

For Immediate Release February 14, 2019

Independent Together

Allegiance Retail Services announces the return of Pathmark Supermarkets

Brooklyn, NY / Iselin, NJ - The iconic name Pathmark, among the most innovative supermarket chains in the northeast from the 1970's through the early 2000's, is now poised to reemerge onto the grocery scene. A 49,000 sq. ft. Pathmark is currently under-construction in central Brooklyn, NY, scheduled to open late March or early April 2019, in a storefront which ironically operated as a Pathmark until the A&P bankruptcy in 2015.

It was from this bankruptcy proceeding, that Allegiance Retail Services, LLC, purchased the intellectual property of the Pathmark name and associated marks to increase the number of banners available to coop members, and, more importantly, to develop a format to target a specific and under-served consumer segment.

Allegiance Retail Services, LLC is a supermarket cooperative which has 32 members operating 120 retail supermarkets in three states: New York; New Jersey and Pennsylvania. At one time the members of the cooperative were fierce competitors of rival Pathmark, but that ended abruptly when A&P liquidated all retail operations in August 2015.

After the purchase of the Pathmark name, Allegiance Retail Services began a brand review and market analysis, then developed a business plan and refined the format's operating principles. Additionally, Allegiance set-up rigorous guidelines related to a 'go-to-market' operating strategy, physical requirements, and the experience needed to potentially be designated as a Pathmark operator. Some of the physical requirements associated with the Pathmark format include a store measuring at least 30,000 selling square feet; a full parking lot with easy ingress / egress; and a local consumer-base which aligns with the profile associated with Pathmark's past success.

This location in Brooklyn meets all the criteria set by Allegiance, and why not, this storefront was a successful Pathmark location for many decades. Aside from meeting all the physical requirements, the demographics and life-stage of consumers proximate to 1525 Albany Avenue, Brooklyn, matches nicely with the profile developed to be serviced by a Pathmark. That profile being a disproportionate number

of area residents who are millennial families with one or more children, who demand wide variety, strong promotions, everyday values and ingredient-based products.

Although very optimistic about this banner's future, Allegiance will assess the response to this first unit, before announcing any additional new or retro-fitted existing units.

Store Name: Pathmark of Albany Ave.

<u>Address</u>: 1525 Albany Ave., Brooklyn, New York <u>Store Opening</u>: Late March / Early April 2019

Supermarket Cooperative: Allegiance Retail Services, LLC

Owner / Operators: PSK Supermarkets

About Allegiance

Allegiance Retail Services, LLC supports independent supermarkets (e.g., Foodtown, Freshtown, Frescho, D'Agostino, LaBella Marketplace, Brooklyn Harvest, Market Fresh and Big Deal Food Market) for retail success by providing them with marketing, advertising, technological and merchandising support, as well as a full line of private label items. For more information, visit www.allegianceretailservices.com.

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