

# This couple trusted their gut to reinvent an organic grocery store

[Life](#), [Love](#)



The store was a mess -- the very picture of how not to sell food. The aesthetic was drab. The vibe, absent. In one area, pickles, marshmallows and wrapping paper were stocked side by side; Trish Sharon liked to call it the pregnancy aisle. But she and her husband, Bo, kept harping on the bananas: They somehow seemed the saddest of all specimens, just slapped down on a table with rough patches of AstroTurf. It was the cardinal sin of not honoring one's ingredients, of treating fruit as a simple fuel source.

Bo is always quick with a joke, and he lay down across the banana table, posing like a slab of apple-stuffed meat. His wife laughed. "It was like, 'Who in their right mind would shop here?'" Trish says.

It was their job to answer that question.

This was 2002. The Sharons were in their early 20s and facing their future in every possible way. The young couple were engaged to be married and had been handed the keys to the family business -- the North Boulder Market, this mess of a place in Boulder, Colo., which Trish's uncle and father had run for a decade. Now Trish and Bo were tasked with making it a more viable business. There were, to be sure, many ways that could go wrong.

Today, 14 years later, shoppers across the country have never heard of North Boulder Market. But many know its new name, which the Sharons gave it: Lucky's Market. The supermarket chain has become a beloved institution throughout the South and the Midwest, where it has 17 locations across 11 states, another seven slated to open this year and plans for many more to come.

The place is modeled after a farmers' market, with a wide-open entranceway, neatly stacked produce that spills onto the sidewalks in the warm summer months and a folksy maze of barrels, crates and bins. Employees wear name tags that include conversation-starting personal information, and are trained to talk serious food -- suggesting how to properly season and sear a Piedmontese steak, say, or handing over generously sized samples of Lucky's scratch-made fare, such as cauliflower salad, chicken sausage or dill caper salmon cakes. A " Sip and Stroll" program encourages thirsty customers to walk the aisles while downing \$2 craft beer drafts (where local law allows, of course). Each store can develop its own personality, from the local brands it stocks to the in-house entertainment: The Iowa City location, for example, has a shuffleboard table and vintage Pac-Man machines, and others offer adult coloring books, free movie screenings and piping-hot-pizza specials. Customers have been known to turn their grocery run into a date night.

" Lucky's is an interesting company with a concept that checks almost every box from what people want in a food store today," says Jon Springer, a retail editor at the trade publication *Supermarket News*. " It plays to the foodie trend of fresh, lively and somewhat indulgent selections; it emphasizes fresh foods at value pricing; and it's small and easy to shop in, not loaded with aisle after aisle of branded packaged goods in multiple sizes like a traditional supermarket."

Those traditional supermarkets are taking notice. Kroger's, the 2, 700-store giant, made what it calls a " meaningful investment" in Lucky's earlier this

year, which will help the upstart chain expand even faster. In Florida, where Lucky's has three stores, the *Broward-Palm Beach New Times* published a piece called "Ten Reasons Lucky's Market Is Better Than Publix." (Reason number nine: "Lucky's makes its own bacon that makes Boar's Head look like Oscar Meyer"). And Whole Foods is surely on edge: It's currently launching a new store called 365 to appeal to younger, cost-conscious shoppers, but Lucky's has already beat them to the market.

Back in 2002, though, the Sharons' ambitions were far smaller. They just knew their little market was ugly and wanted to make it inviting -- fast. The walls were an insipid shade of white, made worse by severe lighting. Money and time were tight, so instead of wasting either by securing proper work permits, the couple bought cans of paint and then raced the clock after hours.

"Oh, it was awful," says Nick Gulizia, who was then a college student working in produce and helped out with the paint job. "One wall was purple, one was yellow and one was teal green. But it kind of made Lucky's a unique shop, one that was fun to go to, rather than getting beaten down on by fluorescent lights."

That guiding principle -- make it fun, and embrace the personal touch -- would carry Lucky's a long way.

"I've got all kinds of dirt on him," Trish jokes, as we sit down for chilaquiles and a baby-kale Caesar salad at Lucky's Cafe, a casual restaurant she opened with Bo in 2003. It's located in the same modest complex that held

the North Boulder Market and is the kind of place the Sharons might have worked in decades ago. They're trained chefs, and became friends while attending the cooking program at the Art Institute of Los Angeles. One day during that time, Bo called Trish to say he'd just lit the side of his house on fire while cooking a meal. Poorly lit charcoal was to blame, apparently. To which he added, "Wanna come over?"

"The whole side of the house was charred," she says. "I should have known then to run." But Bo impressed her with dinner: roasted quail slicked with a sour cherry sauce, paired with fresh tagliatelle and cracked pepper. All of it was cooked better than the house. "We haven't spent more than a few days apart since," Bo says.

Bo and Trish make a perfect pair: They're both funny and disarmingly casual, and their banter seamlessly switches between business and personal. They were engaged within a year of meeting -- and although both sets of parents worried about how quickly things had moved, nobody doubted their bond. "From day one in culinary school to today, we're partners," Bo says. "First and foremost, I trust Trish's opinion more than any others', and she does the same in return. We have different strengths and weaknesses, so being able to identify those and allow the other person to take the reins in certain situations is key."

Originally, they planned to start their lives together with cooking jobs in Las Vegas. But then Trish's family offered to sell them the market, and it was too enticing to pass up: In business, they reasoned, they could indulge their love

of food, share it with many others and potentially grow something in a way that's far harder to do from the kitchen. But once they took over, the couple began to understand the North Boulder Market's struggles. Boulder was stuffed with well-heeled chains: Wild Oats, Vitamin Cottage and Alfalfa's are all headquartered in the city, and Whole Foods has three locations, including a 77, 000-square-foot monster that's mobbed daily. " We were the small guy up against giants -- the definition of David versus Goliath," Bo says. " We couldn't buy as cheap as our competitors due to our scale. Many big vendors wouldn't return our calls."

But Bo in particular felt ready for the challenge. He'd been preparing for it all his life -- and, in fact, you may have even seen some of his early training videos. In the second-to-last season of *Happy Days* in 1983, he was Richie Cunningham Jr., and he spent the next 15 years as a child actor in everything from *Moesha* to *The Puppet Masters* . " The career of a working actor is essentially 95 percent rejection/failure," he says. " You audition over and over for different roles and land only some of them. You need to dust yourself off and get back on your feet daily. Being an entrepreneur has many of the same parallels. Success is always possible tomorrow."

The couple knew they had to minimize risk. In a place like Boulder, failure could compound fast. So they decided to grow incrementally, always based on their cash flow and never their credit. They bought most of their retail equipment secondhand -- trekking out to the back alleys of train depots and who-knows-where to get ovens, display cases and even shelves.

Eventually, the Sharons hit upon the insight that would differentiate them from the crowd: They cannot be one kind of store. Many of the Boulder-based chains grew directly out of the organic food movement and had strict philosophies on what they carry and what their customers expect. But that could turn off a customer who, say, wants organic peanut butter but also wishes they could find some damn Heinz ketchup. The North Boulder Market would solve this by cramming several disparate shopping experiences under one roof -- a farmers' market, a natural food store and a corner bodega.

This meant combining some of the best elements of their competitors -- so the Sharons called up the major chains across town and asked their execs for advice. How did they handle pesticide-treated produce and processed food? How about farm-fresh fare and local vendors? With persistence, they got answers. "Who were we back then?" says Bo. "A dopey little grocery store, so the threat was pretty minor. And it was never our intent to be malicious. It was just to learn."

Within a year, they'd renamed their store Lucky's Market. For the next five years -- "five *long* years," Bo stresses -- they fine-tuned the business model. They gave themselves a tagline, "Organic for the 99 Percent," and a mission to offer high-end fare at affordable costs. They discovered it was possible if they dealt with most vendors directly, rather than through distributors, and sold perishables at such a low margin that they'd fly off the shelves, therefore lessening the amount of waste other stores dealt with.

Ten years after they bought the market, Lucky's finally felt stable. In 2013, they opened their second location, in Longmont, Colo. The third came two months later, in Columbus, Ohio. Four more came in 2014, and seven in 2015. And they're just getting started.

"I'll never forget my initial meeting with Bo," Justin Gold says. The two of them were standing in Lucky's receiving warehouse, talking about Gold's new line of nut butter, called Justin's. This was 2005, and Gold's brand was new back then. He was constantly touring around trying to get it onto shelves, and usually he had to go through an elaborate pitch and a mess of paperwork. Bo wasn't interested in any of that. "There wasn't a formal review process; simply a handshake and the opportunity to prove myself," Gold says. "Bo and Trish are themselves entrepreneurs, and their willingness to try new items has helped launch a lot of brands, including my own." (And to great effect: In May, Hormel bought Justin's for \$286 million.)

There are many stories like this -- of handshake deals and operating on gut. But Bo says that misses the underlying strategy. "I don't find us to be chill; we just are who we are," he says. We're talking in Lucky's corporate office, a place that doesn't exactly serve as a counterargument against "chill."

Almost everyone here, Trish and Bo included, looks like they walked out of a REI catalog; fleece jackets are practically a uniform. The receptionist's desk is a reclaimed checkout stand. There's a Ping-Pong table in the corner, though not out of some conscious effort to emulate Silicon Valley-style offices; it's just a gift Bo's mom bought for him and Trish (and their two kids, ages 11 and 5), but it didn't fit in their house.



*We just are who we are.* That's not an especially prescriptive policy, but its core is unmistakable. Lucky's has a cohesive vision -- something customers feel connected to -- because its identity is not filtered through marketing studies and focus groups. Longtime Lucky's employees have a theory of where this comes from: The Sharons were recent graduates when they took over the market, and their goofy enthusiasm and desires became crystallized as corporate culture. What kid, fresh out of college, *doesn't* want to drink beer while shopping for salsa and snacks? Even the labels on Lucky's private-label goods are extensions of that vision: Bo writes much of the copy himself, and gives them witty names like Ground Control to Major Mustard and It's Just Oregano, Officer.

And so, the Sharons didn't need to think much about stocking Justin Gold's nut butter, or many of the other thousands of small-batch products they've stocked over the years. "Justin in particular had an incredible passion for food and his product when he started out," Bo says. "I think fellow entrepreneurs find inspiration in each other, which I have always found in Justin. He was going to make his nut butter empire a realization no matter what."

This from-the-gut attitude attracts loyal customers, but it has another benefit as well: It lures talent away from larger competitors. Lucky's staff is full of people who put in years at larger grocery chains. Marketing VP Ben Friedland, for example, was previously Whole Foods' marketing director for the Rocky Mountain region. Trish and Bo won him over with hummus and carrots at a business meeting on their back porch. Boulder store

director/general manager Tim Overlie has been in the natural foods business since 1978, serving many years in management roles at Alfalfa's and Wild Oats. He plans on retiring at Lucky's. Other industry vets include Lucky's CFO (Andy Pillari, formerly of Quiznos and Smashburger), COO (Scott North of Sprouts Farmers Market), president (Steve Black of Sprouts) and chief merchandising officer (Peter Gialantzis of Whole Foods).

They all remember their first moment of Lucky's culture shock, when they discovered just how differently this place operates. For Lucky's department manager Brittany Strachan, that came during her first cashier training session, five years ago. A customer returned kale with some bug bites in it -- hey, it's organic! -- and because Lucky's has a policy of limiting food waste, Strachan's boss asked her if she wanted to take the kale home. "I was like, 'Is she trying to trick me into getting fired on my first day?'" Strachan says. So she turned down the kale; her boss took it home instead. "The atmosphere here is miles different from anywhere else," says Strachan. "I worked at Pearl Street, one of the biggest Whole Foods in the country, a crazy machine with so many moving parts. Then I came here and everyone was having fun and joking around."

The sharons' path was long and unassured, but their timing couldn't be more fortuitous. Just as Lucky's is evolving from a regional to a national brand, the marketplace is as ripe as their fruit. "Up until this point, 'better for you' items were limited to Whole Foods and other upscale retailers," says Michael Paglia, director at the market insights and consulting firm Kantar Retail. "Within the past year or so, there's been a shift, led by retailers like Kroger,

Lucky's and Trader Joe's' parent company, Aldi. We're starting to see the natural/organic trend hit a critical mass; it's starting to go mainstream."

And so, Lucky's is now heavily focused on growth. New locations are being built, finalized or opened in South Boulder, Colo.; Traverse City, Mich.; and Florida, where five new Lucky's will spring up across the state. The locations speak to Lucky's strategy of, once again, doing things differently than other grocery stores. Whole Foods and its ilk have largely pursued more affluent regions, where shoppers are primed to value organic food and pay its high price. But Lucky's 24 locations are elsewhere, in places where the brand can be viewed as a trailblazer.

" Our goal is not to take over the coasts," says Bo. " If we're able to someday spread that way, it'd be totally awesome, but I feel like there's so many people who need what we have more somewhere else. The fact that we were able to survive and flourish in Boulder was kind of like, ' If we can do that here, why can't we do it anywhere?' Blue-collar people deserve fantastic food just as much as the wealthy do."

And with that comes a different kind of Lucky's customer: the competition.

" We opened up this crazy store in Columbia, Mo.," recalls Nick Gulizia, the then college kid who in 2002 helped repaint the North Boulder Market. " And all of a sudden you see these Hy-Vee executives walking in with their ties on, checking it out. It's been an eye-opener for conventionals that are archaic in some ways. They realize, ' Uh-oh, Lucky's isn't just a small mom-and-pop

place. They're actually putting a dent in our sales, and we need to react to that.'"

Gulizia has been working with the Sharons since that paint job. Now he's one of Lucky's top product managers. The way he figures, why go anywhere else?