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Food Retailing in Mississippi, 1895-2000

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ABSTRACT

This thesis is a history of the evolution of the grocery industry in Mississippi in the twentieth century. I used primary source interviews, analysis of newspaper articles and advertisements, U.S. Census data, archival materials, and secondary sources to inform the thesis. The research focuses on an urban market in Jackson, Mississippi, and a rural market in Philadelphia, Mississippi. This history also concentrates on two Mississippi-based supermarket chains, Jitney-Jungle and Sunflower, and the families that founded them. The thesis argued that the innovations in grocery retailing during this era improved the lives of all Mississippians by lowering the cost of food, offering more numerous selections, providing employment opportunities, and facilitating the administration of government food programs.
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Fundamental to a thriving society is its ability to produce nutritious, affordable food for its population. Mississippi failed that responsibility in the nineteenth century but succeeded in the twentieth largely through the efforts of Mississippi grocers. During the twentieth century, most Mississippians lessened their dependency on growing food or raising livestock, witnessed their nominal food costs decline, enjoyed a greater assortment of choice products, and ate safer foods. Intra-state competition drove many improvements in the grocery business, although the industry also cooperated with the state and federal governments, implementing initiatives to support World War II and then mitigate social unrest during the Civil Rights movement. This paper argues that the end result was a dramatic improvement in the foodways and nutritious offerings available to all Mississippians, although challenges remain evident in the state’s contemporary grocery business.

The thesis starts with an overview of how Mississippians bought and obtained food prior to the twentieth century. It then gives a brief history of the national chains that shaped the evolution of the industry, their founders and key leaders, and where and when they began doing
business in the state. The central focus of the research is on two Mississippi-based family partnerships that influenced the industry in the region during this era and created brands that became integral to the cultural fabric of the state. The paper tells these stories through the prism of a small town, Philadelphia, and a metropolitan area, Jackson.
Country Stores and Plantation Stores Prior to 1895

Before the advent of grocery stores, most Mississippians had to depend on local country stores. By 1900, general merchandisers located their outlets at rural crossroads and served a local clientele of white and Black customers who lived nearby. Historians of the American South have chronicled country stores’ social, economic, and political history. The country store’s earliest accounts romanticized the stores. For the members of the Agrarian movement in the 1920s, country stores represented a simpler time when yeomen farmers extracted a subsistence living from the land and relied on the country store for implements, supplies, luxuries, and social gatherings.\(^1\) Later historians, such as Thomas Clark, focused on the harsh credit terms, factoring of cotton, and discriminatory practices that country stores exercised to take advantage of poor sharecroppers, particularly Blacks.\(^2\)

In the late 1800s-early 1900s, many families in rural Mississippi counties, whether Black or white, grew most of their food in vegetable gardens and ate protein that they raised, hunted, or fished. Milk cows and chickens produced dairy products and eggs. Additional supplies of food and sustenance came from a country store. Women, usually wives or kin to the farmer,

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contacted the store with an order, a clerk selected the items and determined the prices, and a husband or any male relations picked it up. The store offered a minimal selection of staple goods like flour and cornmeal, sugar, coffee, tea, canned goods, and baking powder. The store sold the goods on credit, and the male head of household settled the account whenever able.³

For Blacks, the local store presented a business relationship fraught with peril. Shopkeepers and store clerks, almost all of them white, had distinct advantages in class, education and, of course, racial standing (as per the cultural and legal dictates of Jim Crow) over Black customers. The stores offered a “full-service,” meaning the clerk picked the items ordered by the customer from behind a counter. The clerk chose the quality and availability of each customer’s items and, since most items had no marked price, determined the prices as well. Circumstances allowed clerks to sell better-quality goods to favored customers, presumably whites, and withhold items in short supply from other customers. Stores sold orders on credit, commonly referred to as the “furnish,” and recorded in an account book that effectuated a lien on the customer’s cotton crop. Unscrupulous stores could record fraudulent entries into account books with ease and impunity, taking advantage of poorly educated Black customers. With the cotton harvest came the settling of account books. Country stores served as the agent of the cotton commerce, more commonly referred to as the “factor.” The store’s proprietor weighed the raw cotton lint, assessed its quality, and assigned a market price presumably valuing the crop. Merchants deducted the account book balance from this value and gave the customer the difference. Fraudulent weights, measures, assessments, and payments riddled the process. Many

customers ended the season still owing money to the store and started the following year in arrears.⁴

The “furnish” took a psychological toll. As David Oshinsky writes, “To some, the furnish was worse than crooked. It resembled an old-fashioned dole, a series of enervating handouts, although the tenants had earned their money through backbreaking work.” Citing psychologist John Dollard, Oshinsky noted that “the furnish produced a deep dependence on the landlord and a passive expectation of rewards.”⁵

Women – both white and Black – also lacked agency in this system. Beholden to the selection of quality and availability made by the store clerk, women entered the store and left it with less control over their consumer choices. Though women placed an order, husbands and fathers picked up the order, so they remained one step removed from items they desired or needed. Also, any unfavorable reckoning of prices reduced her purchasing power and the family’s standard of living. Grocery stores changed such unequal and abusive dynamics by introducing the “cash and carry” retailing method, allowing customers to choose merchandise marked with a price and haggle with store managers over other considerations. Moreover, as tenancy declined, replaced by waged jobs or small farm ownership, cash replaced credit as the means of exchange. Transactions thus became subject to the more egalitarian modes of "truck, barter, exchange," rather than a hostage to an account book or unscrupulous clerk. By the 1920s, three distinct classifications of stores emerged in every city and town in Mississippi: national chain stores, statewide chain stores, and local proprietors (known colloquially as Mom & Pops).

⁵ Oshinsky, Worse than Slavery: Parchman Farm and the Ordeal of Jim Crow Justice, 118–19.
Though it could vary from store to store and customer to clerk, the economic model of food retailing among Mississippi stores was a series of interconnected levers with negative cause-and-effect relationships. For instance, if a store owner lowered prices to increase traffic, their gross margin - meaning overall difference between a loss and gain - could decrease. Traffic and basket size had to increase sufficiently to compensate for the lower margin. Similarly, if the store added more customer service associates, shoppers' frequency or basket size would have to increase to generate the gross profit necessary to cover the additional overhead expenses. Mississippi food retailers had various means to deal with such levers, and the three major classifications of stores used them in a competitive environment to their particular advantage.\footnote{Russell J. Zwanka and Brian F. Harris, \textit{Category Management Principles} (Lavergne, TN: CreateSpace Independent Publishing Platform, 2016), 58–73.}
National Grocery Store Chains

A&P

In late 1859 or early 1860, George Gillman used a considerable inheritance to start an enterprise in New York: The Great Atlantic & Pacific Tea Company (A&P). Gillman had capital and a knack for marketing. He also had two talented brothers, George and John Hartford, to get the new business up and running. By 1866, their business selling tea and coffee had already amassed an assessed worth of over $1 million. George Hartford bought the business in 1878 and accelerated Gillman's aggressive growth strategies. By 1884, over one hundred and fifty Great Atlantic & Pacific stores stretched from Kansas City to Atlanta, primarily via city and small-town locations.  

Two of George H. Hartford's sons, George L. and John Hartford, took on more responsibility in the company after 1900. Over the next two decades, the Hartford brothers created the concept of the chain grocery store. The Hartfords focused on creating economies of scale by centralizing the purchasing power of a large group of retail outlets. By leveraging their size to reduce costs from suppliers, they could pass along those savings in lower retail prices. Centralization facilitated standardization, which streamlined the cost of operating procedures, store layouts, hiring practices, and other issues that plagued country store proprietors. Indeed, standardization became an essential element of A&P’s brand. It communicated reliability to

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customers during an era of widespread fraudulent weights and measures. A&P’s lower prices turned out to be a competitive advantage, outweighing the relative personalization of service offered by the country or general stores. By 1923, A&P boasted of 9,236 outlets across the country.8

The Great Atlantic & Pacific Tea Company first began doing business in Mississippi at the turn of the century by making agreements with local agents to sell their products. An advertisement on February 8, 1900, in McComb, Mississippi typified what could be found in local newspapers across the state: “If you want tea and coffee, read the advertisement in this issue of Mr. R. A. Haley, agent for the Great Atlantic Tea and Coffee Co.”9 While A&P had agents across the state in the early 1900s, they concentrated on the Mississippi Gulf Coast. The first A&P grocery store in the state may have been in Bay Sy. Louis, as an advertisement for butter from A&P appeared in the local newspaper on July 8, 1903.10 A similar ad indicated the location of a store in Biloxi in 1916.11 The first evidence of an A&P store in Jackson came from an advertisement on March 3, 1928. A&P does not appear in the 1922 Jackson City Directory, so their entrance into the Jackson market occurred sometime between these dates.12

Kroger

At about the same time George Hartford expanded A&P across the country, an upstart entrepreneur began selling groceries on the riverfront of Cincinnati, Ohio. Bernard Henry Kroger was the fifth son of ten siblings born to parents who immigrated to the United States

8 Levinson, 49–84.
9 “Advertisement for Agent for the Great Atlantic & Pacific Tea Company,” The McComb City Enterprise, February 8, 1900, 8, Newspapers.com.
from Germany as children during the mid-1800s. As a lad, he worked all sorts of jobs from farm laborer to peddler. In his early twenties, the Imperial Tea Company promoted him from sales rep to store manager of an outlet in Cincinnati. He negotiated a salary and bonus of ten percent of the store's profits. Since the store had never been profitable, his superiors eagerly accepted his request. Kroger's hard work and business acumen turned the store around, and within two years, he had saved $372. During his tenure at Imperial Tea, he developed an axiom that he carried with him for the rest of his business career: “Goods must be priced in keeping with their quality level.”

Bernard “Barney” Kroger aspired to be his own boss and formed a partnership with B. A. Branagan to open a grocery store. With the $372 he saved from the Imperial Tea job and $350 Branagan borrowed from a local bank, The Great Western Tea Company began selling food and supplies on July 1, 1883. At 66 East Pearl Street in Cincinnati, the store sat on the banks of the Ohio River. That first year, the business weathered three crippling disasters. Branagan killed the horse and destroyed the wagon they used for deliveries when he unsuccessfully tried to beat a train across its tracks. A few months later, the Ohio River swelled over its banks and flooded their store, ruining hundreds of dollars’ worth of inventory. And finally, one of Barney’s brothers died unexpectedly, and he footed the bill for his funeral. The business achieved so much success, though, that they ended 1884 debt free and with $2,260 in assets.

With two successful retail experiences under his belt, Kroger developed his formula for success: be the first to market, only sell quality merchandise, advertise liberally, price for small margins but rapid turnover, and "be particular," meaning only offer for sale that which you

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14 Laycock, 18–25.
15 Laycock, 18–25.
would be willing to buy. He bought out his partner's interest for $1,500 and opened a second store by the summer of 1885. With the formula working, he scaled up the business as fast as possible by opening new store locations. Even though the Depression of 1893 hit the country hard, The Great Western Tea Company thrived because they sold staple necessities at competitive prices. At the end of the year, the company boasted seventeen stores and earned a profit of $112,000. At the age of thirty-three, Barney Kroger was one of the most successful businessmen in Cincinnati, but his vision for how big his company could get and how far it could expand needed more time and effort.¹⁶

In 1902 he incorporated The Kroger Grocery & Baking Company with forty stores in the greater Cincinnati area. He chose the Hamilton, Dayton, and Columbus corridor in the middle of Ohio as his first foray in expanding stores outside Cincinnati. In 1908 he bought out two chains, The Great China Tea Company and the Schnelder Grocery and Baking Company. Kroger ended the year with 136 store locations.¹⁷

Not content with only adding new stores, Kroger also vertically integrated by establishing its own bakery in 1901 and buying Shappell, Nagel, & Co.'s eleven-store meat market chain in October 1904.¹⁸ Both acquisitions were considered revolutionary at the time and industry firsts. Shoppers considered the local bakery and local meat market as their traditional sources of bread and meat in nineteenth-century America. He priced loaves of bread at 2.5 cents, making just a tenth of a cent in profit. However, he overcame the public's reluctance by selling a high-quality loaf at the lowest price in town. Fraud routinely occurred in the meat business. Customers often

¹⁶ Laycock, 18–25.
¹⁷ Laycock, 26–29.
encountered fraudulent weights, measures, and cuts of dubious quality. As Kroger employees, butchers began to heel, and the competitive pressure rippled through the rest of the industry.\textsuperscript{19}

From 1908 to 1917, under Barney Kroger's watch, the company expanded from 136 stores to 516 by sticking to the organic growth strategy of using the company's cash flow to open new stores in the greater Ohio River valley. While he remained president until 1928, Kroger began relinquishing running the company in 1917. Kroger sold his shares in The Kroger Grocery & Baking Company in December 1927 for $28 million and gave each of his surviving six children $1 million each. That same year Kroger, a widower, remarried and split his time between Palm Beach, Florida and Cape Cod, Massachusetts. He returned to Cincinnati periodically as Chairman of the Board of Provident Bank, a financial institution he helped found in 1900. He died in Cape Cod on July 21, 1938, after a bout with Parkinson's disease.\textsuperscript{20}

W. H. Albers, a senior executive with Kroger since 1908, succeeded Barney Kroger as the company's president in January 1928. He immediately engaged the company in a sixteen-month initiative called "Galloping Consumption." His strategy accelerated growth by buying existing grocery store chains in contiguous geographies. He used Kroger's high stock price by leveraging the exchange of shares to execute the acquisitions. During the last eight months of 1928 alone, Albers bought nineteen chains with a total of 1,301 stores. After another year of frenetic dealmaking, the pinnacle of Kroger's store count reached 5,575 in 1929. The company's footprint spread from Michigan to the Deep South and Kansas to Pennsylvania. But, the formula that drove the company's remarkable success for 47 years ran into three brick walls.\textsuperscript{21}

\begin{thebibliography}{9}
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Two of the walls related directly to Albers' "Galloping Consumption" strategy. In most transactions, the founders of the acquired chains negotiated the deal with Kroger. A vital element of the initiative stipulated that the founders stay and run what now became a Kroger division. Complicating matters, their employees’ loyalty to the founder, not Kroger, inclined them to cling to the peculiar operating procedures and management routines of their former company. Kroger made a point of promising to retain all the employees of the chains, but their efforts to engender loyalty did not materialize. Less than half of the acquired stores' employees stayed with Kroger, and by 1932, only three former founders still served as division managers. Kroger also found it challenging to retain customer loyalty in the new stores. Many shoppers resented the big fish swallowing the small fish and preferred to shop elsewhere, even if it meant paying higher prices.22

Kroger did not publicly disclose the prices paid for its acquisitions, but business historians generally agreed they paid an excessive premium. The counterargument that they paid for the transactions with inflated shares of Kroger stock mitigated the valuations. Clearly, though, from Kroger’s financial statements from 1928-1930, earnings per share, return on capital, and gross margins declined precipitously during this period. Integrating the new stores into the chain entailed costs that would take time to absorb.23

On December 15, 1928, flush with success from the year of acquisitions, Albers told The Cincinnati Post, "My feeling is that 1929 is going to be one the outstanding big years for general business. Confidence in the government, indicated in the recent election, shows a satisfied people as a whole."24 However, Albers did not have the luxury of time. From 1925 to 1929, the

22 Phillips, 207.
country fell slowly and then rapidly into an economic depression that lasted until the brink of World War II. The downturn in the economy exacerbated the declining economic performance of Kroger and its efforts to integrate disparate operations. In April 1930, Albers stepped down, and A. H. Morrill replaced him. A Cincinnati attorney and major shareholder in the company, Morrill opposed Albers’ rapid expansion plans.

Morrill faced many commercial challenges. The average size of a Kroger store covered less than 3,000 square feet, carrying 700 items. Because of the acquisitions of competing chains, they ended up with too many stores located too close together. He needed larger stores, able to carry a wider selection of goods, spaced apart more rationally. Morrill embarked on a store rationalization program that dramatically reduced the overall store count. By the end of 1934, Kroger reduced its count to 4,352 stores, a net reduction of 1,223 in less than four years. They closed many more than that, but strategic acquisitions offset some of the closures.

Piggly Wiggly

In the summer of 1916, Clarence Saunders flourished in the wholesale grocery business in Memphis, Tennessee, but he lacked satisfaction with his level of success. He ventured up to Terre Haute, Indiana, to investigate a new grocery store concept; disappointedly, he found nothing he considered innovative. On the train ride home, he daydreamed about the most significant problem he considered grocery stores to have: the overhead of employing clerks and delivery boys. In his vision, he imagined crowds of shoppers harrying clerks “like piglets in the

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barnyard.” Thus spawned the name of his new grocery store concept, Piggly Wiggly. 

Saunders' dream became a reality on September 11, 1916, when he opened his first store at 79 Jefferson Street in downtown Memphis.

Saunders' strategy lowered costs by eliminating clerks and passing the savings to customers at lower prices. He also lowered costs by only accepting cash, bypassing the expense of collecting from good customers, and writing off bad debts of customers who could not pay. On October 9, 1917, the United States Patent Office granted him the first of four patents, this one for a serpentine layout of aisles within the store that forced shoppers to pass by all the store's merchandise, facilitating the self-service model. The addition of aisles and shelving created more space for visual inventory resulting in an unexpected increase in variety. The new store stocked four times the number of items as a traditional store. Self-service enabled the layoff of clerks, but it also transferred agency to the shopper in that she could now pick and choose from a wider variety of goods.

Advertising comprised another critical component of Saunders' marketing strategy. He announced the opening of the first Piggly Wiggly with a quarter-page ad in the *Memphis Commercial-Appeal* on Sunday, August 27, 1916. His ads peppered appeals to the common person by praising their hard work and expressing concern for their financial struggles. He also took swipes at the culture of traditional stores as in the copy of a *Memphis Commercial-Appeal* ad on September 3, 1916: "but the Piggly Wiggly knows its own business best and its business

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29 “A Conversation with Mike Freeman” (Memphis: WKNO, October 4, 2011), https://www.youtube.com/watch?v=RdzSOIrZC0A.
31 Freeman, 24–43.
will be this: To have no store clerks gab and smirk while folks are standing around ten deep to get waited on.”

Saunders opened his second store, "Piggly Wiggly Junior," on October 21, 1916, at 633 Poplar Avenue in Memphis. He leased the building where the Latura family had run a successful grocery business for two generations. It had recently closed when the Memphis police gunned down its third-generation owner, "Wild Bill" Latura. Latura gained a reputation in Memphis and with law enforcement for violent behavior. At the time of his death, The Commercial Appeal reported that he was known to have killed at least seven men. On the evening of August 21, 1916, two Memphis police officers were staking out Latura's grocery store. They suspected him of operating an illegal gambling operation on the premises that also violated liquor laws. Latura emerged from the store and approached the officers, complaining that their presence was "running my help away from here." According to the police, he threatened to kill them and drew a weapon. Patrolman J.C. Lyons shot Latura in the chest; he died as he entered the hospital about an hour later.

"Piggly Wiggly the Third" opened two months later on December 15 at 271 South Main Street, across from the Chisca Hotel. By March 1917, six Piggly Wiggly stores operated in Memphis. While half of the chain's sales came from the original store, "King Piggly Wiggly," all the stores turned a profit. Saunders gained confirmation that his business plan worked, and he now set about scaling up as rapidly as possible.

Piggly Wiggly expanded by leveraging a combination of franchised and company-owned store locations. Patents made franchising more feasible by providing a proprietary standard of operations that franchisees could follow. In just five years, the company had 615 stores in forty states, including Mississippi. The company opened its first store in the state on August 3, 1918, at the corner of Capitol and Farrish Streets in Jackson. While Saunders and Piggly Wiggly pioneered the self-serve, cash-only grocery store model, they attracted stiff competition. An entrepreneur in Jackson, Mississippi, named William Bonner McCarty, had his own ideas and earned a patent for a cash and carry concept named Jitney Jungle. Saunders sued McCarty for patent infringement but lost. Piggly Wiggly and Jitney Jungle would compete against one another in Mississippi for many years.

Saunders excelled as a serial entrepreneur, but his mercurial temperament did not lend itself to the day-to-day operations of running a large enterprise. He took Piggly Wiggly public in February 1922 with a New York Stock Exchange listing. Two months later, the company sold 50,000 shares to the public at $43 per share to raise over $2 million in fresh capital. Saunders became ensnared in a short-selling scheme by Wall Street financiers in 1923. In the process of trying to defend the share price of the stock, Saunders ended up deeply in debt and filed for personal bankruptcy on February 23, 1924. His battle with Wall Street also took a toll on his investors and the Piggly Wiggly board of directors. He resigned under pressure from the board on August 13, 1923, and the board ousted him as the company's President the following week.

Indignant and undeterred, Saunders made a comeback on March 7, 1924, when he opened the

37 Freeman, Clarence Saunders & the Founding of Piggly Wiggly: The Rise & Fall of a Memphis Maverick, 21–59.
first Clarence Saunders Sole Owner of My Name store in Memphis at the corner of Madison and Third Avenues. In April 1924, he solicited investors and launched another chain of grocery stores with that odd moniker. The first Clarence Saunders Sole Owner of My Name store in Mississippi opened on Capitol Street in Jackson on September 6, 1924.

A wealthy Memphian, Leslie M. Stratton, became an early investor in Piggly Wiggly. He and Clarence Saunders socialized in Memphis and their families vacationed together. In November 1919, Stratton became Vice-President of a newly formed Piggly Wiggly Corporation with responsibilities for store operations in the South. In the early 1920s, as tensions mounted between Saunders and Piggly Wiggly investors, Stratton led an investment group that acquired the Memphis area Piggly Wiggly stores. By September 1928, the Memphis Piggly Wiggly Company, Inc. owned 57 stores in the area. On September 21, 1928, Stratton closed the sale of his company to the Kroger Grocery and Baking Company of Cincinnati, Ohio. In December, Kroger supplemented the purchase by acquiring another prominent Memphis chain, Mr. Bowers' Stores. These purchases formed the nucleus of what would become the Delta Kroger Marketing Area, also known as the Delta KMA, and comprised a component of W. H. Albers' "Galloping Consumption" initiative. Later, when Kroger acquired and built stores in Jackson and other Mississippi towns, these stores would report to the Delta KMA office in Memphis.

44 “Mr. Bowers Stores Transfer This Week,” The Commercial Appeal, December 2, 1928, 18, Newspapers.com.
Kroger entered Mississippi in July 1929 by purchasing the Piggly Wiggly-Irwin chain of franchised stores managed by J. M. Reid. The Irwin group included three stores in Jackson.45

**Wal-Mart**

Samuel Moore Walton was born in Kingfisher, Oklahoma, on March 29, 1918. He earned a degree in Economics from the University of Missouri in 1940 and joined the J.C. Penney Company in Des Moines, Iowa as a management trainee. In September 1945, Walton purchased a Ben Franklin franchise store in Newport, Arkansas, with $20,000 borrowed from his in-laws. Ben Franklin stores sold a wide variety of merchandise like clothes, sundries, household items, and other goods, mainly for a nickel or dime. After losing his lease in Newport, he reopened another Ben Franklin franchise store in Bentonville, Arkansas, Walton’s 5&10. He opened a second store in nearby Fayetteville, Arkansas, in 1953.46

Walton developed a retail strategy of turning inventory faster by sacrificing gross margin and undercutting the competition with lower retail prices. In order to do this, he needed a larger store with more working capital to increase inventory. In 1962, he approached Butler Brothers, his franchisor of the Ben Franklin brand, with his discount retail concept. Butler Brothers did not agree with sacrificing margin, so Walton and his brother, Bud, opened Wal-Mart Discount City on their own in Rogers, Arkansas, on July 2, 1962. At 16,000 square feet, the Rogers store measured twice as large as a typical Ben Franklin and with much lower prices. This store

marked the beginning of what would become the largest retailer in business history, Walmart, Inc.\textsuperscript{47}

Sam Walton's business grew steadily but slowly in the 1960s. He added two stores in 1964, one in 1965, two each in 1966 and 1967, and five each in 1968 and 1969. He ended the decade with eighteen discount stores and fourteen variety stores producing over $30 million in retail sales and over $1 million in net income. The store locations concentrated in northwest Arkansas and small, adjacent communities in Missouri and Oklahoma. The lack of capital and a reluctance to take on more debt constrained the enterprise's growth. He capitulated to giving up an ownership stake in the company to finance rapid expansion by taking it public on October 1, 1970.\textsuperscript{48}

Wal-Mart used the financing it found in public capital markets to expand rapidly in the 1970s and 1980s. It pushed beyond its original territory and into neighboring states, including its first store in Mississippi, which it built in Corinth in 1975.\textsuperscript{49} By 1981, Wal-Mart had 330 stores producing $1.6 billion in annual sales, a substantial regional chain but dwarfed by much larger competitors. Sears held the title as the largest retailer of the era with $17 billion in sales, followed closely by K-mart with $14.2 billion. Wal-Mart grew faster than these rivals but needed a national footprint to compete effectively. To accomplish this goal, the company used a two-pronged strategy, expansion into rural and suburban locations and a relentless focus on supply-chain efficiency.\textsuperscript{50} Historian Bethany Moreton added a third key strategy – the


\textsuperscript{49} Vance and Scott, 59.

\textsuperscript{50} Vance and Scott, 81–112.
availability of a large and motivated workforce. She argued that Wal-mart leveraged the evangelical fervor of lower income, Christian women to recruit and retain an efficient workforce who worked for lower wages if supplemented with praise and recognition.51

By 1987, sales surged to $12 billion through 980 outlets in twenty-three states. In order to supply their expanding empire, Wal-Mart opened three distribution centers in 1987, including one in Brookhaven, Mississippi, on April 28. The enormous facility covered almost seventeen acres under one roof, and instantly became Lincoln County's largest employer.52 The company expanded rapidly in the state, with over forty stores already in operation and new store openings in McComb, Newton, Biloxi, and Forest that year.53 As the 1980s began to close, Sears, K-mart, and Wal-Mart locked horns in a ferocious competitive struggle for retail dominance. All three looked for ways to diversify and reinvigorate their stores. For K-mart and Wal-Mart, the grocery business beckoned as an enticing avenue for growth.

During the 1980s, Wal-Mart entered the club store channel with their Sam's Club stores to compete with Costco, Price Club, and BJ's. Groceries comprised a significant category in this concept's offering. Primarily located in urban locations, club stores gained access to new markets for Wal-Mart. To expand groceries in its traditional markets, though, the company experimented with a hypermarket format that combined its standard discount store with a supermarket. The first Walmart Supercenter opened in Washington, Missouri, on March 1,

1988. In August 1991, Wal-Mart announced its intention to build the first Walmart Supercenter in Mississippi in Tupelo. The grand opening of that store came a year later.\textsuperscript{54}

At the same time, K-mart experimented with its own hypermarket concept. They partnered with a large and successful regional grocery store chain in Birmingham, Alabama, Bruno's. The Bruno's-K-mart joint venture opened the first American Fare store in Atlanta in January 1989. On August 16, 1990, they opened their third American Fare on I-55 North at Beasley Road in Jackson, Mississippi. The 147,000-square-foot facility devoted one-third of its space to groceries and two-thirds to general merchandise. Both Bruno's CEO, Ronald Bruno, and K-mart's CEO, Joseph Antonini, participated in the grand opening celebration.\textsuperscript{55}

Sam Walton lived to see Wal-Mart surpass Sears as the nation's largest retailer in 1991. Diagnosed with a form of bone cancer known as multiple myeloma the year before, Walton succumbed to the disease on April 5, 1992, at the age of 74.\textsuperscript{56}


\textsuperscript{56} Slater, The Wal-Mart Decade: How a New Generation of Leaders Turned Sam Walton’s Legacy into the World’s #1 Company, 41–42.
Mississippi-based Grocery Store Chains

McCarty-Holman

In 1912, three cousins from Carroll County, Mississippi – Judson McCarty Holman, William Henry Holman, and William Bonner McCarty – formed a partnership to operate the Jackson Mercantile Company. A large general store, the partners acquired the business from the estate of Mr. McCarty's recently deceased father. In October 1916, the partners decided to diversify into the grocery business. They opened two McCarty-Holman Stores in Jackson, one at 146 North Farish Street and the other at the corner of Gallatin and Langley Streets. The stores operated on a cash-only basis, a departure from the norm. On February 1, 1917, McCarty-Holman Store No. 4 debuted at 900 West Capitol Street. The day before, the Jackson Daily News reported, "The stores always carry a complete and fresh stock of groceries and Store No. 4 will in every way be up to the standard of the firm." By the end of the year, Store No. 5 opened at 122 South President Street.

Collecting payments on credit accounts plagued the partners from the start and proved to be the genesis of the "cash and carry" concept that McCarty-Holman pioneered. At the end of World War I, the partners convinced themselves that converting the store to a self-service model

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57 William Henry Holman, Jr. Jr., “‘Save a Nickel on a Quarter’: The Story of Jitney-Jungle Stores of America” (The Newcomen Society in North America, 1974).
that only accepted cash payments could save 20 percent in operating expenses. This idea of saving "a nickel on a quarter" became the slogan for a new merchandising venture called "Jitney Jungle."

According to family lore, the name came about during a Sunday dinner at the home of Judge V.J. Stricker. During this era, the term Jitney referred to a cheap, five-cent taxi as well as slang for nickels. The partners decided to rename the company Jitney Jingle, but it came out Jitney Jungle due to a printer's mistake. Will McCarty's mantra to "expand or expire" drove the firm's strategy, and the company experienced explosive growth by forming a wholesale operation, McCarty-Holman, and a chain of retail grocery stores, Jitney Jungle.61 The first Jitney Jungle opened on April 22, 1919, in the Winter Building on East Capitol Street. The Jackson Daily News reported “a steady stream of shoppers has been flowing through the turnstiles” and “the visitors were lavish in their praises.”62 The United States Commission of Patents granted patent number 302451 to W.B. McCarty on May 3, 1920 for the Jitney Jungle concept.63 For this innovation, Clarence Saunders sued William McCarty (and lost) in 1921 and again in 1928.64

The grocery business clearly drove growth for the family partners, and on February 1, 1920, the partners announced the reformulation of the Jackson Mercantile Company, their original business, into McCarty-Holman Store No. 1.65 The family also took steps to expand the Jitney Jungle brand and concept by forming Jitney Jungle, Incorporated, to franchise stores

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61 Holman, Jr., “‘Save a Nickel on a Quarter’: The Story of Jitney-Jungle Stores of America.”
outside of Jackson and into neighboring states. The new firm capitalized on January 14, 1923, with W. B. McCarty as President of the firm, and W. H. Holman serving as Vice-President. The franchise model caught on quickly, and a period of rapid expansion ensued. A Jitney Jungle advertisement on March 5, 1927, announced the opening of a franchised store in Arkansas City, Kansas. Ten more would open outside of Jackson within the next thirty days. By the time of the Jitney Jungle Annual Owners and Managers Conclave in 1935, the company boasted of 150 franchised stores operating in the states of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, Tennessee, and Texas.

Meanwhile, the company-owned stores in Jackson continued to grow. On September 12, 1925, Jitney Jungle No. 11 opened on Capitol Street near Lamar Street. Jitney Jungle's most famous store opened on May 25, 1929, on Fortification Street in Jackson. The company officially named it Jitney Jungle No. 14, but most customers commonly referred to it as the "Belhaven store" because of its location near the neighborhood surrounding Belhaven College. The store's architecture followed the Tudor style of some homes in the neighborhood, including that of Pulitzer Prize-winning author Eudora Welty. The store enlarged and remodeled in March 1941.

After World War II and through the 1950s, McCarty-Holman’s business transitioned from franchised stores to company-owned and operated outlets. Store sizes enlarged as Mississippi

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consumers needed additional space to park their cars and find an expanding assortment of products on the shelf. Jitney Jungle No. 14 more than doubled in size to 7,500 square feet with its remodel in 1941 and more than doubled again in May 1957 when it expanded to 16,000 square feet. The company vertically integrated in 1954 by opening an industrial bakery in Columbia, Tennessee, to service its stores.\textsuperscript{71} Trading stamps became another major issue that Jitney grappled with in the 1950s. Many grocers during this era issued "green stamps" to customers based on their purchases. The more a customer bought, the more stamps the customer received. Shoppers pasted the stamps into booklets and could redeem them for merchandise at the store. Trading stamps proved to be an effective but expensive marketing strategy. Jitney Jungle determined that 90 percent of its customers were women, and even though women loved stamps, the company fought them because of the expense. They succumbed to shopper demands in 1958 by offering S&H Green Stamps to customers.\textsuperscript{72}

The company faced management changes as well. The first of the company's founders, Judson McCarty Holman, died on February 2, 1950, and his brother, William Henry Holman, Sr., died on May 20, 1962.\textsuperscript{73} Holman Sr.'s son, W. H. "Henry" Holman, Jr., joined the company in 1954 and Jitney Jungle appointed him to their board on January 12, 1955. In 1958 he became a company Vice-President and Executive Vice-President of the retail business in 1960. Holman became President and CEO in 1967, a job he held until 1995.\textsuperscript{74} W. B. “Bill” McCarty, Jr., another founder’s son, joined the family business after his military service during World War II.


\textsuperscript{72} \textit{Jitney Jungle, Save a Nickel - Life in America}.


McCarty led the firm’s wholesale grocery and convenience store businesses, as well as overall corporate affairs, while Holman ran the retail grocery business.  

On April 1, 1974, a distinguished group of state and local business and civic leaders assembled at the Ellis Isle shopping center in southwest Jackson for the grand opening of a new type of food retailer. Mississippi’s future governor, William Winter, attended the event, along with Jackson’s mayor, Russell C. Davis. Rev. Franklin D. Pollard of First Baptist Church of Jackson delivered an invocation. Henry Holman, Jr. and W. B. McCarty represented the company and their respective families as McCarty-Holman introduced the warehouse store concept to Mississippi by opening their Food Center Warehouse. The idea to sell case quantities to the general public, in an oversized retail space, enabled lower prices and a more competitive store. The Ellis Isle location featured 400 feet of checkout space and 150 linear feet of frozen food coolers. To accommodate the large package sizes, McCarty-Holman designed custom-made, irregularly sized shopping carts.

By 1982, McCarty-Holman opened fourteen Food Center Warehouse stores. The stores achieved success, but the company's management team believed they could perform better. They turned to Harold Evans, a company executive with twenty-two years of industry experience, to provide a solution. He tinkered with a concept that he eventually pitched to Holman and the company's finance wizard, Roger Friou, called Sack and Save Foods. Evans wanted to retain the massive size of Food Center Warehouses but lower costs even further by having shoppers bag their groceries. Holman and Friou gave him a shot to prove his concept when the Food Center Warehouse in Pensacola, Florida, reopened as a Sack and Save Foods on November 1, 1982.

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Malone & Hyde operated as both a tangential competitor and ally to McCarty-Holman for decades. The Memphis-based grocery wholesaler resembled the Lewis Grocer Company in Indianola, Mississippi, in that it supplied independent grocery stores across the mid-South as its primary business. It owned and operated many Big Star-bannered stores in north Mississippi that competed with Jitney Jungle; however, its wholesale distribution operation supplied Jitney Jungle locations too distant from McCarty-Holman's warehouse. Malone & Hyde also hopped on the hypermarket bandwagon by developing the Megamarket chain. In 1988, Malone & Hyde sold out to Oklahoma City-based Fleming Cos. Fleming sought to finance part of the deal by selling the Megamarkets, and they found a ready buyer in Jitney Jungle. On March 9, 1989, Malone & Hyde announced the sale of its four Megamarket locations in Memphis to Jitney's Sack and Save Foods division. Three months later, it sold the Megamarket in Greenville, Mississippi, to Sack and Save. Malone & Hyde would continue to supply the stores as an element of the agreement.\footnote{Peggy Reisser Winburne, “Memphis Megamarkets Being Sold,” The Commercial Appeal, March 9, 1989, B4, Newspapers.com; “Sack and Save Buys in Greenville,” The Commercial Appeal, June 3, 1989, B8, Newspapers.com.}

Jitney did not stop with its bolt-on growth strategy. On February 18, 1990, Henry Holman, Jr. announced their intention to buy the Foodway chain out of Fayette, Alabama. Foodway owned and operated twenty-eight stores in northeast Mississippi, northwest Alabama,
Arkansas, and Tennessee. The acquisition added locations to Jitney's roster in the Mississippi towns of Aberdeen, Amory, Booneville, Calhoun City, Eupora, Fulton, Holly Springs, Houston, New Albany, Oxford (2), Pontotoc, and Water Valley. Foodway's president, Macon Gravlee, approached Holman and Roger Friou because he decided to retire and wanted the chain to end up with owners with similar values. The average size of a Foodway store at ~20,000 square feet compared smaller to that of the average Jitney Jungle (~32,000 square feet). However, Foodway operated in small towns and most often with the largest supermarket in the area.79

By 1990, McCarty-Holman dominated the grocery market share in Mississippi. They led in the largest market, Jackson, and owned the most valuable grocery store in more cities and towns in the state than any of their competitors. How did they achieve such standing? A consistent theme from McCarty-Holman executives and key suppliers centered around the strength of the chain's middle management team, particularly their district managers. Harold Evans, the inventor of Sack and Save Foods, and Ralph Humphries, oversaw eight district managers who supervised between twelve and sixteen stores in a geographical area. All the district managers excelled at managing a store at some point in their careers. The following table details the McCarty-Holman district organizational structure in March 1997:80

<table>
<thead>
<tr>
<th>District</th>
<th>Locations</th>
<th>District Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jackson metro area (4), Meridian (2), Hattiesburg (2), Brookhaven, Vicksburg, Pensacola FL, Greenville, Pine Bluff AR, and Vidalia LA</td>
<td>Ronnie Starns</td>
</tr>
<tr>
<td>2</td>
<td>Memphis metro area (7), Horn Lake, Little Rock metro area (4)</td>
<td>Jody Helms</td>
</tr>
</tbody>
</table>

The Lewis Grocer Company

Around 1870, first-generation Jewish American immigrant, Abraham Herrmann, emigrated from Georgia to Mississippi along with his wife and two children, Sam and Julia. The Herrmanns settled in Lexington, Mississippi, where Julia married Morris Lewis in 1899. Shortly after that, the brothers-in-law formed a partnership to sell wholesale groceries and supplies to the Mom & Pop stores in the area. The business grew, and the partners established a second warehouse operation in nearby Durant, Mississippi. In 1931, the pair took advantage of an opportunity to buy Gibson's Foods and their wholesale grocery operation in Indianola,
Mississippi. These wholesale operations eventually merged into a single entity known as the Lewis Grocer Company.  

Sam and Julia’s cousin, Pauline Paris, asked them to help her son find a job. They cooperated with her wishes, and LeRoy Paris moved from Georgia to Lexington at the age of 23 in 1925 to work in the family business. Morris and Julia Lewis had two sons, Morris Jr. and Celian, who also went to work at about the same time. For the next four decades, this triumvirate of brothers and cousins would lead an enterprise that became one of the largest private companies to be founded in the state. Morris, Jr. ran the company, Celian supervised sales, and LeRoy oversaw the operations. All three businessmen possessed complementary talents and temperaments that made for an effective management team. Morris Jr. graduated from the Wharton School of Finance at the University of Pennsylvania in 1932 and led the company his father founded from 1936 to 1969. He served in the U. S. Army during World War II and rose to the rank of major. He served in many business and civic leadership roles during his life, including becoming President of the Mississippi Economic Council in 1959.  

Morris Lewis, Jr. began planning for a chain of grocery stores soon after taking the helm of the company. “There was this idea of a ‘voluntary chain,’ where independent stores would join together under a common name, agree to buy from a common supplier and to share common expenses,” said Lewis. “That’s where we started to head.” In the late 1940s, after World War II, the Lewis Grocer Company decided to experiment with this retailing concept by creating a

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82 Paris and Paris.
84 Rushing, “Lewis Grocer Marks 50 Years of Progress Here,” 16.
brand called Sunflower Food Stores. Sunflower County inspired the name, and the company theorized that company-owned stores would be reliable customers of the wholesale operations and that a more sophisticated retail operation would provide greater returns than relying so heavily on Mom & Pop customers. They located the first Sunflower Food Store in Philadelphia, Mississippi in 1948. Sunflower hired Brown Williams, son of one of the founders of Williams Brothers General Merchandise and Grocery, as its first store manager. The store did reasonably well, so the Lewises opened a second store in nearby Louisville, Mississippi. The Lewis Grocer Company opened a third store in West Point, Mississippi. At this point, all the company-owned stores operated in the east-central area of the state. On August 1, 1952, Lewis celebrated the grand opening of their first store in the Mississippi Delta on Highway 82 East in Greenville.85

After his discharge from the Army after the Korean War, LeRoy's son, Henry, went to work for Lewis Grocer and assumed responsibility for managing and developing the retail side of the business. Instrumental for limiting the number of company-owned outlets, Henry expanded the retail business through franchising stores to operators in different parts of the state. In this manner, Lewis Grocer could maintain a buying relationship between the franchisee and its wholesale business but leverage other people's capital to expand the business rapidly. Henry Paris eventually founded Southeastern Foods, a chain of Sunflower franchised stores in Mississippi, Louisiana, and Texas.86

In the early 1950s, the second generation of the original Lewis Grocer family members began coming up the ranks in the company. Known within the company as "The Boys," Henry Paris, Morris Lewis, III, Jerry Miller (Morris Lewis, Jr.’s son-in-law), Dudley Burwell (son-in-law of Fay Berman, sister of Morris Lewis, Jr.), and Bob Berman (Fay Berman’s son) comprised Lewis Grocer’s middle management. Burwell, who succeeded Celian Lewis as president on November 2, 1979, stuck with Lewis Grocer for their entire career, the only one of “The Boys” to do so.87

The Lewis Grocer Company and SuperValu Stores, Inc. of Hopkins, Minnesota, announced on May 18, 1965, their intention to merge. In a joint statement, Morris Lewis, Jr. and SuperValu’s J. T. Wyman emphasized that the operations of Lewis Grocer in Indianola would remain independent and run by the current management. In the transaction, Lewis Grocer traded assets for SuperValu stock. At the time of the announcement, Lewis supplied 55 Sunflower Food Stores and estimated it would hit $38 million in wholesale revenue by the end of the year.88

At the same time that McCarty-Holman developed its Food Center Warehouse and Sack and Save Foods concepts, Lewis Grocer had its own warehouse supermarket in the works. The company’s president, Dudley Burwell, modeled County Market after the parent company SuperValu’s Cub Foods banner. The first County Market opened in Monroe, Louisiana, in 1981. More County Markets soon followed in Hattiesburg, Greenwood, and Vicksburg in Mississippi,

Slidell and Ruston, Louisiana, and Pine Bluff, Arkansas. In late 1984, Lewis built two County Markets in Jackson, going toe-to-toe with Sack and Save.89

In the early days of Sunflower Food Stores, four primary franchisees emerged in Mississippi: Sims and Potter Foods in Belzoni, R&M Foods in Hattiesburg, E&R Sunflower in Morton, and a company headed by Ed Townsend in Columbus.90 Roy Sims' and Harrel Potter's stores spread out through the Mississippi Delta and included Kosciusko. In addition to his grocery enterprise, Potter served as chairman of the board of Delta Pride Catfish, Inc., and honored as the Catfish Farmer of the Year in 2012.91 E&R Sunflower owned and operated Sunflower Foods stores along the I-20 corridor in east-central Mississippi in towns including Morton, Forest, Pelahatchie, Mendenhall, Prentiss, and Raleigh. Jimmie Dale Eichelberger served as its president and general manager for over forty years.92

The husband-and-wife team of H. David "Doc" and Carolyn Roberts founded one of the largest Sunflower franchisees, R&M Foods in Hattiesburg, Mississippi in 1969, with their business partner Robert C. Martin. The company opened stores in Hattiesburg, Petal, Laurel, McComb, and Hammond, Louisiana, in a few short years. In December 1982, R&M opened one of Lewis Grocer's new concepts, County Market. Touted as Hattiesburg's largest food store, it occupied 48,000 square feet of floor space, over twice the size of a standard Sunflower Foods

store. R&M's biggest moves occurred in 1987-1988 when they began competing in the Jackson market. In September 1987, it bought the two County Markets in Jackson from Lewis Grocer with plans to open two more within the next two years. Five months later, "Doc" Roberts announced that his firm acquired the six Sunflower Foods stores in the Jackson area from Lewis Grocer. The Hattiesburg American quoted him, "We are happy and delighted to be expanding our market in the Jackson area. We see a great deal of potential in Jackson as a vibrant marketplace."  

As Celian Lewis's retirement approached, Henry Paris positioned himself as the logical choice to take over the leadership of Lewis Grocer. But for a brief time with the family's gas business in Atlanta, Paris worked as a Lewis Grocer executive for over twenty years and a well-entrenched liaison with their customer base. To that end, he flew to Minneapolis in 1974 to meet SuperValu's CEO, Jack Crocker, to confirm his prospects. At the time, Morris Lewis, Jr. presided as chairman of SuperValu's board of directors. Despite these factors, Crocker turned him down cold. When Paris asked him about his chances of succeeding Celian Lewis, Crocker bluntly replied, "I wouldn't promise you a job in the morning." Paris found himself forced to consider other career options. He reached out to his friend and customer in Belzoni, Harrell Potter, who told him that he thought a grocery store for sale in Kentwood, Louisiana, made for a promising opportunity. Paris and Potter partnered to buy the Kentwood store in 1975, the first store of which would eventually become Southeast Foods. Paris teamed up with Jimmy Creel, a savvy store supervisor he knew during his time at Lewis Grocer. Together, they incorporated

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Southeast Foods along with Monte Bee of New Orleans, R. V. Maxwell of Inverness, Mississippi, and David Grundfest of Little Rock. Southeast Foods opened the County Market in Ruston, Louisiana, which proved enormously profitable from its beginning in 1982. By 1987, the company owned and operated twenty-one supermarkets: 11 in Mississippi, 5 in Louisiana, 4 in Arkansas, and 1 in Texas, and became the largest customer of Lewis Grocer.94

Several parallels emerged between the Lewis Grocery Company and McCarty-Holman. Both organized as Mississippi family partnerships founded by brothers and cousins. Both operated wholesale grocery operations and retail grocery stores and competed against one another across the state for both wholesale customers and retail market share. Both developed iconic retail brands, Sunflower (Lewis) and Jitney Jungle (McCarty-Holman) and, later, well-known warehouse store brands, County Market (Lewis) and Sack and Save Foods (McCarty-Holman). Significant differences, however, distinguished them. Jitney Jungle comprised a chain of company-owned stores with franchisees. On the other hand, Sunflower predominantly franchised their stores with very few company-owned outlets.95

Small Town Mississippi: Philadelphia

Philadelphia, Mississippi, the county seat of Neshoba County, typified most other county seats in the state, with a population in 1960 of 5,017. Its population grew slowly, adding only 1,300 residents in twenty years. The grocers in Philadelphia drew customers from throughout the county, which had a population in 1960 of 20,927. About 72 percent of the county was white, and 22 percent was Black. A sizable population of Choctaw Indians gave the area an added dimension of racial identity and demographic diversity.\(^96\)

Jitney Jungle dominated the market share of retail grocery sales in Mississippi for decades. However, they found competing in Philadelphia difficult. They first entered the market in the 1920s. It is not clear when they closed the first store, but they did not reappear until 1963. By 1968 they had closed that store and would not return to Philadelphia until the 1980s. A&P and Piggly Wiggly competed as national chains in the town for many years off and on. A&P finally left the market in the late 1950s while Piggly Wiggly survived repeated corporate dramas to plug along into the 1980s. Sunflower, on the other hand, experienced sustained success in the market from their opening in 1948 through the end of the century. Their first location, though plagued with limited parking, served as the “guinea pig” for Lewis Grocer as it figured out how to stand a grocery store chain up from scratch.\(^97\)

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\(^97\) Paris, A History of Sunflower #1 in Philadelphia, MS.
Local Grocers

In addition to the national and state-wide chains, prominent local grocers competed effectively in the market. Between 1952 and 1975, several stores consistently appeared in phone books, business directories, and The Neshoba Democrat, including City Market & Grocery, Jordan’s Market & Grocery, McKay Grocery, McKee Food Store, Molpus Grocery, Underwood’s Grocery, and Champion Discount Food Center. Together with the chains, this amounted to eleven grocers competing for the business of about 5,800 households in the county.

The Williams Brothers flew under the radar, listed in the General Merchandiser section of the yellow pages; it did a sizeable trade in retail groceries. Founded in 1907 by brothers Amzie and Brown Williams on the outskirts of Philadelphia, the store sold dry goods and farm supplies along with wholesale and retail groceries. Amzie Williams bought out Brown in the 1930s, and he and his wife, Nannie Mae, operated the store for many years. Two of their eight children, Cooper and Peggy, joined them in running the business after World War II. Amzie Williams died in 1964, and Nannie Mae continued to work in the store until her death in 1983. Cooper Williams ran Williams Brothers for over forty years until he retired in 1990. He primarily supervised the grocery side of the business, and he also operated a successful cotton gin behind the store. His wife, Frances, did the bookkeeping while his sister, Peggy Dees, managed the dry goods. Cooper Williams’ only hobby involved going to Ole Miss football games. Later in life, he flew great distances to watch his son-in-law, Archie Manning, play in the NFL, only to return home as soon as possible. He wanted to get back to the store.

98 Sid Williams, Williams Brothers in Philadelphia MS, telephone, May 3, 2022, James R. Gulley, Sr. personal archives.
99 Olivia (Williams) Manning, Williams Brothers in Philadelphia, MS, telephone, May 4, 2022, James R. Gulley, Sr. personal archives.
Cooper Williams’ son, Sid, and Peggy Dees’ daughter, Jane Crosswhite, became third-generation operators of Williams Brothers. Sid Williams reported an equally proportioned clientele among whites, Blacks, and Choctaws throughout their history. While known for the general merchandise side of the store, the grocery business accounted for 60 percent or more of total sales, even back in Amzie Williams’ heyday. Their signature items, hoops of cheese and custom sliced bacon, draw customers from across the region. Choctaw customers prefer to buy their bacon by the slab and cut it themselves with a butcher knife. The store routinely hired employees as diverse as their clientele, a key reason people remained loyal to the store, Sid Williams believed. Williams Brothers did not advertise in the newspaper at all. The owners believed that fair prices and good service would lead to positive word-of-mouth and that marketing philosophy sustained the business, even as many of their competitors advertised heavily.  

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100 Williams, Williams Brothers in Philadelphia MS.
Segregation

As in all of the American South, racial segregation in Philadelphia did not conform to a straightforward social or commercial framework. Segregation happened by mutual agreement (churches, funeral homes), by law (schools, transportation), by socio-economic circumstances (neighborhoods), and via social mores (restaurants, theaters, hotels). Integration was normative in service stations, cotton gins, fishing ponds, hunting lands, and retail stores. As racial tensions rose in the aftermath of Brown v Board of Education, the civil rights movement targeted various segregated places for protests, including commercial spaces.102

101 James R. Gulley, Sr. personal archives
During the 1950s and 1960s, as other commercial spaces faced significant protest for race-based exclusion and injustice, civil rights boycotts did not target grocery stores. Indeed, in December 1962, under the leadership of Medgar Evers in Jackson, Mississippi, the NAACP conducted a prolonged boycott of white-owned businesses, including picketing, sit-ins, and encroachment into white-only spaces. The NAACP’s actions concentrated on the Capital Street area of Jackson, the location of a Woolworths, several department stores, and a stretch of haberdasheries, diners, drug stores, shoe stores, and hotels – but no grocery stores. About a mile away, Jitney Jungle No. 14, the grocery store most shopped by affluent, white Jacksonians at that time, appeared passed over by protesters. There is no evidence that grocery stores in Philadelphia came under protest either.

Shopping for necessities in retail establishments did not present a threat to white hegemony. Blacks and whites dining together, however, violated social mores. This nuance in social policing explains why Blacks could buy medicine and toiletries from Yates Drug Store but not sit at their soda fountain to drink a Coca-Cola. Likewise, Blacks sat in a segregated balcony in the movie theater. The physical space between the races created a barrier to unwelcomed relationships. Blacks and Choctaws shopped freely in Philadelphia grocery stores. While racism lived on in Neshoba County society, the evolution of food retailing in the market provided significant benefits in the form of lower prices, better selection, and greater conveniences to blacks, Choctaws, and whites alike.

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Store Counts and Locations

The number of grocery stores in Philadelphia and their locations in town provided local context for understanding the development of commercial options for customers at mid-century. A comparison of Southern Bell Telephone Yellow Pages and R.L. Polk Business Directories revealed that grocery stores in the Philadelphia, Mississippi area increased from twenty-four listings in 1952 to twenty-nine in 1962. Based on listed addresses, stores located either in the downtown area, on the outskirts of downtown or out in Neshoba County. In 1952, there existed seventeen stores downtown, four on the outskirts of town, and three that could not be determined. Ten years later, the number of downtown stores shrunk to ten while the stores on the outskirts ballooned to eight; four stores appeared out in the county, and seven stores identified as either convenience stores or otherwise unclassified. Three chain stores operated in 1952: A&P, Piggly Wiggly, and Sunflower. By 1962, A&P left the market, Sunflower moved from Beacon Street to 532 Main Street, and Jitney Jungle returned to the market with a store on Highway 19 South.

In 1965, nine stores did the bulk of the grocery business in Neshoba County. Six of nine stood within six blocks of each other downtown. Though not on Main Street, Jitney Jungle and McKee Food Center were considered downtown stores. Only Williams Brothers located in a slightly remote location on the west side of town. No minority group owned or operated any of these stores, and no grocery stores conducted business on the Choctaw reservation or near a predominantly Black neighborhood. It is reasonable to assume that minorities found no compelling reason to operate a segregated store as shopping in the white-operated stores proved acceptable. No financial barrier to entry existed as Black operated establishments requiring as much capital as a grocery store existed. Examples included Webster’s Metropolitan Funeral Home, McClelland's Motel, and several Black churches.

107 Philadelphia, Miss. Telephone Directory (SouthCentral Bell Telephone Company, 1964); Philadelphia, Miss. City Directory.
The Yellow Pages provided businesses with one of three listing types: a standard listing, a standard listing in bold typeface, or a display advertisement. The cost escalated accordingly. In theory, the most successful businesses advertised with the most expensive listing, indicating their ability to afford the investment. However, two of the three display advertisers in 1952 went out of business by 1962.\textsuperscript{108}

\textit{The Neshoba Democrat}

The principal method of grocery advertising in Philadelphia during this period occurred in \textit{The Neshoba Democrat}, a weekly published every Thursday. A random analysis of issues dating back to 1928 revealed many pertinent developments regarding who advertised, how often they ran ads, what items they featured, and how prices changed. A comprehensive analysis of the years 1965 and 1975 also provided additional insights.

Both national chains, A&P and Piggly Wiggly, advertised in the paper consistently and over a long period of time. The first Piggly Wiggly ad appeared in September 1928, but it ran during the period when Clarence Saunders had a dispute with the company. He renamed the stores he owned to "Clarence Saunders Sole Owner of my Name," reflected in how the ad appeared. By 1938, Piggly Wiggly branded ads began running every week until 1965. Their relatively small ads featured a limited number of items, the only themed ads that ran during the Thanksgiving and Christmas holidays. A&P began placing ads in the 1940s and ran them unabated through 1975. Its ads comprised slightly more column inches than Piggly Wiggly's, but in early 1965 they expanded to full-page spreads.

Jitney Jungle closed and opened stores in Philadelphia and their advertising patterns reflect these movements in and out of the market. Some October and November 1928 issues of the paper contain Jitney Jungle ads, but they disappear from the pages until reoccurring in 1963. They left the market again sometime after 1965. Many local stores advertised in the paper from time to time, most of them sporadically. Champion Discount Food Center made a big splash in 1975 by running full-page, or even two-page, ads every week. They featured Pepsi-Cola in ads for the first time. Jordan's Market & Grocery advertised heavily in the 1950s and 1960s, including a Grand Opening sale for their new location in February 1965. The McKee Food Store's activity stood out from its competitors. They regularly advertised in the 1960s and accelerated their efforts with full-page ads in 1972 when they changed their name and affiliation to McKee's IGA Discounter. Underwood's Grocery advertised in all the decades between 1940 and 1970 but not very often, sometimes as little as two or three times a year.

Sunflower Food Stores, by far the most prolific and innovative advertiser in the market at mid-century, ran weekly ads throughout the 1950s, 1960s, and 1970s, the only grocery store in Philadelphia to do so. They expanded to full-page ads by 1963 and made the most of holidays and special occasions. In addition to running Thanksgiving and Christmas holiday ads, which most stores did, it ran themed ads for the store's anniversary, the week of the Neshoba County Fair, July 4th, Easter, Mother's Day, Father's Day, Labor Day, Halloween, Valentine's Day, Back-to-School, and Oktoberfest. They even featured a grand re-modeling sale in a newspaper advertisement. Sunflower featured a soft drink for the first time when they ran a case of twenty-four bottles of Coca-Cola for 89 cents on June 30, 1955.

An analysis of newspaper ads identified the changing nature of grocery store competition over time. Ads in the 1940s and 1950s took up fewer column inches, contained fewer items, and
primarily featured staples like shortening, sugar, flour, coffee, and margarine (also known as ‘oleo’.) The emphasis on staples reflects the preponderance of home baking in the food culture in Philadelphia, which aligned with domestic presentations of food preparation elsewhere in mid-century America. Sid Williams related an anecdote that Williams Brothers bought flour from Oklahoma by the train-car load in his adolescence. He dreaded the days when his father announced the arrival of a load because he would be called on to be part of the unloading crew. He attributed the brisk sales to the local preference for homemade biscuits. Indeed, prepackaged biscuits by Pillsbury did not appear in grocery ads with much frequency until the 1970s.

Advertisements frequently featured three items from the 1940s through the mid-1970s: fryers, bacon, and ketchup. Fryers, whole chickens sold by the pound, were advertised distinctly from baking hens and packs of specific chicken parts. Predictably, bacon appeared often in ads as a perennial favorite, but the appearance of Heinz Ketchup in a 1947 A&P ad was surprising. Ketchup ads up until this point featured generic product, Heinz became the first national brand to appear in a Philadelphia newspaper ad.

From the 1960s through the 1970s, the ads took up more space on the page, doubled and tripled the number of items featured, and (oddly) reduced the number of brand names. The items appearing more frequently included chuck roast, ground beef, ham, sirloin steak, eggs, and white bread. Since the stores butchered meat themselves they had less incentive to advertise national brands of meat. Private label brands of packaged foods eclipsed national brands in ads because they featured lower sale prices. Clearly, by 1975 the grocery stores in Philadelphia carried greater variety of food products than they did prior to World War II.109

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109 “Grocery Store Advertisements” (The Neshoba Democrat, 1928), Microfilm catalog, Roll 8, Neshoba County Library archives; “Grocery Store Advertisements” (The Neshoba Democrat, 1938), Microfilm catalog, Roll 12,
The general public also benefited from food prices that rose more slowly than the inflation rate during most of the post-World War II years. By 1975, however, economic circumstances changed, and prices rose dramatically. For example, bacon averaged 45-55 cents per pound through the 1960s but rose to $1.19-1.39 in 1975. A twenty-five-pound sack of flour declined in price from $1.95 in 1947 to $1.69 in 1965, yet in 1975 it cost over $4. On the other hand, fryers rarely exceeded 49 cents per pound and were priced as low as 29 cents throughout 1965. For most advertised items, though, prices stabilized from 1947 to 1972. During this period, items including ground beef, chuck roast, eggs, and margarine traded in a very narrow price range.\textsuperscript{110}

Beginning in the mid-1980s, grocers like Jitney Jungle and Kroger deployed sophisticated marketing strategies to attract different shopper demographic groups by featuring products associated with the group's preferences. For instance, ethnic foods like tortillas and salsa received ad space to attract Hispanic shoppers. Fried chicken and fruit-flavored soft drinks proved effective in attracting Black shoppers. There is no evidence that Philadelphia grocers used tactics of these types during the period of this study.\textsuperscript{111}


\textsuperscript{111} Gulley, Sr.
In the post-war period of this study, grocery stores welcomed all races to patronize their business and explicitly marketed to women. During an era among the townfolk of Philadelphia of traditional households, women primarily prepared meals at home and bought food and supplies. Stores marketed their business by providing preferable customer service, a wide assortment of items, and weekly advertising specials. Items on “special” demonstrate the practice of marketing to women as they most frequently featured staples (flour, sugar, shortening, margarine) or meat (fryers, chuck roast, ground beef). In later decades, ads marketing to men featured items like beer, snacks, and soft drinks. While the study of grocery store advertising in *The Neshoba Democrat* in 1965 proved helpful in answering questions posed by this study, it also revealed disturbing images and associations to the tragic events of the summer of 1964.
Photo 2. The front page of *The Neshoba Democrat* on January 28, 1965. The story of A&P’s new location and enlarged supermarket is adjacent to the breaking news of how the FBI found the bodies of Chaney, Goodman, and Schwerner.112

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Choctaw Indians

Florence Mars was infamous in certain social circles in Philadelphia due to her 1977 book *Witness in Philadelphia*. A well-known local socialite, she recounted her first-hand experience of living through the traumatic events in Neshoba County from 1964 to 1966. One of the few white Philadelphians to do so, she spoke out forcefully in support of the civil rights movement. As the events of June 1964 began to unfold, Mars agitated and confronted Jack Long Tannehill, editor of *The Neshoba Democrat*, to do more journalistic inquiry into the disappearances. Mars also wrote about cross-racial interactions in Neshoba County, and her insights came from years spent at her maternal grandparents’ country store in the Coldwater community, located about eight miles west of Philadelphia.113 There she witnessed the curious way that Choctaws traded. "They bought only one item at a time, and as a result it took an hour or two to get everything. My grandparents understood this and just stood and waited. After receiving change from one item, the Choctaw would pick another, then another, each time paying and receiving change before selecting the next item. They never overspent."114

Henry Paris observed similar commercial habits among Choctaw shoppers. Soon after the Lewis Grocer Company opened Sunflower #1, they noticed that bottles of Dr. Tichenor’s mouthwash sold at an exponentially higher rate in the Philadelphia store than in any other store in their system. Upon investigation, they learned that Choctaw men bought the product en masse for its purported "medicinal" qualities.115

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113 Mars and Eden, *Witness in Philadelphia*.
114 Mars and Eden, 21, 30.
The evolution of food retailing from country stores to grocery stores improved the agency and standards of living for residents in Neshoba County, including Blacks and Choctaws, for three primary reasons: 1) the self-service model of grocery stores eliminated the clerk as an intermediary in the full-service model of country stores, resulting in greater agency for shoppers as they enabled patrons to self-select products, better understand prices, and avoid fraudulent behavior inherent in the full-service model, 2) the transition to a cash means of exchange enabled grocers to lower prices, improve product quality, and broaden assortment, and 3) the elimination of the “furnish,” integral to country store mercantilism, ended the dependence of tenants on landlords and the passive expectation of rewards.

Competition and the profit motive influenced grocery stores to operate in a more egalitarian manner and seek after the business of all potential customers, regardless of race, even in a racially charged era. This did not mean that white, Black, and Choctaw customers received equal treatment by grocers and their employees but that the evolution of these retail spaces marked an improvement compared to the pre-WWII era.
Big City Mississippi: Jackson

Jackson, Mississippi has been the state capitol since 1821 and is its most populous city. All the major grocery store chains in the state operated in the Jackson market: A&P, Albertson's, County Market, Jitney Jungle, Kroger, Piggly Wiggly, Sack and Save, Sunflower, Walmart Supercenter, and Winn-Dixie. Viable local establishments also appear in the historical record, including Imperial, Liberty, Shopworth, FairWay, Glorioso, Dyer, and H.L. Green. The way to most vividly illustrate the evolution of food retailing in Jackson is by tracking the changes in store size and locations and analyzing newspaper advertisements.
Table 1. Store counts by classification in Jackson, Mississippi

<table>
<thead>
<tr>
<th>Classification</th>
<th>1922 116</th>
<th>1947 117</th>
<th>1952 118</th>
<th>1960 119</th>
<th>1991 120</th>
</tr>
</thead>
<tbody>
<tr>
<td>McCarty-Holman banners</td>
<td>8</td>
<td>12</td>
<td>12</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Lewis Grocer banners</td>
<td></td>
<td></td>
<td></td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Kroger</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>6</td>
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<tr>
<td>A&amp;P</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Piggly Wiggly</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Local chains 123</td>
<td>4</td>
<td>7</td>
<td>5</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Single Store Operators</td>
<td>94</td>
<td>175</td>
<td>205</td>
<td>138</td>
<td>67</td>
</tr>
<tr>
<td>Total</td>
<td>108</td>
<td>194</td>
<td>226</td>
<td>178</td>
<td>107</td>
</tr>
<tr>
<td>Population per store 124</td>
<td>211 125</td>
<td>320 126</td>
<td>435 127</td>
<td>811 128</td>
<td>1,837 129</td>
</tr>
</tbody>
</table>

On the last day of 1985, the first of two deals came down that dramatically altered the retail grocery landscape in Jackson. A&P exited the market by selling seven stores to Lewis

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116 *Jackson City Directory, 1922.*
117 *Jackson Classified Telephone Directory* (Jackson, Mississippi: South Central Bell, 1947), 53–54.
118 *Jackson Classified Telephone Directory* (Jackson, Mississippi: South Central Bell, 1952), 80–82.
119 *Jackson Classified Telephone Directory* (Jackson, Mississippi: South Central Bell, 1960), 94.
121 McCarty-Holman Store, Jitney Jungle, Warehouse Food Center, and/or Sack and Save Foods
122 Sunflower Food Store and/or County Market
123 Locally owned operators of two or more stores, excluding McCarty-Holman banners
124 Total stores divided by U.S. Census population for Jackson, Mississippi
128 U. S. Census Bureau, “1960 U.S. Census.”
Grocer: three in Jackson plus the A&Ps in Meridian, Philadelphia, Forest, and Newton. Lewis kept the Jackson and Meridian stores and flipped the others to E&R Sunflower. A&P shopped the transaction to Jitney Jungle and Malone & Hyde in Memphis, but Lewis won the deal and ended up with thirteen stores in Jackson. A month later, on February 5, 1986, Jitney Jungle announced it planned to acquire seven Winn-Dixie stores, four of which had locations in the Jackson area. Winn-Dixie cited the high cost of servicing the stores from its distribution center in New Orleans as the reason for exiting the market. None of the participants released financial details for either deal. When the dust settled, the Jackson grocery market became a three-way slugfest between McCarty-Holman, Lewis Grocer, and Kroger.

Advertising in Jackson Newspapers

Newspaper advertisements provided the principal method of mass marketing for grocers across the United States in the twentieth century, and Mississippi was no different. Nowhere was this more predominant than in Jackson. National and regional chain grocers competed heavily for the metro Jackson area food business. Newspapers gave them "reach" (the ability to get their message to a broad audience) and "scale" (the ability to spread a single cost across multiple stores.) The flagship newspaper in Jackson during this era was the Clarion-Ledger. The newspaper published a daily morning edition that first appeared in Jackson on January 16, 1888.

In 1895, ads for H. T. Risher and A. Virden's appeared in Jackson's Daily Clarion-Ledger. Both ads looked plain and basic. Risher stated its address at 304 West Capitol Street in Jackson and listed its primary attributes: "Vienna Bakery, Groceries, Confectioneries and Baking

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Supplies." They also informed the readers that they delivered "fresh breads and rolls," and that wedding orders were "a specialty." A. Virden's ad contained more column inches but lacked specificity. They did not provide an address and only referred to their stock as "staple and fancy Groceries."\footnote{132 “Grocery Store Advertisements,” \textit{Daily Clarion-Ledger}, January 1, 1895, 2, 4, Newspapers.com.}

On February 1, 1895, in the same newspaper, T. P. Barr published an ad with more specific information. They offered two choices of butter, creamery or country, and large red and white onions. They did not advertise any prices.\footnote{133 “T. P. Barr Advertisement,” \textit{Daily Clarion-Ledger}, February 1, 1895, 2, Newspapers.com.} The first advertisement that featured specific prices appeared three days later, on February 4, by A. Virden's. They offered the following deals:

- Columbia River Salmon, $1 per dozen
- Canned Mackerel, $1 per dozen
- Little Neck Clams, $1 per dozen
- French Sardines, $1.50 per dozen
- One pound Corned Beef, $1.10 per dozen
- Quarters Devil and Potted Ham, 55 cents per dozen
- Halves Devil and Potted Ham, $1.10 per dozen
- Hucken's Soups, quarts, 22 1/2 cents per can
- Canned Corn, $1.10 per dozen
- Mushrooms, 15 cents, 17 1/2 cents, and 20 cents per can
- French Asparagus, cost 35 cents, now 15 cents per can
- Clam Broth, 30 cents and 40 cents per can, now 15 cents and 25 cents per can
- 1 lb Oysters, 70 cents per dozen
The ad comprised one of seven columns on page four of the newspaper. The only other grocery ad in that paper reprinted the T. P. Barr ad from February 1.\textsuperscript{134} The items featured indicate the needs of A. Virden's customers in 1895. Everything was a canned good conveying that specialized food retailing defined the era. In an urban environment like Jackson, a person bought bread from a bakery, meat from a butcher shop, and whiskey from a liquor store. They either grew their produce, raised chickens, and milked their own cow; or purchased these necessities from farmers. They did rely on grocery stores for staple items like sugar, flour, cornmeal, lard, and baking powder. Interestingly, A. Virden's featured exotic items in its ad rather than those customers most frequently purchased.

A. Virden & Co. also pioneered the next newspaper ad innovation, the holiday ad. On Monday, December 21, 1896, they advertised Mobile Oysters in quart cans; they sold the largest oysters for 35 cents per can and the second size for 30 cents. Virden then urged prospective customers to "place your orders for Christmas now." In prior years, grocery stores ran newspaper ads in mid-December, but this was the first to specify the Christmas holiday as a call to action.\textsuperscript{135}

As Table 1 notes, between 1922 and 1991, 108-226 grocery stores operated at any given time in the Jackson metro area, the vast majority being single-store operators. By contrast, only 8-16 grocers, representing less than a third of all stores advertised in the newspaper.\textsuperscript{136} This contrast indicated that a small number of larger stores competed for the lion's share of the

market. The independent, single-store operators relied on word-of-mouth and reputational marketing within proximity to their store location.

Table 2

Table 2 depicts that the size, content, and frequency of each grocer’s ads changed dramatically between 1925 and 2000. The Dyer Feed & Grocery Store placed more ads in 1925 than any other retailer. Typical of their advertising execution was the week of May 10, when they ran roughly the same ad in all six editions (the Clarion-Ledger did not add a Monday edition until 1930.) They placed each ad on either page 10 or 12 of the paper; it took up ~20% of one column and contained three or four priced items. On May 15, 1980, Kroger ran an ad covering three full pages and two partial pages featuring 261 priced items covering every department in the store.

Table 2 charts the number of pages on which a grocery ad appeared during the years studied. None of the 1925 ad pages and only four pages in 1941 were full-page ads. The

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Gulley, Sr. 137
practice of full-page ads accelerated to 182 in 1960, and by 1980, two-thirds of all ads were full-
page, and most grocers placed multi-full-page ads. Jitney Jungle advertised heavily in all five
years of the study, the only retailer to do so. Other retailers with a significant presence in the
advertised heavily in 1980 but not in the other years surveyed.

Over time, advertisers settled into a pattern of weekly ads placed on what was generally
agreed to be the "best food day." The "best food day" criteria included factors such as when
shoppers were likely to stock their pantries, when they would have the most disposable income,
and when holidays occurred. In 1960, the "best food day" was Thursday, to take advantage of
pantry loading for the weekend. Monday's edition also attracted grocery ads. Very few ads were
placed that year on any other day of the week. Thursday remained the "best food day" in 1980,
but in addition to Monday, the Sunday edition began attracting a substantial number of grocery
ads. The Sunday paper contained four times as many pages as the other editions, plus it featured
specialty inserts like Parade magazine and a television guide.

Ads that specifically called out the name and used the iconography of a holiday played an
essential role in grocery store marketing strategies. Not only did holidays provide a timely
theme that resonated with the public, but the holiday period also caused greater than usual food
consumption. While A. Virden &Co. ran the first known Christmas ad in Jackson in 1896,
Piggly-Wiggly and McCarty-Holman placed the earliest Thanksgiving ads on November 28,
1923. A 4th of July ad ran on June 28, 1930, by IGA and featured soap, olives, apricots, and
grape juice.
In 1925, all the regular grocery store advertisers, except Dyer, ran Thanksgiving and Christmas-themed ads. Jitney Jungle also ran a New Year’s ad. In 1960, the only holiday used for special ads was Easter. In 1980, Labor Day joined the list of holiday ad periods. By 2000, the week of the National Football League’s Super Bowl had become established as a major holiday ad event. Holiday ads were so successful for the grocers that they created their own holidays for store grand openings and the anniversary of the company’s founding.

While the larger, more sophisticated ads in 1980 contained dozens of priced items, most tended to feature in larger, bolder graphics the "lead items" that the grocers believed would drive the most traffic to their stores. "Anybody can run a grocery store. All you have to get right is chickens, watermelon, and Coca-Cola," was the often-quoted axiom of Dick Thomson, owner of Hattiesburg Coca-Cola Bottling Company, until 1992. The items most frequently featured during the years of this research corroborate his postulate: chicken "fryers," beef, bacon, produce, and Coca-Cola.


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virtually disappeared from grocery ads. This outcome reflected a dramatic shift to prepared foods and away from made-at-home meals. Inflation affected the price of bacon, rising to $1.79 per pound.\textsuperscript{139}


When Wal-Mart entered the Mississippi market in 1975, it brought its "Every Day Low Prices" (EDLP) strategy with them. This strategy ran counter to the prevailing supermarket strategy of "High/Low." The "High/Low" strategy extended temporary price reductions on selected items to drive customer traffic. The supermarkets communicated the special prices to the public in their weekly newspaper ads. When all the grocers pursued similar strategies, their appetite for ad pages grew, as did the pressure placed on suppliers to provide special cost savings that they passed on to shoppers. Wal-Mart's EDLP strategy disrupted the status quo and diminished the effectiveness of its "High-Low" competitors.\textsuperscript{140}

\textit{Advertising on Jackson Television}

While newspaper advertising remained the primary media for the state's grocers to reach Mississippians with their marketing messages, several chain supermarkets began using television as early as the mid-1950s. On December 20, 1953, WLBT-TV debuted on channel 3 as the local NBC affiliate. A well-known local Jackson radio personality named Woodie Assaf, a McComb

\textsuperscript{139} Gulley, Sr., “Analysis of Grocery Store Advertisements in the Clarion-Ledger from 1895-2000.”
\textsuperscript{140} Wood, Interview with Gary Wood, retired Coca-Cola executive.
native, appeared on that first broadcast. In the beginning, Assaf read the news, sports, and commercials. He sold advertising and did anything else needed to make the station successful. He also reported the weather. When Assaf retired in 2001, he was the longest-running weatherman in the country, completing forty-eight years of uninterrupted coverage. Assaf had a folksy and engaging personality that resonated with his viewership. WLBT soon became one of the leading local television stations in Mississippi, a distinction it still holds as of this writing.

The growing popularity of television, along with Assaf's appeal, caught the attention of Morris Lewis, Jr. in Indianola. In the mid-1950s, the Lewis Grocer Company began advertising their Sunflower grocery stores on WLBT and using Woodie Assaf as their on-air pitchman. In addition to Sunflower, Assaf developed long-standing commercial relationships with Seale-Lily ice cream (a good-selling brand for Sunflower), Timex watches, and Fedders air-conditioners. Assaf also endeared himself to many Mississippians by serving as the on-air host for many charity telethons, most notably an annual Easter Seals telethon benefitting disabled persons in the state.

Assaf performed his commercials live on-air. He gained notoriety for eating a scoop of ice cream or pouring out detergent from a box of Tide while the cameras rolled. During the latter half of the century, Jitney Jungle and Kroger also advertised frequently on Jackson television stations. Their ads, however, were typically pre-recorded product and price shots. Assaf's principal competitor was Bob Neblett, the weatherman on Jackson's CBS affiliate station WJTV. Neblett was also a much-beloved television personality who did live commercials on the air. However, his exclusive client was Mississippi Power and Light Company and their cartoon mascot Reddy Kilowatt.
Assaf never claimed to be a meteorologist, always insisting that he just "reported" the weather. His famous tagline became, "the weatherman told me to tell you..." He maintained a unique popularity in Mississippi until his death in 2009 at the age of ninety-one. His personal and professional relationship with Lewis Grocer and Sunflower continued until his retirement.

The next section analyzed ways that major historical events of the twentieth century influenced the grocery industry in Mississippi. The research focused on the Great Depression in the 1930s, World War II in the 1940s, and the Great Society in the 1960s. Specific elements of each of these eras applied directly to grocery stores.
Major Historical Events

The Great Depression

Historians and economists have long debated the start and causes of the Great Depression. Many, including John Steele Gordon and Barry Eichengreen, peg its start to the crash of the New York Stock Exchange on October 24, 1929.141 Others, including David M. Kennedy, argue that the mass failure of banks in the waning weeks of 1930 signaled the beginning of the depression.142 The severity of economic woes in the American South during this era, including Mississippi, began much earlier with the collapse of agricultural prices in 1920.143

At the turn of the century, the mechanization of Southern agriculture began to transform the industry. It also spawned several trends resulting in deleterious consequences. First, mechanization required farmers to take on debt to buy tractors and other farm implements. Second, the need for mules and plow horses decreased as the number of tractors increased. Pastureland no longer needed for work animals was repurposed for planting wheat, corn, or cotton. Mechanization, coupled with expanded acreage, enabled farmers to increase their yields and dramatically increase production. As the supply of agricultural products began to outpace

the demand, prices started to fall. Cotton that sold for thirty-five cents per pound during World War I sold for sixteen cents in 1920, and corn that sold for $1.50 per bushel during the war fell to fifty-two cents in 1921.\textsuperscript{144}

Lower prices were a boon to consumers but put financial pressure on farmers as their profit margins eroded. To make matters worse, they now had the added expense of debt service, further deteriorating their finances. Congress responded to farmers’ plight by passing two pieces of legislation during the mid-1920s designed to smooth over the economic turbulence by buying surplus production and "dumping" it on overseas markets and modestly financing agricultural cooperatives. President Calvin Coolidge vetoed both measures as unnecessary intrusions by the government in free-market exchanges. President Herbert Hoover was more receptive to federal action when his administration took power in March 1928. His first significant legislative initiative, the Agricultural Marketing Act of 1929, passed Congress in June of that year. The act authorized the government to buy surplus agricultural commodities and hold them off the market until prices improved.\textsuperscript{145}

The Agricultural Marketing Act encountered stiff resistance from many constituencies but set precedents for similar actions under Roosevelt's New Deal. The act pitted the interests of agriculture against those of consumers, and the grocery industry got caught in the middle. Government subsidies caused higher prices, thus reducing the disposable income of food shoppers and further dampening demand. Less disposable income meant that grocers lost sales of more profitable discretionary items. Softening demand created greater surpluses requiring

\textsuperscript{144} Kennedy, \textit{Freedom from Fear: The American People in Depression and War, 1929-1945}, 16–18.

\textsuperscript{145} Kennedy, 17–18.
stepped-up government subsidies. The act set in motion the unintended consequence of a downward spiral.

When Franklin Roosevelt took office in March 1933, his top priority was to fix the agricultural economy. He signed the Agricultural Adjustment Act (AAA) on May 12, 1933, the first of many significant pieces of legislation he rammed through Congress in his first hundred days. In the Hoover plan, the federal government bought surplus agricultural commodities to dispose of overseas; the AAA aimed directly at over-production by paying farmers to leave fields fallow or plant them with non-surplus crops. Since plants were already in the ground when the legislation passed, the AAA undertook the onerous task of coercing farmers to plow under their crops. Artificially reducing planted acres did raise commodity prices between 1932-1934 but at a tremendous cost to the government. The action also enraged many Americans as the government was destroying food stocks while many of its citizens were starving or suffering malnutrition.146

In the cotton South, ninety percent of AAA subsidies went to the wealthy planter class. Though the law required equitable distribution of funds between landowners and tenants, in practice, this did not happen. The vast majority of Southern consumers, predominantly tied to the agricultural economy either directly or indirectly, faced increasing food costs and falling incomes. These circumstances directly affected Southern grocers as their costs rose in the face of diminishing sales.147

The New Deal retreated in early 1935 as the Supreme Court began ruling its laws unconstitutional. The court began by striking down the Agricultural Adjustment Act on January 6. A revised AAA, designed to comply with recent court decisions, did not pass until 1938. In the interim American farmers returned to out-producing the demand for wheat, corn, butter, and other commodities. The Roosevelt administration again found itself grappling with plummeting commodity prices, burgeoning inventories, and an irate farm lobby demanding action. In response, the Department of Agriculture (USDA) resumed buying excessive stocks. This time, however, Secretary Henry Wallace proposed selling the goods at a steep discount to Americans on relief and the working poor instead of selling to the international market. Grocers across the country howled in protest as the proposal would undermine their sales. Wallace appointed a department deputy, Milo Perkins, to negotiate a plan with the country's large grocery associations.  

The Food Stamp Plan resulted from the industry's lobbying efforts. The pilot program kicked off in Rochester, New York, on May 16, 1939. The USDA’s Federal Surplus Commodity Corporation (FSCC) allowed unemployed citizens to buy "orange" food stamps that grocers redeemed for any food items. For every dollar of orange stamps bought, the FSCC issued fifty cents worth of blue stamps that could only buy surplus food like flour, eggs, butter, and cornmeal. Over the next two years, the FSCC extended the program nationwide and issued food stamps to over four million Americans. American grocers, including those in Mississippi, agreed to accept the food stamps as cash and cooperate with the USDA to get reimbursed.  

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149 Ziegelman and Coe, A Square Meal: A Culinary History of the Great Depression, 243–44.
At the outset of World War II, the American government instituted a program of food rationing that required the cooperation of the country's grocery industry. Historian Amy Bentley argued that the United States did not need to husband scarce resources for the war. However, it used rationing to garner and maintain public support by giving Americans on the home front a tangible way to demonstrate patriotism and participate actively in the war effort. The government feared that the free market would price goods so middle and lower-class shoppers could not afford them. It believed the discrepancy in purchasing power would lead to class strife. Bentley writes, "With demand exceeding supply, government officials immediately recognized the need for rationing programs and price controls, especially for food, to offset spiraling inflation, ferocious black markets, and inequitable distribution of goods."\[^{150}\]

The first items rationed were rubber products, primarily tires. The Japanese controlled areas in the Pacific rim that produced most of the world's rubber supply and the United States government recognized the strategic importance of the commodity. Gasoline was also rationed early on as the stepped-up need for fuel became obvious. In May 1942, the first food product, sugar, was rationed.\[^{151}\] Meat and other products followed suit the following year.

The Office of Price Administration (OPA) developed the regulations and administered the government's pricing and rationing programs. The OPA devised a two-pronged system of stamps and points to curb purchases. People picked up ration books containing stamps from a local distribution point, usually a school, every month or so. Customers bought sugar and coffee


at the grocery store by paying the sales price and redeeming the correct number of stamps at check out. The OPA also issued households six "red" stamps and five "blue" stamps every month. Each stamp equaled ten points in value, so each family had 60 red points to spend on meat and dairy products and 50 blue points on processed foods. The point system gave shoppers flexibility over their diets, and since the points had no expiration date, they could save points for special occasion meals.

The OPA employed a nationwide panel of 2500 housewives to advise the bureaucracy on the appropriate value of points for items. The agency also considered general availability, seasonality, and consumer demand in pegging point values. The point values fluctuated accordingly each month. The OPA encountered numerous regional and demographic problems in its effort to standardize a national program. For example, it adapted to the needs of the southwest United States by printing ration books in Spanish and adjusting the point value of chitterlings in the South.  

The Clarion-Ledger reported on its front page on March 1, 1942, that the government had instituted a rationing program for sugar. The government directed citizens to visit their local public school during the afternoon or evenings of March 17-20 to receive their first sugar rationing books. A subsequent article on March 12 announced the delay of sugar rationing until sometime after April 1. On March 18, 1942, the H. J. Heinz Company took out a five-column ad in the paper exhorting grocers to help stave off food shortages by communicating with their customers. The ad asserted that grocers could be effective conduits of influence since they were "in direct contact with every family." Heinz called on grocers to train their staff to promote

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optimism, downplay calamitous talk, discourage unnecessary stocking up, and help shoppers find acceptable substitutes. Grocers played a role in administering the government's programs and ameliorating societal anxieties.153

With sugar rationing fully up and running in the summer, the government turned its attention to other products. On August 15, the War Production Board warned of local shortages and predicted the necessity of rationing meat, expected to commence in early 1943. Nationwide rationing of coffee began at midnight on November 28 and followed the stamp book model of sugar rationing. Newspapers published notices about sugar and coffee allotments and expiration dates. Here is an example from the Clarion Ledger's classified ad section on February 7, 1943:154

The rationing method for meat, dairy, and other staple groceries differed from the sugar and coffee model. Specific sugar and coffee stamps allowed shoppers to buy specific quantities of these items. The point system devised for all other items, while more complicated, allowed flexibility for what shoppers chose to purchase. Scores of government officials and local civic leaders fanned out across the state in January 1943 to explain the new system to the public. For
example, Dr. N. B. Bond of the OPA and Miss Marcia Sanders of the Hinds County Farm Services Agency appeared at a Bailey Junior High School PTA meeting to review the program, stress the required planning, and echo the public relations messages supporting it.¹⁵⁵

Throughout February 1943, the public received notice in newspapers that widescale rationing of canned and frozen fruits and vegetables would begin on March 1. On that day, the Heinz company ran another public service ad. This time they published a "Ration Budget Form" to assist customers with allocating their points judiciously. The following day Jitney Jungle ran their regular Tuesday ad but with an added tagline: "Points Must Be Surrendered for All Rationed Merchandise." The March 5 A&P ad consisted of a list of fruits, vegetables, and juices with their prices and ration point values. Full-blown food rationing in Mississippi had begun.¹⁵⁶

Grocers in the state faced an extraordinary administrative burden with the point system. Sugar and coffee were relatively straightforward: one stamp for one sized product. The point system required tracking fluctuating values on dozens of items every month as the OPA constantly adjusted the points relative to items and sizes. Collecting, submitting, and accounting for red and blue stamps was more onerous than cash management because cash did not require being mapped back to individual items.

Five grocers in Jackson regularly advertised in the *Clarion-Ledger* during the war years: Jitney Jungle, A&P, Liberty, Ritter, and Community. They all mentioned ration points in their March 1943 ads, but by June, only Jitney Jungle continued to mention points in their advertising.

The OPA ended rationing for most items by the fall of 1944. Jitney continued to mention points until their ad on February 13, 1945.\textsuperscript{157}

\textit{The Great Society and Food Stamps}

The federal government's policy of providing direct aid for the poor to purchase food expanded dramatically in the 1960s in conjunction with the Civil Rights movement and the Johnson administration's "Great Society" program. When the federal food stamp program debuted during the Great Depression, it only featured discounts on selected food products sold in grocery stores and required purchases of surplus food items. The USDA discontinued food stamps in 1943 as WWII all but eliminated unemployment and crop surpluses. They would not reemerge until a pilot program by the Kennedy Administration in 1961. The pilot still called for recipients to buy the stamps at a discounted rate but did away with the requirement of purchasing surplus food. It was not until 1964 that food stamps became codified into law to help poor people purchase groceries.\textsuperscript{158}

During Lyndon Johnson's inauguration speech in January 1964, he declared a "war on poverty" and initiated a sweeping set of government programs to promote opportunity and alleviate suffering. In-kind programs assisted the poor with subsidized housing, direct transfer payments, and nutritional assistance. The government subsidized or paid for school lunches for means-tested students and provided dairy supplements for young children and mothers who were


LBJ’s Great Society transformed the New Deal food stamp program of limited food discounts and mandatory purchase of surplus commodities to a fully funded entitlement of monthly benefits to citizens below certain income levels. The Food Stamp Act of 1964 allowed recipients to buy $6.00 stamps and redeem them for $10.00 worth of groceries only at qualified retailers and for current retail prices, big wins for grocery stores. A pattern of expansion and contraction in the program occurred for the next thirty years.\footnote{Nestle, “The Supplemental Nutrition Assistance Program (SNAP): History, Politics, and Public Health Implications”; Associated Press, “Food Stamp Bill Goes to President,” \textit{Hattiesburg American}, August 12, 1964, sec. page 7, Newspapers.com.} The program’s cost grew faster than its budget as more people enrolled than the government anticipated. Between 1969 and 1974, the food stamp program grew tenfold.\footnote{Katz, \textit{In the Shadow of the Poorhouse: A Social History of Welfare in America}, 266.} In response, congress tightened eligibility requirements, and the cost declined. The Food Stamp Act of 1977 eliminated the purchase requirement for stamps, thus making them a 100% stipend for recipients and ramping back up the cost escalation. With costs skyrocketing and facing a public backlash against government welfare programs, the Clinton Administration sought reforms. In concert with a Republican-controlled Congress, they passed legislation that tightened eligibility requirements, reduced benefits, instituted work requirements, and increased penalties for fraud in 1996.\footnote{Nestle, “The Supplemental Nutrition Assistance Program (SNAP): History, Politics, and Public Health Implications.”}

Mississippi stood to benefit from the food stamp program more than most other states because of its high proportion of citizens living near or below the poverty line. The 1960 United
States Census showed that 54.5 percent of the state's population, 1,173,000 people, lived in poverty, more than any other state. In fact, the next in line was Arkansas, with a poverty rate of 47.5 percent, an astonishing gap of 7 percentage points.\textsuperscript{163} Despite the evident need, the state was slow to adopt the program. The law required individual counties in each state to apply for program participation. The state's Welfare Commissioner, Evelyn Gandy, fanned out across the state with representatives of the United States Department of Agriculture in November 1964 to inform county supervisors of the program details.\textsuperscript{164}

In May 1965, the \textit{Delta Democrat-Times} reported that Washington County supervisors expressed an "interest" in the plan. The delta county's poverty rate was 55.3 percent, above the state average. Harrison County sold food stamps to 246 families on July 1, 1965. The county estimated that two thousand families would qualify. Coahoma County, with a poverty rate of 64.9 percent, got around to distributing food stamps on November 1, 1965, a year after Gandy's tour. Both Scott County (61.2 percent poverty rate) and Marion County (53.7 percent poverty rate) applied in December 1966.\textsuperscript{165}

Even in its ebbs and flows, the food stamp program was a boon to Mississippi grocers. It significantly expanded the disposable income shoppers had to spend on food and beverage, and the law directed this spending to their stores. The $6.00 cost for $10.00 spent of the original program increased the buying power of the recipient by almost 67 percent. One of the first grocers in the state to advertise their acceptance of food stamps was McCaffrey's Food Mart in

\begin{footnotesize}
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\item \textsuperscript{163} U.S. Census Bureau, “1960 U.S. Census.”
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Hattiesburg, which included a notice in their Easter advertisement in the *Hattiesburg American* on April 7, 1966. Food stamps quickly became a routine form of payment and so widely accepted that overt advertising was not effective nor necessary. By the mid-1970s, grocers and their suppliers began timing many advertisements to coincide with the first of the month when recipients received their allotment of food stamps.

As during World War II, the federal government relied on the grocery industry to implement a massive program for the nation’s benefit. This time the program was to fight the domestic war on poverty instead of the war against the Axis powers. This time the industry profited significantly rather than being burdened as before.

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167 Wood, Interview with Gary Wood, retired Coca-Cola executive; Paris, Sunflower Food Stores history.
Epilogue: McCarty-Holman Sells Out

On Friday morning, November 17, 1995, Mississippians awoke to the shocking news that Jitney Jungle planned a merger with the New York investment firm Bruckmann, Rosser, Sherrill & Co. (BRS) for an undisclosed sum. The plan called for no changes to the Jitney Jungle name, its existing employees, or stores. Henry Holman, Jr. would continue as chairman, and senior executives Roger Friou and Hank Holman, III would remain with the new firm.\textsuperscript{168} Pulitzer Prize-winning author Eudora Welty, who famously shopped Jitney Jungle No. 14 in the Belhaven neighborhood, reacted excitedly, "Heavens! It's news to me... I'm sorry it's going to be sold, of course, who could be glad?"\textsuperscript{169}

One of the principles of Bruckmann, Rosser, Sherrill & Co., Harold Rosser, revealed that his firm paid $400 million for the grocery store chain. He indicated that they planned to take the company public.\textsuperscript{170} The price represented quite a premium compared to when Delchamps went public in 1983 for $124 million. At the time, Delchamps had sales of $1.07 billion through 77 stores, while Jitney Jungle did $1.2 billion in sales through 105 stores.\textsuperscript{171} The deal between Jitney Jungle and Bruckmann, Rosser, Sherrill & Co. closed on March 5, 1996. The final sale

price of $373 million bought 71 percent of Jitney, financed by bonds sold by BRS. The new ownership of Jitney Jungle in 1996 did not change the company's relationship with customers and suppliers. Key executives running the day-to-day operations, including David Essary, Harold Evans, and Buddy Winstead, remained at their posts. The chain maintained business as usual for the remainder of the year.172

The inclusion of Michael Julian on the new Jitney Jungle board of directors, formed in 1995, made little sense to outsiders. Julian most recently served as the CEO of Farm Fresh, a fifty-five-store chain headquartered in Virginia. The company prepared for the upcoming retirement of Roger Friou, and on February 3, 1997, they announced Julian as the new CEO to store directors and officers. Even though they criticized Julian for saddling Farm Fresh with debt and making other poor decisions, industry analysts generally applauded the hire.173

In 1994 Gary Wood left the Dr Pepper Company for a position in Jackson, Mississippi, with Coca-Cola USA representing their bottling network to McCarty-Holman. His responsibilities included negotiating the annual marketing programs on behalf of the bottlers with all the McCarty-Holman banners: Jitney Jungle, Sack and Save Foods, Mega Market, and Foodways. Wood, like everyone else, did not know what to expect when he learned of the company's sale to BRS. The development concerned Coca-Cola because of its stable and growing business with the chain. McCarty-Holman ranked second only to HEB in Coca-Cola volume in his region, and any change jeopardized the program. If the company's sale surprised vendors, Julian's appointment alarmed them. Wood immediately did a background check on Julian with the Coca-Cola bottler in Virginia and learned that Julian “ran Farm Fresh into the

172 Pinkston, “The Making of a Grocery Chain,” 4-5B.
ground,” ruining a once vibrant grocery chain. He had a reputation for bringing a rigid business strategy and an inflexible way of doing business.\footnote{174}{Wood, Interview with Gary Wood, retired Coca-Cola executive.}

A few days after the Julian announcement, Wood reached out to him and got an appointment to introduce himself and provide a brief overview of Coca-Cola's business in the market. They met in Julian's hotel room and had a surprisingly cordial meeting. Wood wanted to ensure that Julian understood that Coca-Cola maintained a dominant market share in beverages, much more substantial in Mississippi than in Virginia. Unbeknownst to Wood, his was the first and only vendor meeting that Julian accepted. Other Jitney suppliers besieged Julian with requests for an audience, so he decided to hold one joint vendor session.\footnote{175}{Wood.}

Invitations went out, and one chilly morning a few weeks later, all the vendors servicing McCarty-Holman stores gathered in a downtown Jackson ballroom. Wood recalled how the meeting started, "Mike (Julian) comes out after being introduced, and right out of the gate, he comes across as, hey, I'm from the Northeast, and you little idiots down here in the South have no clue how to do anything, and I'm getting ready to come down here and show you how to do business.” He accused the vendors of taking advantage of personal relationships with McCarty-Holman personnel to negotiate more favorable terms than they deserved. He laid down the gauntlet: prepare to be squeezed. At this point, he recognized Wood sitting on the front row with a contingent of Coca-Cola bottlers and called them out as a company receiving too many ads, too many displays, and too much shelf space. Julian peered out over the audience and said, "Pepsi, I
have no idea where you are in this room, but I'm getting ready to give you some good news. You're going to have a shot.”

As Julian concluded his remarks, he flashed a slide on the presentation screen behind him with the headline: "Vendors are our friends." He then clicked the slide animation to strike through the word "are." Suppliers like Coca-Cola, Anheuser-Busch, Procter and Gamble, Sanderson Farms, and Bryan Foods, each category's market leaders, left the meeting with trepidation. Those playing catch up, Pepsi, Miller Beer, Colgate-Palmolive, and Tyson Foods, relished the opportunity.

On July 2, 1997, a story in the business section of The Clarion-Ledger reported that Delchamps was exploring merger possibilities. Delchamps, a grocery chain based in Mobile, Alabama with 118 stores, sold $1.13 billion at retail in fiscal 1996. The article did not mention Jitney Jungle or any other company as a possible suitor. Six days later, The Wall Street Journal reported that Jitney Jungle Stores of America Inc. reached an agreement with Delchamps to purchase the company for $30 per share, a valuation of $213 million. The purchase price marked a sharp increase from where the stock traded as recently as mid-May. The following day, The Clarion-Ledger reported the deal's value at $260 million because it included debt Jitney Jungle would assume. The deal called for Delchamps to combine its 118 supermarkets with Jitney Jungle’s 104 to create the 39th largest grocery chain in the country. Since little overlap existed between the two chains’ store footprints, the deal made an attractive combination.

176 Wood.
177 Wood.
promising as all this sounded, the Delchamps acquisition and Julian’s marketing about-face set in motion a series of events that would prove disastrous for the company.

Even though not much overlap existed in markets between Jitney Jungle and Delchamps, the Federal Trade Commission (FTC) did require a few divestitures before approving the deal. Julian announced that they intended to sell ten Delchamps stores to SuperValu's Lewis Grocer subsidiary, eight of which in Mississippi. SuperValu ultimately flipped the two Delchamps stores in Hattiesburg to R&M Foods.\footnote{Janet Braswell, “Sunflower May Buy Delchamps,” \textit{Hattiesburg American}, January 14, 1998, 1, Newspapers.com.}

A month after announcing the Delchamps acquisition, Jitney Jungle disclosed that fiscal first-quarter earnings on July 31, 1997, finished up 39 percent compared to the prior year's first quarter. As a private company and not required to report financial information, Jitney making their financial performance public seemed calculated to curry favor with institutional investors who developed a skepticism of the Delchamps deal. Indeed, Delchamps took out a full-page ad in The Wall Street Journal touting the deal's merits the week before.\footnote{“Jitney Ends First Quarter on a High; Earnings up 39 Percent,” \textit{Clarion-Ledger}, August 10, 1997, 1C, Newspapers.com.} Even as they awaited FTC approval, Jitney began implementing their integration plans. They closed Delchamps' regional warehouse in Hammond, Louisiana, and reorganized the company into three operating regions: the Northern Division based in Jackson, Mississippi, the Southern Division based in Mobile, Alabama, and the Louisiana Division based in New Orleans. The Delchamps acquisition closed upon the FTC’s approval on September 11, 1997, doubling Jitney's store count and top-line revenue overnight.\footnote{“Corporate Changes Ahead,” \textit{Birmingham Post-Herald}, September 18, 1997, F1, Newspapers.com.}
The Delchamps acquisition changed Julian's posture toward the ultimate goal for Jitney; he now ruled out a public offering in the foreseeable future. The acquisition added expenses for Delchamps; they ran through $3.4 million in related costs, which swung them to a $1 million loss for the quarter ending September 27, 1997. In February 1998, Julian spoke to an audience of the Downtown Rotary Club and expounded on his growth plans for the new company. He predicted rapid consolidation of the industry, and that Jitney Jungle would not be left behind. He eyed the threats posed by the national chains operating in Mississippi: Kroger, Winn-Dixie, and Albertson's. However, a larger specter loomed over them all: Walmart Supercenter.  

The financial demise of the new Jitney Jungle, with its bolted-on addition of the Delchamps chain, came with breathtakingly swiftness. On February 26, 1998, they announced disappointing sales results, including the admission that same-store (stores opened at least a year) sales declined slightly. As the company continued to report poor operating results quarter after quarter, Julian agreed to an interview with the Clarion-Ledger's Chris Shaw that appeared in the newspaper on June 25, 1998. Julian responded to Shaw's questioning with either vague replies, deflection of criticism, or financially illiterate statements. For example:

Q. Is the debt you took on to acquire Delchamps an impediment to further growth?

A. All this debt is an impediment to earnings. There is a lot of interest so you don't make much money. But it's not restrictive in nature to capital expenditures.

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You just have to manage your cash closely and watch it every day... We're not too highly leveraged that we have difficulty finding capital for what we want to do.\textsuperscript{186}

With operating results deteriorating throughout 1998, Jitney stopped providing financial results to the business press after the February announcement. They received negative press nonetheless, this time from another direction. In June, Julian's former employer, Farm Fresh, filed suit in a Virginia court claiming that four Jitney Jungle executives with prior Farm Fresh employment illegally tampered with their employees.\textsuperscript{187} Even though the Julian era rapidly unraveled, Jitney named him board chairman, replacing W. H. Holman, Jr., who retired after thirty-one years in August.\textsuperscript{188} As 1998 came to an end, Julian reflected on a challenging year. He blamed logistical problems, hiring difficulties, poor customer service, and the competition from Walmart Supercenters as factors influencing their poor performance.\textsuperscript{189}

By early 1999 the rumors swirled, how much trouble did Jitney find itself in? When asked, Julian did not say whether or not they were a takeover target. Many industry stock market analysts still considered Jitney the hunter, not the hunted.\textsuperscript{190} In April, Julian made an astonishing admission: his company owed $530 million in long-term loans, and "you'll never earn your way out of this kind of debt." Only three options seemed open to the firm: 1) sell the chain to another company, 2) offer stock to the public, or 3) sell off some stores.\textsuperscript{191} A month later, it became apparent that Jitney hemorrhaged cash; their long-term debt increased another $15 million since

\begin{footnotesize}
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\item Butch John, “Jitney Jungle Names CEO Julian Board Chairman,” \textit{Clarion-Ledger}, August 17, 1998, 6C, Newspapers.com.\textsuperscript{188}
\item Mark Watson, “Jitney Jungle CEO Silent on Takeover Rumor,” \textit{Clarion-Ledger}, February 5, 1999, 1C, 3C, Newspapers.com.\textsuperscript{190}
\item Robert Schoenberger, “Jitney Facing Debt, Decisions,” \textit{Clarion-Ledger}, April 21, 1999, 1C, 6C, Newspapers.com.\textsuperscript{191}
\end{enumerate}
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the April revelation. Julian made it official on May 24; he needed a buyer for the chain to survive.192

On June 8, the inevitable shoe dropped, Jitney Jungle fired Mike Julian as their CEO. Bondholders streamed for the exits, bidding down Jitney’s debt to 52 cents on the dollar. The once proud company, founded in 1919 by the enterprising McCarty and Holman cousins, neared collapse. The new CEO, Ron Johnson, whom Julian brought with him from Farm Fresh to be his Chief Operating Officer, seemed to be whistling past the graveyard when he mused that Jitney might continue as a stand-alone company. "We have recently had lengthy discussions about running the company on its own," he reportedly said.193

Sales continued to plummet. The firm reported a 4.9 percent decline in sales on August 5 for its fiscal second quarter.194 Jitney’s bond prices collapsed the first week of October as investors feared a bankruptcy filing.195 The company did file for protection under Chapter 11 of the U. S. Bankruptcy Code on October 12, 1999.196 Loyal customers across the state implored the company not to close “their Jitney.” At the time of the filing, Jitney’s debt had skyrocketed to $600 million. They operated 192 stores in six states, including 79 in Mississippi.197

Throughout 2000, newspapers across the state ran stories of Jitney Jungle stores being sold or closed. The McComb Enterprise-Journal reported on March 28 that Jitney planned to

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leave Memphis and Little Rock. The *Hattiesburg American's* front page article on October 31 reported that Winn-Dixie bought the Sack and Save on Hardy Street, the Jitney Jungle on Lincoln Road in Hattiesburg, and the Jitney Jungle in Petal. Hattiesburg's Jitney Premier on U. S. Highway 98 closed in April and never reopened. The headline on the front page of Jackson's *The Clarion-Ledger* on October 31, 2000, said it all: "End of an era: Jitney selling stores."

In the end, Jitney Jungle Stores of America, Inc. sold 68 stores plus the Jitney Jungle brand name to Winn-Dixie for $80.2 million, and 19 stores to Bruno's in Birmingham, Alabama, for $11.25 million. New Deal Supermarkets bought the old McCarty-Holman warehouse and bakery on Mill Street. One hundred thirty-five of the original 222 stores comprising the Jitney Jungle - Delchamps merger sold piecemeal or closed outright. In September 2001, Winn-Dixie began rebranding Jitney stores. By the end of the year, the once ubiquitous Jitney Jungle brand found itself obliterated from the Mississippi retail landscape it dominated less than six years earlier.

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Conclusion

Food retailing in Mississippi changed dramatically during the twentieth century after being moribund during the nineteenth. The state benefitted from the innovations of entrepreneurs outside of Mississippi, like Barney Kroger, Clarence Saunders, and Sam Walton. Advancements in technology transformed the industry's supply chain, category management capabilities, retail point-of-sale systems, and communications. Furthermore, two sets of Mississippi families, the MaCartys, Holmans, Lewises, and Herrmann/Parises, invested and grew businesses that dominated grocery market share in the state for over eighty years.

Mississippians directly benefitted from these investments and innovations. Food became more affordable as prices stabilized while wages increased. The variety of food offerings expanded, giving its citizens a wider array of choices. The industry created thousands of jobs for unskilled, skilled, and management workers. Grocery stores served as a conduit for government programs like rationing during World War II and food stamps during and after the Civil Rights movement.

The century climaxed with the drama of Jitney Jungle's collapse and the ascendance of Wal-Mart. Although the Jitney Jungle, Sack and Save, and Food Center Warehouse brands have faded from the Mississippi landscape, the vestiges of their innovations are still noticeable in the aisles of a Wal-Mart Supercenter, caverns of a Costco, and the gourmet sections of a present-day
Kroger. Sunflower and County Market live on and continue to compete with national chains and local grocers. The Lewis Grocer model of strong franchisees like E&R Sunflower in Forest and R&M Foods in Hattiesburg has prevailed.
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Ph.D. student in History at Southern Methodist University. Concentrating on 20th-century political and business history in the American South. Other interests include the history of economic thought, ancient Christianity, and the Reformation.

EDUCATION

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<td>PhD</td>
<td>Southern Methodist University, History</td>
<td>Beginning August 2023</td>
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<tr>
<td>MA</td>
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<tr>
<td>MA</td>
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<td>Thesis: <em>Food Retailing in Mississippi, 1895-2000</em>&lt;br&gt;Advisor: Dr. Darren Grem, Readers: Dr. Ted Ownby and Dr. Rebecca Marchiel</td>
</tr>
<tr>
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WORK EXPERIENCE

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<td>Commercial Real Estate, Timberland, and Equity Investments&lt;br&gt;General Partner</td>
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<td>Global beverage conglomerate&lt;br&gt;Sales and Marketing Executive</td>
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Christ Presbyterian Church (PCA), Oxford, Mississippi
Worship Committee, guitarist, 2018-present
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Research Fellow. Responsible for historical research and the development of literature on the history of the farm, William Faulkner’s ownership and stewardship of the property, and its eventual acquisition by the University.

Don Lavoie Fellowship, Mercatus Center at George Mason University 2021-2023
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PUBLICATIONS

Gulley, Sr., James R. “Greenfield Farm: Faulkner, Mules, and Time.” The Journal of Mississippi History, revised, resubmitted, peer-reviewed 11/19/2022, currently editing per peer review feedback.

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