

# ary Story



### On the move to a new location—visit us in Bramalea

The Carlton Street head office has become too small to accommodate the rapid growth of K mart. Bursting at the seams, we are moving to a new location in the City of Bramalea. The new three-story building, at the corner of Highway #7 and Torbram Road, is formed by four modules that make a T-shape. The outer modules contain spacious offices, open secretarial space and sample rooms. In the core module is a staff cafeteria, comfortable lounges, board rooms and a large shipping/receiving area. Special attention has been given to energy conservation. The building is extremely well insulated. It is constructed with a minimum use of triple glazed windows. Each office has individually controlled thermostats for complete employee comfort. The attractive tan and bronze colour scheme is the same as the nearby Distribution Centre. Opened in 1975, it is a complex and organized system. Designed to be fully computerized, the advantages are enormous. Storage is more practical and distribution of merchandise more efficient. Once an order is received from the store, it is shipped within 24 hours. Speedy delivery means our stores are always well stocked.

### Roland Lawson, President K mart Corporation Canada

"I am happy to be a part of K mart at a time when it has gone through its most dynamic changes. Our program's success is mainly due to the hundreds of dedicated employees. We work as a team. Sales people, stockroom workers, store managers, buyers and office staff have all contributed greatly. Our business recognizes individual achievement and we pride ourselves on having a large number of long term employees. The Kresge Company changed its name to K mart Corporation in 1977 and I am honoured to be part of the family. I want to sincerely thank everyone for their tremendous effort."

### Congratulations for over 30 years of dedicated service!

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| <b>49 years service</b><br>VIOLA OLIVER                          | <b>41 years service</b><br>R. PAQUET<br>L. ROUSSEAU | <b>36 years service</b><br>JOAN RICKARD   | <b>31 years service</b><br>J. S. REID<br>J. S. PETERS<br>R. G. EDWARDS<br>J. E. PEARCE<br>R. G. BELLAMY<br>W. J. LAMB<br>J. F. McLEAN<br>RUTH HENDERSON |
| <b>48 years service</b><br>GERTRUDE CADDELL                      | <b>40 years service</b><br>MARJORIE BARRIE          | <b>35 years service</b><br>WINNIFRED TILL<br>MARIE LAMB<br>R. BLANCHETTE                        | <b>30 years service</b><br>R. GOUR<br>D. S. CORNELL<br>T. A. MILLS<br>MARY MCCONNELL<br>D. J. SOOLEY<br>K. M. MORTON<br>NEIL KENNEDY                    |
| <b>45 years service</b><br>ELIZABETH McCULLOUGH<br>H. J. BEACHAM | <b>39 years service</b><br>C. A. NADEAU             | <b>33 years service</b><br>P. BUICK   |   |
| <b>44 years service</b><br>JEANNE COX                            | <b>38 years service</b><br>T. A. NADON<br>A. NADEAU | <b>32 years service</b><br>E. S. GLUTA<br>G. B. GRADEEN<br>MARY ANN NEALON<br>MARGARET CAVANAGH |   |
| <b>43 years service</b><br>DOROTHY MCKEEN                        |   |   |   |
| <b>42 years service</b><br>J. B. NEWTON<br>DORA DINI<br>D. LUNN  | <b>37 years service</b><br>ALICE DUNCAN             |   |   |



When the K mart program first got off the ground, the extent of its success was not anticipated. Frank Leier, Executive Vice President and Chief Operating Officer says, "Fifteen years ago we thought only a few stores would open. Now there are 103 K marts in Canada with no end in sight."

Mr. Leier, an employee of 38 years, has witnessed the maturing of the company. For instance, the Management Training Program has given K mart the reputation of being a producer of well-trained people. Now it has been updated because employees start with a better education.

Mr. Leier explains, "In a K mart store there is a full stockroom staff so the trainee starts as an auxiliary man. He learns each facet of the operation and if he has potential he goes into the assistant managers program."

Advertising is another area which has expanded immensely. Along with

numerous flyers and newspaper ads distributed across the country, television and radio commercials provide an excellent guide for the shopper.

Michael Clarke, Senior Vice President Store Operations and Management says, "We are aggressive merchandisers and equally aggressive in recruiting high calibre people. This ensures the growth and strength of the company."

"Trainees come from all over the country. In areas where there are many K mart stores, the local colleges interview candidates for our management training program."

"Each new store opening is looked upon as an opportunity and responsibility to develop future management."

Mr. Clarke started in 1946 as a Kresge stockman in Kingston, Ont. He has been a store manager, District Manager and Vice President of Personnel.

"We have a higher capacity computer in a K mart store than we did 20 years ago in our head office," says William Moffat, Sr. Vice President and Chief Financial Officer. Obviously there have been a lot of changes.

"We were one of the first retailers in Canada to have a computerized merchandising system. The twin IBM 360-40's perform many functions which speed up delivery of orders and monitor stocks and prices. There is also a system for accounts payable, payroll and sales reporting."

"The computer in the new Bramalea head office will be four times larger. Our buyers will have video screens which link up to the main computer."

"Half the K mart stores have micro computers. Orders are processed overnight and transmitted to head office. In the future computers will take on more jobs and will be installed in all K mart and large Kresge stores."

### A giant step forward—The birth of Kmart

Changing life styles mean new shopping habits. Through the years Kresge has kept a watchful eye on the world market. It was discovered that today's consumer is more astute than ever. Low prices are a must when trying to keep a balanced budget. But now consumers also demand better quality for their money. Modern merchandise is a necessary addition. So, a brand new concept was designed to give the consumer a real break. That's why K mart was born.

Located in the suburbs, K mart provides shoppers with department store merchandise for discount prices. What makes K mart unique is the convenient layout. All your purchases can be made on one floor, under one roof. Everything from spark plugs to tires, nails to power tools, hosiery to complete outfits, curtain rods to furniture, skates to bikes, hairpins to stereos and more.

Years ago the Kresge people went to work getting ready for K mart. Salesmen were trained to handle new merchandise and discount prices were established. To top it off we included famous name brands—the same products that other stores sell—but we discount the prices.

When customers see our red and blue logo, they know they are buying quality merchandise. Since K mart name brands first came on the market in 1964, every item has been tested to ensure that the quality is equal, or superior to others on the market. A testing laboratory in the States is available to our buyers. But we do not always need sophisticated methods to test our products. For example, the

K mart Battery was certified in the homes of our K mart Brand Committee. The May 1978 Toronto Star Price Watch feature by Marilyn Anderson found the K mart battery to be the best buy of all carbon batteries tested.

How can K mart continue to discount prices without going broke? We carry quality merchandise in a specifically limited range. Instead of stocking a wide variety of types, our buyers pick out the products which best represent each market. They know what sells—they're experts. This means rapid turnover and less storage pile-up. Then we turn these gains over to the customer.

K mart added Kresge's good-old-fashioned satisfaction guaranteed, to make a winning combination that's tough to beat. A combination that puts K mart ahead of most retail companies.

The K mart seed was planted 16 years ago. The idea quickly flowered and now there are 103 K marts flourishing across Canada.

Every year consumers see progress. Stores constructed in new communities provide better shopping facilities. Because we are so price-competitive, many surrounding establishments keep a close eye on their prices. K mart also goes in for periodical face-lifts. We test new fixtures, displays and lighting. Our merchandise assortment will always be improving.

K mart—a store built to keep up with the times. And we think that's important because we know our customers expect it.

### VALUE-PRICED MERCHANDISE—meet the men who make it possible!

Providing Canadians with the best value for the best price is the Merchandise Department's function. Our merchandising team ensures that K mart buyers stay ahead of the market to offer consumers a carefully selected range of quality items.

After 38 years with the company, Gerard Boyer, now Merchandise Manager, Textile Apparel Division, points out that even though K mart discounts prices the quality is never in question. "And that includes the import department. Over eighty per cent of our merchandise is Canadian-made. We also import products we believe have the most value. Our world wide import offices are run by K mart personnel who have the interests of consumers at heart."

Norbert Kerber, Vice President of Merchandising started in 1944 as a stockman in the first Canadian Kresge store in Kitchener, Ont. "Working with dedicated people has made me proud to be a K mart employee during this exciting 50th Anniversary."

"We've come a long way since Kresge first stocked low priced hammers, pliers and saws," remembers Harold Toblason, Merchandise Manager, Hard Goods Division and employee of 42 years.

"For instance, top line power tools, power saws and a complete paint assortment are standard items in our hardware department. But the important fact is consumers can always take advantage of our competitive prices."

