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### **Ethnic markets taking hold in I.E.**

*Andrew Edwards, Staff Writer*

A Cardenas Market scheduled to open today or Wednesday in Ontario is but the latest specialty grocer to replace a chain supermarket in the Inland Empire. "The store is fully stocked and ready to go," Cardenas public affairs director Marco Robles said.

Cardenas and other specialty grocers - sometimes referred to as "ethnic" markets - not only sell goods that are relatively hard to find in mainstream stores, but often have other amenities that reflect a particular style of cooking.

The upshot does not seem to be that national supermarket chains, which have themselves expanded delis and other service-focused options in recent years, will vanish altogether.

But the rise of specialty markets is one aspect of an increasingly competitive food industry, and Cardenas is not limiting its target market to Latino shoppers.

"There is a large non-Latino community that's shopping at Cardenas right now," he said.

The new Cardenas store, near the crossing of Vineyard Avenue and Fourth Street, is set to open in the place of a Ralphs market that closed earlier this year.

Cardenas, which specializes in Latino cuisine, similarly replaced a shuttered San Bernardino Albertsons in 2008, and is not the only niche store to expand into the Inland Empire by replacing a traditional supermarket or opening at a new shopping center in 2011 or recent years.

A few examples: \* Super King Markets, which sells specialty goods reflecting the tastes of Eastern Europe, the Middle East and Mexico, opened a new store in Claremont in November. \* In Rancho Cucamonga, the Asian cuisine-focused 99 Ranch Market replaced a former Albertsons store in 2010 after also moving in to Chino Hills four years prior. \* Superior Grocers, a Latino supermarket, opened a store in the Westside of San Bernardino in 2008. The store opened at a then newly-built shopping center near the Santa Fe Depot. \* Rio Ranch Markets, a Latino grocer, recently signed a 10-year lease to occupy a former Ralphs store near Cherry and Live Oak avenues in Fontana.

Terry Bortnick, a broker for Mission Viejo-based Argent Retail Advisors, negotiated that lease for the shopping center's landlords and the grocer.

A number of trends favor ethnic grocers, Bortnick said. Besides the Inland Empire's rising Latino and Asian populations creating a bigger market for stores like Rio Ranch Markets or 99 Ranch Market, smaller chains are less likely to have unionized workforces with many employees locked into top wage rates.

Additionally, the specialty products that ethnic grocers thrive on, such as prepared foods and produce, generally have higher profit margins than packaged goods.

"You don't make a lot of money in the grocery business by selling a can of peas," Bortnick said.

Adding a specialty chain like Rio Ranch or a Cardenas to a shopping center tends to bring higher traffic to surrounding stores than a traditional grocer, said Bortnick, who also said that classifying niche stores as "ethnic" is an outdated notion.

"Anglo shoppers love good meat too. They love great produce too," he said.

Instead of a marketplace segmented on ethnic lines, Bortnick said he sees an "hourglass effect" in which high-end retailers like Whole Foods occupy the upper end of the market, and regional stores that can offer discounts can attract working-class shoppers.

Traditional stores, in the middle, tend to get squeezed out.

Stater Bros. chairman Jack Brown said he's ready to compete with the specialty stores.

"If we're talking about the Hispanic market, yo puedo hablar espanol," Brown said during a conference call with investors and the media last week.

The San Bernardino-based Stater Bros. has 167 stores and each one has 10 to 15 percent of its shelf space set aside to reflect neighborhood tastes.

In many cases, that may mean Latino cuisine. In Loma Linda, however, Stater Bros. sells several vegetarian products, and in Garden Grove, Samaon foods are a priority.

Unlike national chains, Stater Bros. has also been in something of an expansion mode this past year. The company acquired two Albertsons stores in Hesperia and Lake Elsinore that the company plans to use as larger replacement stores for existing locations in those cities.

Contact Andrew via email, by phone at 909-386-3872 or 909-483-8550, or follow him on Twitter

[Photo:](#)

[The newly-opened Super King Market in Claremont on Friday. Super King and smaller companies are getting footholds in the grocery industry as big chains close stores.](#)

[Photo:](#)

[Luz and Bill Morris, owners of Redlands Oriental Market tend to customers inside their store. The market caters to Asian cuisine and also rents videos in different Asian languages.](#)

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