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**N.G.A. MEMBER, ASSOCIATED GROCERS – SEATTLE,
OUTSOURCES RETAIL ACCOUNTING FUNCTION**

***Partnership Will Give Associated Grocers-Seattle a Customized Financial Management Solutions Program
Designed to Cut Costs and Fine tune Operational Reporting***

Seattle & Reston, VA — (July 25, 2001) – Associated Grocers-Seattle, a leading wholesaler in the Northwest, announced that it is outsourcing to Financial Management Solutions (FMS) the current accounting services program provided to retail members. The relationship between Associated Grocers and FMS was established through the National Grocers Association (N.G.A.) Service Corporation. Associated Grocer (AG), which services about 350 independently-owned supermarkets in Washington, Oregon, Alaska and Hawaii, will offer FMS Accounting Services to all of its retailers. AG retailers will be receiving daily and weekly financial management and operational reporting and have the capability of tracking shrink through retail inventory reporting. The new FMS Seattle division will begin the transition July 29, 2001.

“This decision was a result of our quest to improve and add value to the services we provide the membership and came after seven months of due diligence and evaluation by both senior AG management and our retailer membership using the accounting service,” said Jeffrey R. Kessler, Chief Financial Officer of Associated Grocers. “We feel strongly that this decision will add value to the retailers’ bottom line by providing them with superior tools to help manage their business.”

FMS has already signed up 70 of AG’s retail members to participate in the program. One retailer, Rob Martin, president of the three-store Martin’s Marketplace, Cashmere, Wash., and a member of the AG Retail Advisory Committee, said he is excited about what FMS will bring to his operation.

“AG and FMS will give us the opportunity to look at data that is only days old and allow us to make quick changes to our merchandise mix,” Martin confirmed. “This will play a key role in helping us stay competitive in a very intense marketplace.”

Stuart Zlotnikoff, Senior Vice President of N.G.A. and President of the N.G.A. Service Corporation, said he was pleased with the role the association played in bringing AG and FMS together. “At N.G.A., we feel a big part of our responsibilities is to develop relationships between our retail and wholesale members and companies that can help them do their jobs more effectively and efficiently,” said Zlotnikoff.

Jon McCormick, Vice President, FMS, said that the controllership duties to be provided will allow the AG retailers to act as a virtual chain. In addition, by joining with FMS, the independent retailers of AG will share synergies with more than 1,000 supermarkets across the country.

“With so many stores to service and in a challenging marketplace we think that our services will help AG and their retailer membership get a better grasp of their financial management,” McCormick explained. “FMS provides a complete accounting service including all financial reporting and payroll. Our technology allows us to receive information electronically and, in turn, gives the retailer the decision-making tools needed, both daily and weekly. That process helps retailers with the information they need to compete in today’s marketplace.”

Mark Ehleben, Business Development Manager, FMS, added that the system has the potential to pay for itself through cost-savings and shrink identification. “You must measure shrink to control it,” he said.

Associated Grocers-Seattle has developed a reputation in the Northwest, Alaska and Hawaii as a leading wholesaler for independent grocery operations. Currently, the Seattle-based company services about 350 stores in

five states and several Pacific islands, including Guam.

N.G.A. is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry. An independent retailer is a privately owned or controlled food retail company operating in a variety of formats. Some are publicly traded but with controlling shares held by the family. Most independent operators are serviced by wholesale distributors, while others may be partially or fully self-distributing. Independents are the true entrepreneurs of the grocery industry and dedicated to their customers, associates, and communities. N.G.A. members include retail and wholesale grocers and their state associations, as well as manufacturers and service suppliers. For more information about N.G.A. and the independent sector of the industry, see the N.G.A. website at www.NationalGrocers.org.

Founded in 1974 by John Schock, Jr., FMS (Financial Management Solutions) is the trusted industry leader, providing accounting solutions and operational decision support exclusively for supermarkets. The company, which now has more than 1000 supermarkets representing 10 billion in retail sales, has grown by one satisfied client at a time. Such growth can be attributed to the FMS reputation for quality services, solutions and people, including a senior management team with more than a century of combined retail experience – from the sales floor to the back office.