

LAPORTE COUNTY HISTORY PROJECT -

JIM AGEMY - T-6-129 Independent Grocery Store

Transcribed by Sally Buttshaw, recorded in 1978

In an instant you know that you want to do something in life, and I guess at that time my brother Arnold had a store on the north end of Michigan City called Sunshine Market, and I was always interested in going and putting away bottles and carrying out groceries and helping stock shelves. At about age 13 I did some work for John Shawley and that was at lunchtime or after school. And what it was, the Pullman car shop, if you remember, would get out at noon for lunch, and after school at 3:30, I was always there to pick up empty bottles. That was always my thing, empty bottles. I would go in the store and get 2 cents for every bottle I had. So that's where I really started, with John Shawley, then after that at about 16 or 17 I worked for Big Bears, used to be on Franklin St, and Don Burns. It was a meat market, then I went from there to Walter Tittle's meat market which was next to the old Merchants Bank downtown, Indiana Bell was on 6th and Franklin and it was next door, remember where the old Boston Jewelry was? I worked for Tittles for a few years, so my background in a few years got to be the meat department. I really liked that. I used to bag five pounds of lard for a dollar. You can't buy lard for fifty cents a pound anymore. I really liked working after school.

I did have one setback in my life, at age 7 I got run over by a car, right in front of the Pullman car shop. The car ran right over my right femur, I had three different fractures and was laid up in the hospital for 9 months with my leg up in the air, and that really set me back as a child and in school also, as I didn't graduate until I was 21. I was in school from 1945 till 1958 and missed approximately 2 ½ years. I was in St Anthony's and was tied to bars to set the fractures. Those problems resolved and then in 1955 I went to work for Kroger Co, next door to Flanigan Tire on 4th, I worked there from 1955 to 1958. I was assistant manager of the night crew there, we had stock boys that came in 10 or 11 at night and would work all night long just to get the store stocked, it was one of the biggest volume stores in town at that time. Kroger's is not in town anymore. I worked there until 1958 until I took over John Shawley's place there on 8th and Wabash... I took it over on my birthday October 11th 1958. (born in 1937) It took me till then to get alcoholic beverage licenses and all the licenses the state of Indiana required, that is why I never went in to business sooner. But I guess being in school I really didn't want to go in to business by myself. It was always my ambition in school to do something for myself.

Going back to the Kroger operation, I was given the title of assistant manager there for over a year, and as I was leaving they offered me a managership within the company in a couple of years so I had a real tough decision at that time, probably one of my toughest decisions. To make a change, to do my own thing, or stay with Kroger's and become a manager at one of their stores. I think I made the right decision. I moved out, bought John Shawley's place, I took my mother and dad down to the bank, and Bob Garrison was the instrumental person in getting a \$7,000 dollar loan. I didn't have a penny, with everything I made I bought a car, or just spent the money, so Bob Garrison, with the cosigning by my mother and dad, in 1958, I got the loan. I paid John Shawley off, and owed him another note and I bought store equipment and merchandise from Consolidated Foods. They lent me money for the inventory. So after five years of real struggle, I mean getting up at 6 in

the morning, being at the store at 6:30 for the 7 o'clock Pullman whistle. They spent money on cakes, cookies, and gloves. They really needed gloves working there at Pullman. I worked until about 10 o'clock at night, 7 days a week. I think on Sunday though, we were only open from 9 in the morning till 5 or 6 at night, I don't remember the exact hours. I ran the whole operation, I was my own meat man, my own grocery, and I would check customers out. Friday was the big day because Pullman paid on Friday. They would come in to the store to cash their checks, I would have to borrow money from the bank just to cash the checks. It was nothing to borrow \$10,000 for the weekend just to cash checks that I would then deposit on Monday. It was a costly situation but it proved out, being there for Pullman really helped many things, in promoting my business.

In 1962 or so decided to buy Mrs. Arndt out. Mrs. Arndt owned the whole quarter block at 8th and Wabash, there was 4 two story homes and the building that I was in which had apartments on top. I picked up that whole quarter block for about \$82,000 I think. We tore down the 4 homes that were in back of the store, and built the new store, which is there now, but I do not own it anymore. The new store opened in July of 1963. I didn't lose a day of business, closed the old store one day, and opened the new one the next morning. We tore down the old building, including all the fixtures, started the new one fresh. We paved over the lot for parking and that is how it exists today.

In the years to come I bought more property , the Hornsby property right behind me , and 4 houses on Buffalo St, and I still own the empty property behind the store. The store made real good money, enough to pay off the mortgages and other payments. In 1966 I decided that the 8th street store wasn't enough for me and I wanted a little more challenge. I bought a cornfield at Earl Rd and Ohio St. It really was a cornfield, I don't think Village Green had more than a dozen homes in it. It was just getting started, it was Tonn and Blanks project. Everyone thought I was crazy. Why not build on Franklin St where all the other businesses were. I wanted more of a community store than a commercial building. So in 1966 I built the Earl Rd store. We went into a Spanish motif, and that's when we changed our name, the name at the 8th St store was Jim's 8th Street Supermarket, we changed the name to Jim's Fiesta Villa. I liked the Spanish motif, saw the design in California, and decided that was the way to go. That was in 1966, we had a real struggle with that store because it was not in the populated area of town, also competition was really keen, really tight, Miracle Prices came out. It was a Jewel tea store, an experimental store in Michigan City and Benton Harbor. They had about 4 or 5 % lower prices on grocery items, than the normal gross profit. About 8 months after that they were all over Chicago area, and with those prices we could not meet our expenses, had to go out and re-borrow. And if it wasn't for the 8th street store, we wouldn't be in business today. The 8th street store subsidized the new store for over two years. So till 1969 it was a struggle. Then in 1970 things started looking good and in 1973 I opened the store at Woodland Ave and Hwy 20. That store did well from the beginning. That was a field all by itself out there too, the apartment complexes on Pahs Rd. weren't even there, it was on the outskirts of town. That store panned out real well, made money from the first year. Dr Austerly from Purdue University sent some students down in 1972 to survey to see if it was a good site. The survey said we would do \$73,000 a week the first year, and we did. That is probably my best location. We had three stores at that time, then came 1976 in December, when National decided to close all the stores in this region, and in other regions as well. That

gave me the opportunity to pick up two National Tea Stores, one at Karwick Rd, and on South Franklin. We then sold the 8th Street store, and that gave us four operations to run. We sold 8th Street in 1975, it became the first black owned supermarket in Michigan City.

We have been doing real well, and in Michigan City we do probably 50% of food dollar volume business. Michigan City has probably \$650,000 per week in food dollars. We've done well, Michigan City has been good to me, and I think I have done the same for Michigan City. As a retail owner I have been involved in many community projects, and been on many board of directors, you have to do that, especially when I make my money from the people here. You have to put money back into the community as well. We hardly ever refuse any charitable organization if they ask for a donation or need something, or we are able to work with them. Our biggest thing today is this year we will top \$100,000 in cash refunds to senior citizens. Last year, 1977, we gave approximately \$78,000 and will top \$100,000 this year, with the 10% discount that we have in our stores. That has worked out real well, we use that as an advertising tool, and the customers talk about it. I got the idea from National, they used to give 5% discount on Wednesday's, they were the only store doing that. We toured a couple of other stores in the area and found one giving 10%, there is a big different between 5 and 10%, we thought we would come in with 10, it is a little bit heavy, we don't make 10% grocery profits in any store, so with 10% we are giving right off the top so we have really lost money on that. We hope it brings more volume in and that's where we can make up the difference. I think the senior citizens appreciate it... We have plenty of competition in town, and it is good for everybody. We have 2 Al's, Jewel, A&P, K&M and a lot of small stores around town. We have no particular problems, we have to be on top of it every day, I look at their ads, I'm sure they look at mine. We try to guess what we can do a little better next week; we come up with promotions all year long. We are giving away four Fiesta cars, we are giving away a trip weekly, for 11 weeks, last week we gave away a trip to Las Vegas for 7 nights, this week a Caribbean cruise trip, including air, a 7 night cruise. We are always trying new promotions and it lets people know that people at Jim's really care. We give them something for coming to Jim's. We are splitting some of the profits we make in Michigan City with the consumer. For the 12 weeks, the trip packages will cost us \$40,000. This year we have a dinnerware promotion, last year we gave away over \$60,000 in smoke alarms. Nobody has ever done that in Michigan City, and everybody needs smoke alarms. We can be proud because if someone has a fire, we may have saved a life. All they had to do was save \$300 in register tapes. Hopefully we can come up with another register tape promotion that is as good as the smoke alarms. We are always thinking about what we can do better than anybody else and if you don't have that in mind you will never succeed.

It takes a lot of ambition, and good people, right now we have between 160-170 employees. We have more full time help than any supermarket in town, because of being a non-union store. The union stores always go for more part time help to keep the benefits down. At Jim's more than 50% of the help is full time. Our benefits are as good as any union. It is always a problem trying to keep the unions out. Three union members were here last week trying to solicit our employees. Being an independent we do not need a union spokesman for the employees, I am always around or in contact with the store management. My door is always open for any employee who is unhappy with their store management. I have good communications with my management people and

with my employees. We have good benefits and two parties a year, one at Christmas and a summer picnic.

I have to give credit to my father for wanting to own my own business. He worked for the foundry for 53 years, he worked hard, when he got off work, he would get on his bicycle and ride around town delivering things, he would go to the market and buy vegetables and sell them from his bicycle. I also learned to work hard from my brother Arnold. He owned a store on the north end, and I always went there after school. Around the age of 18 or 19, I would have rather worked 12 to 15 hours a day rather than to go to school. I wasn't the smartest kid in school, I would love to forget the homework, and work instead. So I guess that's where my interest in working hard developed, from my brother and father.

It is a handicap to take so long to finish school. I don't have as much education as a person with a college education. I feel sometimes in the background, with people who have been to college. If I'm at a meeting or if a professor is talking I wonder, with this guy having all this education, if I could have had the same thing. But maybe not. In 1958 I guess there were a lot of people going to college. I was one of the unfortunate ones that didn't go to college and get an education, and I do feel it is a handicap. I have four sons now, and hope they do the opposite of what I do. My first son just went to college this year, to IU, he is taking up business administration, with accounting and law, and just a broad view of business. I hope that one of these days he can come out and teach me some of his college experiences, and I will exchange teachings with him about the supermarket business. I know a lot of people who have gone to college and gone into the supermarket business. College experience today isn't the only thing you need in the supermarket business. I made it through 20 years of business without college but it was a struggle. If I had more education it might have been less of a struggle. Maybe I would have made fewer mistakes. I don't really know. But just because you come out of college doesn't mean you can go right into the supermarket field, that is wrong too. He is going to have to come in and work for 2 or 3 years. Working with customers is quite a bit different than reading about things in a textbook. It is all good. I hope all of my boys can go to college and come out with some kind of a degree. If I had the chance to do it over again, that's a good question, I guess I would have done the same thing I did. I didn't care whether I went to college or not, I liked to work, I don't regret what I did.

I depended a lot on the Pullman business for my 8th street store. I believe they went out of business in the late 60's, maybe '68 or '69, I had the Earl Rd store by then. We dropped 30% in volume after Pullman, that really hurt, it brings your expenses all the way up, the non-controllable expenses like rent. It really didn't have any effect on the Earl Rd store, because the 8th St store was supporting the Earl Rd. store. That took two years, for the Earl Rd store to be self-supporting. We kept most of our regular customers, because even though Pullman closed, we made a lot of friends. A lot of the former employees came back and shopped with me anyway. When Franklin Square opened it hurt business because it took the traffic away, then when the mall opened there was an A&P in there, that hurt us. The business started going down between 1968 and 1973, just gradually.

My philosophy on running a supermarket can be summed up in two words, pleasing people. If you can't please people you don't belong in the supermarket business. We have right now, in our supermarkets, an average of

40,000 transactions a week. In Michigan City today the population is only 40,000, but we are bringing in a lot of people from out of town, Trail Creek is not in the populated area, or Beverly Shores, or Long Beach... You've got to have service, people want service, they don't want to wait in line. Any time a cashier has more than 3 people in line, we call another cashier, or management has to come up to the front because we don't want congested front ends. I think that is the most critical point in a supermarket. People don't mind how slow they walk in, but once they are done shopping, they want to get out of the store. We have to carry number one products in our stores, we have to have USDA choice meats, top rated produce, good quality products, and good ads every week. Sometimes we have to give things away, or have good prices, such as a bag of sugar for 69 cents, just to get people in the store. We also have a hotline that rings in my office.

I hope all of my sons follow me in business. Naturally they will do whatever they want, but dad will try to convince them to get into the grocery business. If they decide to go another way, that is up to them. If I build four stores, and possibly more, I would like to not give it away to someone else, but to keep it in the family. I did not insist that my son in college now take business administration courses, he took that upon himself. If he later decides he wants to do something else, I would try to convince him, but not insist on this business.

If I had not been able to get a loan to start up, I guess I would now be working for a supermarket chain, but I am the type that likes to make my own decisions.