



**NASH
FINCH**
COMPANY

125
YEARS

A History of Serving
Independent Grocers





Nash Finch Company has achieved a milestone in 2010, celebrating 125 years in business.

Many of the decisions made by the founders have paved the way for what Nash Finch is today.

What started out as a small confectionery store has blossomed into so much more. Nash Finch is committed to understanding the challenges faced by their independent retailers and believe in their continued success.

The First Store

Fred Nash opened a small confectionery store in Devil's Lake, North Dakota in 1885. With experience acquired in his father's general store, the store was a success. Within a year, a second

store was purchased in Park River, and Edgar was put in charge. Months later, a third store was bought in Devils Lake, and Willis took over that one. Disaster struck one of the Devils Lake stores in 1887 when fire destroyed the store. The Nash Brothers sold the second Devils Lake store and the Park River store. They bought a new store in Grand Forks. Only months later, fire struck again and destroyed that store as well.



Nash Brothers Wholesale Fruits (circa 1885)
Devils Lake, North Dakota,

Wholesaling Fruit Begins

One day, a car load of peaches arrived in Grand Forks without a buyer. The Nash Brothers borrowed money from the local bank and took over the car of peaches. It was more than they could sell through their store. They hit the road, selling orders to local stores and stores in nearby towns. After sales were made, they returned to their store, made up the orders and then made all the deliveries themselves. This is how their wholesale fruit business began.

As they moved into one larger building after another, new lines were added. Eventually, they had a full-line grocery and fruit business – setting the pattern for most of the other warehouses to be added in the future. Business was so successful that the Nash Brothers could afford to hire their first non-family member, Harry B. Finch. And so it was that Nash met Finch, not knowing at the time the chain of events they had put into motion.

Nash Brothers Spread Out

Their first opportunity for expansion came in 1904. A wholesale house, Minot Grocery Company, was for sale. The Nash Brothers wanted to buy it, but the amount needed was more than banks would loan. Fred Nash was determined to buy it. Willis and Harold listened as Fred revealed a plan to reduce credit terms from 12 months to six, thereby tying up less company capital and making enough available for the Minot purchase. A year later, another major purchase came with the addition of the Grand Forks Mercantile Company. Harold Finch took over as manager.

In the next eight years, from 1904 to 1912, 21 "fruit houses" were built or purchased. In 1912, the Nash Brothers purchased White Brothers & Crum Company and its vast orchards and ranches of fruit production. With this purchase, they solved a problem: insufficient fruit supplies. This purchase allowed them to enter the business of growing, packing and shipping their own fruit, providing the quantity and

variety needed to supply their customers. This fruit expansion continued for the next six years as 33 more fruit houses were built or acquired.

In 1919, the Nash Brothers made the move to Minneapolis. The business had grown so much and covered such a vast territory that it needed a more central and accessible location as a headquarters.

Until 1921, each acquisition represented a separate small company. With the signing of the Delaware Charter of Incorporation, all the various small companies were incorporated into two major wholesale companies: The Nash Finch Company in the United States and Nash-Simington Ltd. of Canada.

Sales took on a new measure of importance in the 1920s. New methods of selling always drew interest. Innovative promotions were used to attract customers. The Nash Finch trainload sale was a forerunner of the truckload sales to come. Nash Coffee promotion also stepped up in this decade. Nash's Toasted Coffee – Every Drop Delicious promoted the coffee. Coffee sales doubled between 1922 and 1923. Radio shows, building-side ads, in-store displays, sales contests and advertising put Nash coffee on thousands of shopping lists.

Founder's Wisdom

Willis K. Nash urged his men to sell more specialties – the mainstay of the business – green vegetables and fruits, cigars, candy, coffee and canned goods. "Our business will not succeed without proper volume on these goods," he warned.

For Nash Finch, the 1930s was a period of survival, but little growth. In 1932 the Canadian houses were sold. They also reduced their warehouse numbers. With the boom in autos, along with the major expansion and construction of roads, trucks could now handle short-haul distribution faster, cheaper and more directly. With fewer warehouses, the company developed a large fleet of trucks which would continue for the next 50 years.

During World War II, there were many shortages and regular customers wanted more than Nash Finch could provide. Willis Nash explained that the company policy was to ensure that all customers of Nash Finch Company receive their fair share. Customers appreciated that they had been treated fairly by Nash Finch. After the war, Nash Finch resumed the business of selling with renewed vigor. They placed more emphasis on volume selling, merchandise display techniques, competitive pricing and strong advertising.

In the 1930s, there was a company-wide contest to come up with a name for a private label. W.T. Carlisle suggested "Our Family." The name was endorsed because it symbolized the philosophy of the company. By the 1940s, the Our Family® brand name had strong recognition.

New Direction in the '50s

Along with explosive growth of housing in the suburbs came a boom in supermarkets. Nash Finch knew it would have to meet the needs of the new supermarkets if the company were to survive and remain profitable. At the same time, there was loyalty to the small independent grocers. They had been like family for more than 50 years, and were the lifeblood of the company's rise to success. It was up to wholesalers like Nash Finch to provide help and guidance to the small independents that would continue to meet the demands of the '50s consumers. The establishment of lower prices and guidance in areas such as planning, financing, accounting, merchandising, and advertising/promotion helped make the independent grocer a strong component in the supermarket industry. They also had to change their distribution methods to continue to operate successfully. They began shipping by railcar to one branch and then redistributing by truck to others.

In 1954, Nash Finch purchased Food Centers, Inc.—a chain of 17 supermarkets. This marked the beginning of the company's retail supermarket business.

In 1964, Warehouse Market was introduced in St. Cloud, Minnesota. This new concept was aimed at consumers who wanted nationally-advertised brands at the lowest possible cost. This store was a clean, orderly market, providing the means for families to satisfy their grocery needs at a minimum expense. The slogan "Customer Satisfaction is Always First" was adopted in 1969.

Nash Finch Diversifies

By the 1970s, Nash Finch had come a long way. Once exclusively a wholesaler, they had now diversified into distribution centers, retail supermarkets, and membership markets. They also owned a highly successful produce marketing subsidiary – Nash DeCamp. Another focus in the 70s was the addition of new departments. To satisfy customers looking for more, Nash Finch added a mini in-store bakery and deli departments to keep up with the trends. Market research was also becoming an increasingly important tool for the company. Surveys revealed important shopper trends that would guide future planning.

New Construction and Expansion

The 1980s brought new construction and expansions. The Summer Circus promotion was only one of many exciting merchandising programs. Nash Finch also was supplying its own stores and all wholesale customers from 12 distribution centers.

In 1983, the NASDAQ automated stock quotation system began trading Nash Finch common stock.

Nash Finch bought M.H. McLean Wholesale Grocery Co, Inc. Lumberton, North Carolina, in 1985, which was the Company's first move into the Southeast.

In 1986, T & H Company of Hickory, Inc., Virginia Foods of Bluefield, Inc. and Thomas & Howard Company of Rocky Mount, Inc. was purchased.

The 1990s marked the kick off of two ways to help earn money for schools. Labels for Learning allowed shoppers to turn in Our Family product labels to their schools. In turn, the school receives cash which can be used to buy any needed equipment or supplies. Support our Schools (SOS) was also kicked off. The company also acquired Timberlake Grocery Company, Macon, Georgia in 1990.

Beginning of the Military Business

In 1992, Tidewater Wholesale Grocery, Chesapeake, Virginia was purchased, which strengthened Nash Finch's presence in the U.S. Military market.

The Liberal Distribution Center consolidated with the Denver Distribution Center in 1993. Efficient Consumer Response (ECR) became an industry buzzword. Nash Finch began exporting its Our Family brand to Asia. They also acquired B. Green & Company, Inc., in Baltimore, Maryland.

In 1995, Nash Finch purchased Military Distributors of Virginia (MDV), which continued their growth in servicing the military. They also acquired United A.G. Cooperative, Inc. in Omaha, Nebraska in 1997, and further expanded with the acquisition of Erickson's and Hinky Dinky Stores in 1999.

More Growth and Milestones

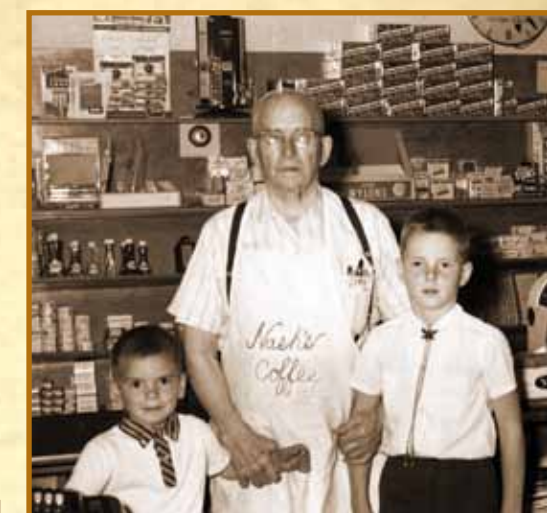
The 2000s once again marked periods of growth. Nash Finch opened its first Avanza store in 2002. This market is committed to providing an authentic Hispanic shopping experience.

In 2004, Our Family celebrated its 100th anniversary. In 2005, Nash Finch acquired Lima, Ohio and Westville, Indiana distribution centers. The first Family Fresh Market™, featuring premium organic and natural products, service meat, high-end produce, and much more opened in Hudson, Wisconsin in 2008. In 2009, MDV acquired three more distribution centers from Grocery Supply Company.

Still Serving the Independent Retailer

Nash Finch continues to invest in innovation. They recognize today's demands for online inventory and sales data, consumer-specific information and integrated accounting, ordering and reporting systems. They are committed to each retailer's success – market by market. They combine their heritage of honest, relationship-oriented business practices by providing retailers with the most powerful programs in the business.

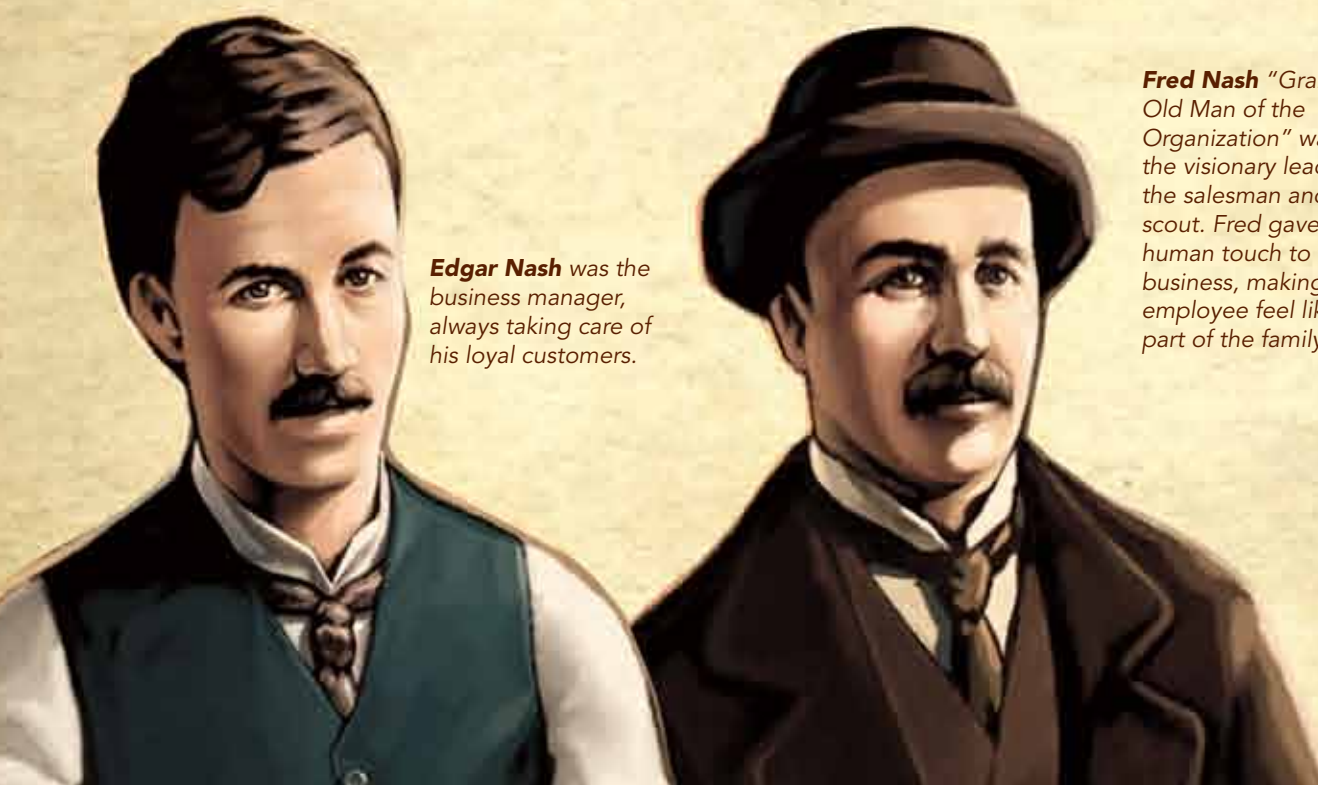
Nash Finch is excited to offer their retailers Store Core, a suite of more than 100 programs and services to make it easier for them to do business and make a profit. Whether the retailer needs supplies and services, technology, creative services or marketing programs, they have the tools their retailers need to be successful. Imagine Store Core as a "store for your store." They'll make sure you'll find the right mix of programs and services to help your store thrive and succeed in this fast-paced business environment.



Peterson's Grocery (1959)
Bottineau, North Dakota,

Harry B. Finch started as a stock boy at 14 and became the manager, making sure the company operated efficiently, achieved their goals, and kept ahead of the competition.

Willis K. Nash was the financial power, who kept a tight check on business and all the branch offices.



Edgar Nash was the business manager, always taking care of his loyal customers.

Fred Nash "Grand Old Man of the Organization" was the visionary leader, the salesman and talent scout. Fred gave the human touch to the business, making each employee feel like part of the family.

