

Coborn's Grocery, Sauk Rapids, Minnesota Left to Right: Chester A. Coborn, Duke Coborn, Chester C. "Chet" Coborn - circa 1921

1900

### Chapter 2

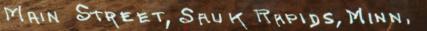
# Becoming the Coborn's Company

While not always easy, Chester A. Coborn appreciated the grocery business and the connection it provided him to his local community. He enjoyed the personal conversations and the opportunity to provide his neighbors the goods they needed at reasonable prices. So, in 1921, he returned to the Bell Building, Sauk Rapids' oldest landmark, which had become one of the town's attractions, operating as a hotel and saloon for many years, and opened Coborn's grocery store.

He founded the grocery store on freshness and focused on providing high-quality produce in the small river town that he loved.

"We will endeavor at all times to carry just the kind of goods that our clientele wish for and believe that the many years in the past that we were engaged in a like business will serve us well in the future of buying the right kind of goods," Chester A. said in the newspaper announcing the opening. "Our prices will be as low as is consistent with the quality of goods purchased and we believe that (they) will be low enough to represent a real substantial saving to all trading here."

It was not long before he expanded the store's selection to include dry goods.



1930

# 1920

1921 1922

the Bell Building

Coborn's grocery store opens in Chester publishes his business policy Sauk Rapids' oldest landmark, for 1922 in the local newspaper

1940



Produce display in the early grocery store circa 1930s

### Coborn's Business Policy for 1922

- To buy in the wholesale markets only those groceries which we know will give perfect satisfaction to our customers in every way.
- To search the wholesale markets until we can secure just such groceries at the lowest possible price that cash can produce.
- To sell those groceries to our customers at reduced prices that allow us a smaller margin of profit than has ever before been done.

The store opening followed the challenges of World War I and sprung up in the midst of the "sky's the limit" mentality of the Roaring 20s. The period, known for bootleggers and flappers, became a decade of promise and optimism, and led to the birth of many modern-day grocers. In 1922, Progressive Grocer magazine estimated that there were 350,000 retail grocers throughout the United States.

Chester A. committed early to taking an unconventional approach at the store and published his business policy for 1922 in the local newspaper. He wanted his entire community to know that he was committed to buying his goods for the best possible price and passing along the savings to his customers. He made this public pledge: "To sell those groceries to our customers at reduced prices that allow us a smaller margin of profit than has ever before been done."

He also continued his father's legacy as a public servant, becoming the town's mayor the same year he opened the Coborn's store. One of the first proclamations he made was to clean up and paint the town. He rallied the residents and encouraged them to throw away the garbage piles that had grown around town, clear the alleyways, remove the weeds and manicure their lawns. He called for the repair of every building.

The town responded and the town was transformed. He led the community through significant change that year and was re-elected the following year by a margin of four votes.

### **Expansion Begins**

During the Roaring 20s, Chester A. again experienced success as a retailer, growing in both selection and sales. By the third year in business, he recognized a need to expand the store's footprint beyond the landmark Bell Building and initiated plans to construct a brand new store.

"The new building will be one of the finest business blocks in the city and will make a marked improvement in that block," the local newspaper wrote.

In 1925, work began on the store on the lots north of the Bell Building and Chester A. moved his store to the marquee location on Broadway Avenue. He dismantled the rear section of his former building and continued using the front portion for storage until 1928 when it was torn down and replaced with a 2,000-square-foot modern structure.

Coborn's was among the mom-and-pop shops that ruled the grocery landscape during this time. The store broke conventions by bringing produce, which was traditionally established as a separate business at the time, into the grocery store.

#### Early Stores

In these early grocery stores, the cashier's desk sat in the back of the store and all of the products were fetched from shelves behind the counter while customers waited. The experience became very personalized for customers and allowed Chester A. to initiate lengthy conversations with each customer as he measured the amount of each product they desired.

Despite its immediate growth, Coborn's represented a humble operation among a series of small regional chains such as the Great Atlantic & Pacific Tea Co. (A&P), Kroger, American Stores and National Tea that were growing their presence at this time. They focused on selling basic nonperishable foods with counter service and began leading the movement to transition from credit and delivery to self-serve.

# The store broke conventions by bringing produce ... into the grocery store.

### Florence (Graham) Coborn interview

Florence reflected, "When they built the first store - at first they had that little hole in the wall that isn't there anymore - they borrowed some money from Grandpa (Graham) and then they paid it back. Then Grandpa gave me the interest money and so I had \$500. He told me to go buy myself a Ford. If you had \$490 then, you could buy one. So I added \$200 to it to buy a Chevrolet - a black one with a red stripe on top – and it was pretty. Everywhere they wanted to go, I had to go take them. I used to take them (the Grahams and the Coborns) to the Cities many times, of course there wasn't traffic like now then. And whenever Grandpa (Chester C., 'Chet' Coborn) wanted to stop, he'd always yell 'Whoa,' like I was driving horses or something."

> Excerpt from cassette tape of interview with Florence Coborn from 1984





Chester A. initially clung to a personalized approach as the concept of a self-serve grocery store surfaced in the industry. Fellow grocer Clarence Saunders first introduced the new way of buying groceries in 1916 at his Piggly Wiggly store in Memphis, Tennessee. Recognizing the future potential of the self-serve, Saunders patented the process in 1917 and began issuing franchises to hundreds of grocery retailers for the operation of its stores.

Soon, Chester A. followed suit in operating self-serve stores. The move marked a significant shift in the store's layout and customer experience. He repositioned the store, adding checkout stands and marking every item in the store with a price. Customers began serving themselves and packaging their own goods in containers they brought from home. He continued to extend credit to all of his customers and asked them to pay as they could.

From gas stoves to electric refrigerators, the new technology invented and made available in the Roaring 20s began changing how families kept and prepared food. Food processing technology had advanced significantly during the 1920s to provide consumers with canned and frozen foods, ready-to-make mixes and even sliced bread. The changes were widely accepted.

As competition increased and consumers challenged prices and products, Chester A. held tight to his commitment to provide quality products at the best prices he could. It was during those customer interactions that his quick wit served him well. One day, a lady entered the store and told him she could get bananas for 4 cents a pound at another nearby grocer instead of the 5 cents he was charging at his grocery store.

"You better go there then," he said.

"They're out," she replied.

"When we're out, they're only 3 cents a pound," he responded with a smile.

### Stocking Store Shelves in the 1930s

# 1930

#### 1929 Chester A.'s sons, Chester C. and Duke, takes over the business after their father dies

#### Another Generation

Chester A.'s sons, Chester C. and Duke, became involved in the store at a young age and took over the business in their 20s after their father died in February 1929. Chester C., known as Chet, was just shy of his 27th birthday and Duke was 25 years old.

The loss of their father was felt by the community. His funeral drew a large attendance to honor the grocer and public servant whose desire to make Sauk Rapids an even better place was always apparent. A women's quartette performed Chester A.'s favorite hymns as the Coborn family and Sauk Rapids community laid him to rest.

"Chester was known as 'Happy Coborn' around town because he was such a happy go-lucky guy," Dan Coborn, Duke's son, said, remembering the stories told to him about his grandfather. "He'd walk the eight or nine blocks to the store, singing and talking to everyone along the way. He was a very gregarious kind of guy."

The brothers quickly made their plans to carry on their father's legacy of low prices and service to their community. Days after his death, they placed an ad in the newspaper that read "Let us demonstrate with a few prices just what we mean by community service." They highlighted an example of low prices found on goods in the family's store, ranging from 8 pounds of pail-cut spiced herring for \$1.44 and 100 pounds of oyster shells for \$1.10 to 50 oranges for 47 cents and a 10-pound box of cut macaroni for 87 cents.



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1931 Can of Gerber's Baby Food Image Courtesy of Stearns History Museum

• The first line of retail frozen foods became available in supermarkets, under the Birdseye name.

> Frank Mars introduced a chocolate-and-nut candy bar called Snickers.

 Gerber followed the 1928 debut of its line of strained baby foods with baby cereal in 1930.

> • Samuel R. Mott diversified his cider and vinegar business with the advent of Mott's applesauce and then apple juice.

 Taggart Baking Company followed a blind promotion that only stated "wonder" was coming with the launch of sliced Wonder bread.

 Kraft Foods introduced a packaged dry macaroni and cheese mix.

> The Hormel Food Co. that same year debuted Spam, deriving the name from shoulder pork ham.



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#### Running the store in Depression Days

During the couple years when Florence worked at the store during the Depression, there were no checkouts like in today's stores. Clerks were on hand to help as personal shopping assistants. Florence worked in the office and helped with the business side of the company instead of the customer side of it. She commented that on pay day, the store was unbelievably crowded the entire day. The day Dan Coborn was born, July 25th, was a busy pay day, which meant that Duke had to wait until after 9:00 that evening to go meet his new son.

Excerpt from cassette tape of interview with Florence Coborn from 1984

> That's one of the faults of my dad's generosity.

"Service is a much overworked word and it has many definitions," they said. "Our own definition of service is to give our community exactly what it wants, when it wants it and always at as low a price as possible (to) commensurate with high quality goods."

The following years would prove to be among the most challenging for the family business as it endured not only an ownership change, but also the Great Depression. Just months after their father's death, the brothers watched with their fellow Americans as the stock market crashed and supermarkets opened across the nation's urban landscape. Retail food sales across the nation declined 37 percent from 1929 to 1933.

Money became scarce. Many of the farmers, who the Coborn family had done business with for years, struggled during what became known as the "Dirty 30s." Unemployment rose to 25 percent.

The Coborn family had built a tradition of helping their neighbors and it became apparent during the Great Depression when many did not have enough to buy food. The Coborn brothers extended credit to all customers and asked them to pay their bills as resources became available. "They didn't want people to go without food," Duke's son, Dan Coborn, said.

Some of the bills would not be paid off until the 1940s. "There were some people who never paid," Dan said. "That's one of the faults of my dad's generosity."

The extension of credit made times challenging for store operations and affected Duke's ability to pay his vendors. "He never could pay all of his suppliers at the same time, but he had a rule that whoever he paid, he paid in full," Dan recalls.

The brothers' commitment to community and providing "The Best for Less," as their slogan demonstrated, helped them weather the economic challenges and continue to build a loyal customer base.

### Surviving the Depression

As supermarkets began to speckle streets across the United States in the 1930s, Chet and Duke moved their growing grocery store to a larger space across the street and opened Coborn's Ben Franklin Variety Store. They operated the variety store separately from the nearby grocery store. The variety store became known for its light hardware, stationary and confectionary items. The brothers sold the store in the spring of 1934 to give them more time to focus on their growing grocery business.

Two years later, Coborn's was among the first grocers in the nation to add a walk-in cooler to the grocery store and to include a meat market as a part of the business. It was a bold move that allowed the company to build significant market share in Sauk Rapids at the time. The company bought and bartered for cattle and processed them in the back of the store.





People used to be able to charge and we had a rotating stand with clips to hold each charge slip. During the Depression, at my father's funeral, people came up over and over again and said they never would have survived without his generosity.

Back then, times really were tight, so there was also a lot of bartering going on. A local dentist back then often shared stories of being paid in chickens and produce.

> My father once said, with tears in his eyes, "The saddest thing I ever saw was an honest, hard-working man standing in a bread line."

## 1930

Grocery store moves to a larger space across the street. Extends credit to all customers and asks them to pay their bills as resources became available, during the Great Depression. Chet leaves the business and opens a resort on Leech Lake in northern Minnesota

1935

1940



### It was a bold

move that

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market share?

Coborn's developed a relationship with Hormel, a rapidly growing meat supplier at the time. Hormel, started in the small southern Minnesota town of Austin, had become a leading national supplier of meat products and a publicly traded company under the family's second generation. Coborn's hired an experienced meat salesman from Minneapolis to display and sell the complete line of Hormel meats in the Sauk Rapids store's glass case.

The new meat department provided both convenience and service to Coborn's customers, allowing them to buy both fresh groceries and meat at the same location. The opportunities continued despite the struggling economy. Coborn's added a sausage room a year later and within five years, expanded the meat and refrigeration department to provide more variety. The store took on a new slogan, "Where Quality and Value Come First."

In the height of the meat market's boom, Chet decided to leave the grocery business to build a resort on land he bought near Itasca State Park. He opened "Chet Coborn's Camp" on Leech Lake in northern Minnesota. The growing business demands

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and need to take on more responsibility led Duke to pull back on some of his community work, including his position on the school

board.

Coborn's Ben Franklin Variety Store opens

1930

1930s

1932

**Coborn's Grocery Store** one of first to add a walk-in cooler

Adds a meat market Introduces to the store, a first for the region

1936

uniforms in the store

1939

1940

In the midst of his professional prosperity, Duke endured personal hardship and heartbreak when his five-month old twin son, Neil, died suddenly in 1938.

#### **Professional Look**

The business had become Duke's refuge. He remained focused on bringing new sophistication to the store. He introduced the first uniforms in 1939. The store's clerks wore special tailored trousers and olive green shirts. Coborn's accented the new shirts with embroidered red lettering across the back that read "Coborn's Quality Foods" and personalized each one with the employee's name on the front pocket.

Coborn's Grocery
T ALTOVS
in Value for Every boundary of the
ADDI KS hushel basket
DANANAS Fancy ripe 20c ORANGES, SHOOT
CELERY—Fancy, well bleach- 10c 2 large bunches for
Fresh 2 pounds 19c 1 10-qt. pail FREE
TETTICE Fancy 3 Heads LUC
FANCY PINK SALMON, 35c SARDINES 5 for
Two 1-lb. tail cans COD FISH, 1-lb. box, Z9C
SARDINES, Mustard or Tomato, 2 large cans for 21c Bonecess for   10-lb. Pail KKKK 19c   Mustard or Tomato, 2 large cans for 21c
CITICAD Cloth Bag 10 Ibs. 48C
25c COCOANUT, Fresh Bula, 20C
PEANOT BELANT V COCOA. 29c PEANOT BELANT jar
FANCI DRU Well, 3 pounds for
CORN. TOMATOES, CAN - IUC
PEAS, MILK , VELLOW BANTAM CORN, 25c
HOUSEHOLD ANALO
two large bottles 17c LIGHTHOUSE CLEANSER, 9c
6 box carton Pure rendered 2 lbs. 230
LAKU 1 lb. cartons 33c
5 pound bag 7c COCOANUT BON BONS or 150
SALL, mackage
SUPER SUDS, three packages for

They symbolized the beginning of a new modern era for the company and the prosperity that would follow the many challenges during the Great Depression. By the late 1930s, the retail sales decline felt throughout the Great Depression had begun to subside. Coborn's and other retailers started to see signs of a recovery as food sales increased by Christmas 1937, when trade was the best it had been in years.

Duke B. Coborn and Florence Graham Marriage Photo circa 1920

### Cost of Food in 1930s

Milk (quart)
Bread (loaf) 9 cents
Eggs (dozen) 18 cents
Round steak (pound) 42 cents
Bacon (pound)
Applesauce (3 cans) 20 cents
Pork and beans (1 can)5 cents