working on tech that could make it happen, WSJ reports

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Whole Foods Market, a significant rival to Cincinnati-based Kroger Co., is adding several of its small-store locations known as 365 around the country, and another could be on the way in Cincinnati.

Whole Foods, acquired by Amazon.com last year, opened two 365 stores in the Atlanta area today. Another is in the works in Austin, Texas, where Whole Foods is headquartered. The company planned to open one in San Francisco, too, although that location has run into roadblocks.

The Atlanta openings make 12 stores for 365. Five are in California. The closest one to Cincinnati is in Akron.

Meanwhile, Whole Foods could be moving closer to opening a 365 store in Greater Cincinnati. It recently took out liquor permits for the store location in the Kenwood Collection building, where it's leasing 30,000 square feet. Whole Foods officials haven't commented on when that store will open. The company initially leased the space three years ago with plans to open in 2017, but the permits indicate an opening could take place relatively soon.

The building permit for the Kenwood Collection location shows a coffee venue, an outdoor seating area and an area devoted to wine and beer.

Whole Foods officials couldn't be reached to comment on an opening date for the Kenwood location.

Whole Foods designs 365 stores to be smaller and offer more value pricing than its larger-format stores. The 365 stores are typically 30,000 square feet, while an average Whole Foods store covers about 43,000 square feet.

Whole Foods' move to expand its number of 365 stores is partly aimed at bringing its pricing more in line with Kroger and other rivals. Whole Foods, which historically was known to some shoppers as "Whole Paycheck," has lowered its pricing since Amazon acquired it last year.

Kroger, the nation's largest operator of traditional supermarkets, and other grocers have battled with Amazon over a variety of grocery services since that acquisition. Kroger and Whole Foods have expanded



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Whole Foods is expanding its 365 small-store concept.

the number of stores where they offer customer pickup and home delivery. Kroger now offers home delivery from more than 1,600 stores and customer pickup from more than 1,250 stores. It has 2,800 stores in 35 states.

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