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Trader Joe's eats Fairway's lunch on UWS

Fairway's owner expects to bounce back in coming months.

By [Lisa Fickenscher](#)

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Ever since Sept. 20, when discount grocer Trader Joe's opened a store on Broadway and West 72nd Street, its long-established neighbor, Fairway Market, located just two blocks north on the avenue, has been watching sales decline.

"It had an impact," said Howard Glickberg, chief executive of the family-run Fairway chain. "We saw a little downturn in a few departments, but we aren't changing anything about the way we operate."

Mr. Glickberg expects to bounce back from the competition within a few months.

Trader Joe's merchandise overlaps with Fairway's in some categories, including organic products, specialty items and even staples.

"Trader Joe's pricing is extremely competitive," said Robert Gorland, vice president of Matthew P. Casey & Associates, a supermarket consulting firm specializing in site selections. "I have seen Trader Joe's siphon off as much as 10% in sales from Whole Foods and often at the same time steal some of their employees."

Trader Joe's is less likely to poach Fairway employees, who are union members.

Another supermarket consultant, Burt Flickinger, says Fairway's fresh produce and perishable products are of a higher quality than Trader Joe's. "Everyone is hurt by an opening, but after the initial excitement wears off Fairway will remain the primary factor on the Upper West Side," he predicts.

Next week, Fairway will be the new kid on the block in Stamford, Ct., where it plans to open its seventh store. And in 2011 it will open another two stores, one on East 86th Street between Second and Third avenues and one in Douglaston Queens, at the site of a Waldbaums store.

"We have accelerated our growth plans," said Mr. Glickberg. "We are on track to open one store every six months."

CORRECTION: The chief executive of Fairway is Howard Glickberg. His name was misstated in an earlier version of this article.

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