

Aditya Birla Retail plans to rebrand Trinethra as 'more'

Our Bureau
CHENNAI

ADITYA Birla Retail has initiated the rebranding of Trinethra supermarkets to 'more' following the acquisition of the Andhra Pradesh-based Trinethra stores in January this year. The acquisition had provided Aditya Birla Retail with 260 stores spread across Andhra Pradesh, Karnataka, Tamil Nadu and Kerala. "We currently have 325 stores. In the next one year or so, we will have over a thousand supermarkets across Indian cities. The hypermarkets, which require more space, will be much fewer," said Aditya Birla Retail CEO Sumant Sinha. The company has earmarked Rs 8,000-10,000 crore for its retail business.

The rebranding exercise includes expanding the product range and bringing in vision merchandising to the supermarkets. "We have

changed the layout of the Trinethra stores, enhanced the lighting and brought in more vision merchandising. We have increased the products from 2,200 to 4,000," said Mr Shivram Murti, COO - value super market, Aditya Birla Retail. Mr Murti estimated that while equipping a whole new store would cost Rs 45-80 lakh, the rebranding exercise for a single store would cost Rs 20-35 lakh.

In an effort to strengthen its supply network, Aditya Birla Retail is planning to work with the government to set up modern slaughterhouses and abattoirs.

The Union Ministry of Food Processing Industries recently announced plans to set up mega food parks linking farmers & food processors and also establishing modern slaughterhouses with private sector participation.

Private players would be selected through a bidding process. In this context, Mr Sinha said,

"We are in discussions with the government on this front — both at the Union and state level."

Aditya Birla Retail currently operates in two formats — supermarkets and hypermarkets. "We will bring in more innovation in terms of formats next year. We will also widen the private label across categories in our stores," added Mr Sinha. Of the over 4,000 products offered in the stores, 384 fall under the private label category.

About sourcing products from the other Aditya Birla group companies, Mr Sinha said, "Presently, we source a few products such as aluminium wraps from Hindalco and VSF from Grasim. (Viscose staple fibre is a man-made biodegradable fibre similar to cotton). But, we will try to develop more labels in-house rather than source from the group companies." Mr Sinha did not share details about the revenue nor the average foot fall for the stores but said the average bill size could range from Rs 150-200.

Birla Retail to roll out 1,000 'More' stores

Corporate Bureau
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Aditya Birla Retail will open 1,000 'More' stores across the country within the next one year. "We are inaugurating one to two stores every month," says Sumant Sinha, chief executive officer, Aditya Birla Retail Limited.

A 'More' store will be launched in Kolkata next month. The group has envisaged an investment of Rs 8,000-10,000 crore for its retail initiatives. Moreover, the operational break-even target for each store is one year from date of operations.

Aditya Birla Retail is also exploring new formats such as cash and carry, discount, home solutions and health stores. "A study is on and some of these new format stores may open up next year," said Sinha.

The company has also embarked on a rebranding exercise for the Trinethra chain which it acquired sometime back. Accordingly, the company will be emphasising on

visual merchandising and there will be enhanced lightning and centralised air conditioning in all stores. There would also be an increase in the number of items from 2,200 to 4,000 products in each of these stores.

The company will also be enhancing its private label business and it will bring items such as staples under its in-house fold.

These grocery stores will offer fruits and vegetables, staples, personal and home care items, household and general merchandise and dairy products. Fruits and vegetables are fast moving items and the company is beefing its back-end supply chain in this respect.

For instance, 30% of sales of the Delhi More store come from fruits and

vegetables. "We are now directly sourcing the produce from farmers," said Shiv Murti, chief operating officer, Supermarkets (south), Aditya Birla Retail. The company thrust is 'catchment' and it proposes to open shops which are within a km radius of residential colonies.



The group has envisaged an investment of Rs 8,000-10,000 crore for its retail initiatives

Birla plans to open 20 More hypermarkets

By OUR CORRESPONDENT

Chennai, Dec. 20: The Aditya Birla group's retail venture 'More' is planning to roll out over 1,000 super market outlets and 15-20 hypermarkets within a year.

Announcing the rebranding of Trinethra grocery supermarkets, which the company acquired earlier this year, to More, Mr Sumant Sinha, CEO of Aditya Birla Retail Ltd, said

the company would have pan Indian presence by the end of 2008.

He said that the company had commenced the operations of its first hypermarket in 40,000 sq ft space at Mysore and the second one would be opened at Baroda soon. The company would be opening 15-20 hypermarkets in the next one year and would set up around 100 hypermarkets in the next three to four years.

The acquisition of Trinethra

The company would have pan-Indian presence by the end of 2008, said CEO Sumant Sinha.

Super Retail has provided Aditya Birla group with a strong retail footprint in South India extending to 260 stores over more than a half a million square feet in Andhra Pradesh,

Karnataka, Tamil Nadu and Kerala, where it is the leading food and grocery retailers.

He said the company has established system and process, strong logistics, vendor base, IT backbone for the retail operations. The group has earmarked Rs 8,000 crore for its retail roll out in the next three to four years.

While rebranding the existing retail stores, the company has improved the visual merchan-

dising, added air conditioning to all its stores and expanded the product portfolio to 4,000 from 2,200.

The company, which is presently selling 380 in-store label products, is planning to extend private labels offerings in more categories.

To ensure the fresh supply fruits and vegetables to customers, the retail company is building direct linkages with the farmers.