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**PRESS RELEASE**

**Metcash Launches New Concept Stores**

**In Fresh Food, Fruit and Vegetables**

Metcash Limited has launched a new concept in fruit, vegetable and fresh retailing, opening the first three outlets in NSW under the Harvest Market brand.

Harvest Market provides shoppers the option of a full shop or a top up shop on their way home from work with keenly priced, high quality fresh fruit and vegetables, delicatessen, floral, bulk foods and continental grocery

The Harvest Market network of independently owned, franchised outlets is being launched in NSW and is expected to be rolled out across Australia, offering a unique market look and feel with a strong site specific trading culture with daily and weekly special deals.

Mr Nick Pagett, General Manager Fresh Fruit of Metcash Food & Grocery, said “We are achieving strong results with our first, pilot outlets and expect to provide a strong challenge to the national chains and specialized fresh food outlets.

“The independent, franchised outlets provide good value, pitched at the middle of the market and are extending their ranges from fruit and vegetables to include other fresh delicatessen and continental grocery products”, he added.

Mr Pagett said discussions with a large number of existing fruit and vegetable shop owners were progressing well, as many were seeking an exit strategy or an easier lifestyle by joining a franchised network.

He added, “We are providing fruit shop owners a fixed price service for the sourcing and delivery of product to the outlets. Through our fresh buyers at the markets we are delivering great prices, as well as well funded merchandising and marketing campaigns, using the successful formula we have used for IGA owners over the last decade.

“Metcash is also providing owners the opportunity to expand their product offering with well priced, high quality fresh produce and delicatessen sections, all delivered by our highly skilled logistics team”, said Mr Pagett.

The first Harvest Market franchised store launched late last year in Wollongong under its existing local owners and has shaken up the local market with new positioning, competitive pricing and broader product range.

The launch of Harvest Market follows the successful introduction of the IGA Marketplace in Sydney and Brisbane, aimed at inner city dwellers with a vast selection of more than 11,000 grocery products, a heavy emphasis on fresh and gourmet food ranges, coupled with a full service delicatessen and café.

The IGA Marketplace store is the first of a range of contemporary IGA stores to be rolled out on greenfields sites and former IGA and Franklins’ sites.

Chief Operating Officer of Metcash Food and Grocery, Mr Silvestro Morabito, said “Harvest Market addresses the rapidly changing tastes and habits of grocery shoppers, who are seeking high quality fresh produce in their local area.

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