



“...focus is on strategy, change and growth.”



1970

1990

Taking to the Wild West

Since taking the helm as Chief Executive Officer, Chris Coborn has shown he is bold, progressive, daring, inventive and entrepreneurial – and more than anything, visionary. Chris embraces change and takes calculated risks. He is a trailblazer who takes the uncharted path to reap great rewards.

These are the qualities he openly shares, and they're the qualities employees and suppliers attribute to the unprecedented growth and expansion he's led the fourth-generation business with. Since Chris first worked at Coborn's as a child, the company has multiplied to more than 120 retail locations in Minnesota, North Dakota, South Dakota, Iowa, Illinois and Wisconsin under the Coborn's, Cash Wise Foods and Save-A-Lot banners, as well as convenience, liquor and pharmacy locations.

"Chris is a bold leader whose focus is on strategy, change and growth," said Bill Drake, director of executive education for the Food Industry Management Program at Cornell University and a member of the Coborn's board of directors. "He has developed a huge network of industry colleagues that he exchanges ideas and concepts with. Chris's style propels the company forward and has resulted in higher growth rates than virtually any other regional independent."

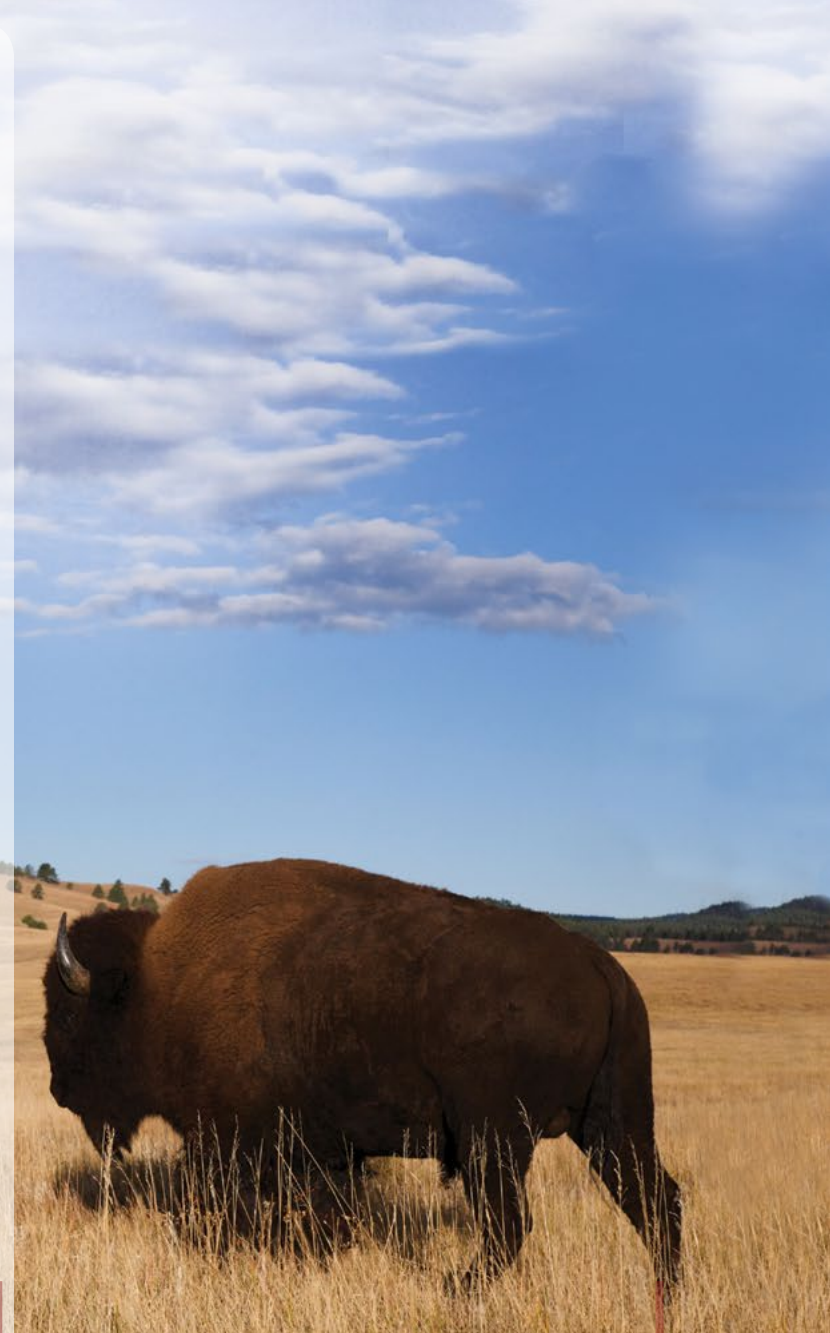
"Coborn's is among the largest and most successful independent grocers in the country and within the top 75 retailers that sell groceries, which includes the likes of Walmart and Sam's Club," Drake said. "Independent grocery stores only account for about 25 to 30 percent of the market today."

"Coborn's has evolved into a large and very successful company under Chris, while at the same time staying true to its close-knit culture, integrity and family values," Drake said.

2000

2010

2020



Opportunity Knocks

Though Chris has seen the company's past challenges, he has come to learn that the foundation of Coborn's has been built on calculated risks. He's forged ahead like never before and in 2012 announced the boldest move in the company's history – building five stores in two years in western North Dakota. The move would double the company's presence in North Dakota, taking the company into the Bakken Region, the hub of the most frenzied oil activity in the United States in decades.

The openings, spurred by an unprecedented oil boom, set the stage for a new Coborn's era and would challenge its staff like never before. The Bakken Formation has become a magnet for growth and opportunity. The Bakken, named after a farmer who discovered it, covers 200,000 square miles within the Williston Basin. It accounts for about 90 percent of oil production in North Dakota and is estimated to contain 6.5 billion barrels of oil. Crews have peppered the region since 2008 when new hydraulic drilling technology emerged. "The activity in North Dakota really is unprecedented," Chris said.

It was for this vision that Chris received the Ernst & Young Entrepreneur Of The Year Midwest Award in the retail category, which recognizes outstanding entrepreneurs who demonstrate excellence and extraordinary success in such areas as innovation, financial performance and personal commitment to their businesses and communities.

It was during a hunting trip with friends that Chris first saw the opportunity. "I couldn't believe how much the landscape had been changed by oil rigs," he said.



Rick Parker, Employee since 1981

Our North Dakota growth has been one of the most challenging events I've been involved with in my career. As I reflect on this enormous endeavor, what is most remarkable is how our employees throughout the company have volunteered to help. Employees of all ages and backgrounds sacrificed time away from their family, friends and normal jobs to help tame the madness of the Wild West -- a feat that would have been impossible without this dedication. I am very thankful for all who have sacrificed for the good of the organization and proud to say I am part of an unbelievable team that strives to Be the Best!!



Watford City, ND

Architect rendering of new 2013 Cash Wise store.

It led him to forgo hunting, and instead take a drive to explore the food stores available to serve the growing workforce. He returned home to Minnesota the next week, excited to share what he had learned. "I told our leadership team, we needed to go on a road trip."

Chris, known for his networking skills, had a friend in western North Dakota, Mike Kraft, whom he met through his involvement in the North Dakota Grocers Association. Chris heard he was interested in selling his grocery operation and felt he would be remiss if he didn't at least explore the idea. It's those professional connections Chris has made and invested in over the years that have provided so many opportunities for Coborn's growth.

The Idea

That initial conversation with Mike Kraft eventually led to the start of the Coborn's North Dakota expansion.

Coborn's developed a partnership with Kraft's Williston-based company, JK Foods. The companies partnered to co-own and operate JK Foods' three grocery stores and a floral shop in Stanley, Tioga and Williston.

The JK Foods story is not unlike the story of the humble beginnings of Coborn's. Kraft started JK Foods in 1982 with a single store in Williston and grew it to more than 300 employees at four stores that serve the Bakken.



Mike Kraft, owner of Williston-based company, JK Foods



*JK Foods family of stores (top to bottom):
Food Pride in Tioga, ND
Food Pride in Stanley, ND
Economart in Williston, ND
Country Floral in Williston, ND*



Stanley, ND

Store Manager Mathew Baum (center blue tie) & his grand opening team



North Dakota

Mike's commitment to the local community and true entrepreneurialism earned him national and state recognition in the grocery industry. Like Chris, he received the National Grocers Association's prestigious "Spirit of America" award.

These four stores would be just the beginning of the North Dakota expansion for Coborn's in 2012. Three months later, Coborn's announced plans to build five new stores in the region by 2014.

It was the company's greatest expansion in history and Chris was committed to seeing the project through for the company's long-term success. He faced resistance among employees, community members and long-time friends in the grocery business who would become competitors. Turning this dream into reality would test his psychological hardiness, vision and entrepreneurial spirit as the challenges and complexity of the development plan increased.

The Obstacles

As the company grew exponentially, its resources had to do the same. The plans called Coborn's to not only build stores in new markets, but also recruit employees from outside of the state, provide housing and, in many ways, build communities for beyond the oil boom. "This is unlike anything we've ever done before," Chris said.

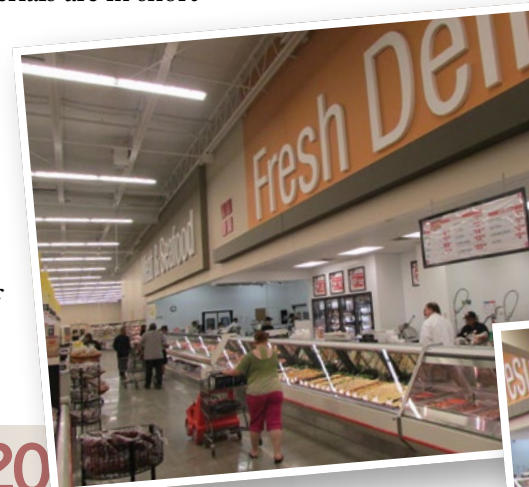
The oil industry revived North Dakota's economy and made it among the strongest in the nation in job growth during a recession, but a lack of housing and other economic constraints make the path challenging for Coborn's. Workers are scarce. Housing is sparse. Materials are in short supply.

The opportunity may seem obvious in an oil boom that reignited the once-dying economy in North Dakota. At the end of 2012, the Federal Reserve of Minneapolis reported a 60 percent increase in employment over three years in the Bakken's 12 counties. The state's unemployment rate is nearly half the national average while its population has grown twice as fast as the national average in just two years.

"This is unlike anything we've ever done before."

Mathew Baum, Employee since 2003

Coming out to North Dakota has been a great adventure so far, and I'm glad I took this terrific opportunity to advance my career with Coborn's. There are some great opportunities out here for eager people who are willing to learn and advance in a company that is growing. I have really enjoyed this opportunity to be the store manager and open a new store with Coborn's. I love the small-town hospitality that Stanley has to offer.



2010

2012

20

Enters partnership to operate four existing stores in North Dakota and announces plans to build five new stores in next two years

Future projections are in Coborn's favor, too, with an estimated 50 percent population growth in the next two decades in western North Dakota.

Still, opening the stores would be the easy part. While the locations appear similar to others in the company's slate, the inventory looks different. It has to appeal to a male-dominated, highly mobile, blue-collar community. "Thousands of oil rig workers put in long, hard days. When their shifts are over, they stop by the store, fill up and head back to the camps," said Emily Coborn, one of the company's district managers. "Keeping shelves filled and managing inventories is a daily challenge to ensure we're meeting our customers' grocery needs."

The Outcomes

The plan's aggressive timeline brought healthy anxiety to the Coborn's operations. But adversity has never held Coborn's back. It's during some of the most challenging times in its history that Coborn's has defied the odds, leaned on its steadfast leadership and rose stronger and better than ever.

"Coborn's is in the midst of a major transformation with aggressive growth and expansion plans," Emily said. "Every day that I come into work, I feel like we're on the brink of something great, but we have to keep pushing to achieve it. It's competitive and always changing. The challenge is energizing."

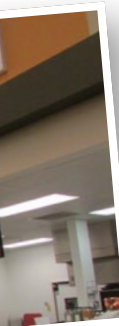
Jeremy Pick , Employee since 1997
Kim Pick , Employee since 2001



Jeremy and Kim Pick first met while working at Coborn's in Sauk Rapids

When I came to Watford City as produce staff support to help during the week of the store's opening, I realized that Chris Coborn was right when he said, "It's like the Wild West." I also had never seen anything like it and I wanted in. I returned home to Minnesota and discussed the opportunities in North Dakota with my wife, Kim, who was working as a store manager at Save-A-Lot in St. Cloud. When we came out here last fall, Kim became the assistant store manager at Cash Wise in Williston and has since been promoted to store manager for Cash Wise in Watford City. What I enjoy the most about being here is the amount of positive feedback from customers – at times it seems endless, which is great. Our customers in Watford City have truly made us feel welcome at the store, as well as the community.

"...we're on the brink of something great..."



Ecommerce Evolution - 2014 and Beyond

Since the original Coborn's history book, "Beyond the Store Shelves" was published in 2014, several updates in the world of e-commerce have evolved and at Coborn's, we've adapted as well. Consumers are more digitally-acclimated, more comfortable with ordering online and today's younger consumers especially enjoy the convenience and technology options we've enabled to make grocery shopping online easier.

This section outlines many of the new projects that the company has supported since 2014 to update Chapter 11 of the original book. Enjoy!

A Click Away – E-commerce Continues to Evolve

Responding to shifts in shopping trends and guest feedback, Coborn's, Inc. made the transition from the very specific Coborn's Delivers home delivery platform to a fully-integrated e-commerce shopping platform offering curbside pick-up in all of the company's grocery store locations and home delivery in select markets across Minnesota and North Dakota. In 2019, Coborn's, Inc. transformed its previously-exclusive home delivery service to click-and-collect service, allowing guests more flexibility to shop fast and conveniently with a new option for curbside pick-up in all locations. The company still offers home delivery in a few select locations. The move to provide curbside pick-up was heavily influenced by customer feedback, heightened significantly during the 2020 COVID-19 pandemic. The initiative proved successful which initiated the closure of Coborn's Delivers in the Twin Cities and allowed the company to provide a much higher level of service to significantly more stores in its place. The online platform has become an essential stop for customers to shop weekly specials, order online and pick up their order at the store via store curbside pickup.

Hornbacher's online e-commerce platform is powered by Instacart with home delivery from stores in the Fargo-Moorhead area of North Dakota and Minnesota. With the onset of on the COVID-19 pandemic, the company's investments in e-commerce services proved to be a worthwhile growth strategy to meet shopper's needs during social distancing measures. Additionally, the company expanded home delivery services in select markets through the use of another third-party delivery partner, DoorDash. That service continues to expand in 2021.

Coborn's, Inc. continues to explore approaches that will streamline online ordering and e-commerce services. The continued investments and focus in this area will be key to providing essential grocery shopping options for our guests, in maintaining shopper loyalty and in keeping pace with competitors. Blending enhanced technology, refreshing our loyalty programs and tailoring the platform to meet the ongoing demands of our guests will continue to build on the foundation of our successes in e-commerce.

