

## ETCETERA

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## OPENING A GATEWAY TO THE FUTURE

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It's 8 p.m. Thursday and friends call to say they're coming for the weekend.

The house is a mess, there's not a thing in the fridge and you've got meetings that run late into Friday afternoon. By the time you hit the 404, battle traffic, arrive home and feed the kids there will be no time for shopping before they arrive.

Do you spend the next few hours tidying up or head to the all-night grocer?

Why not split the difference and hit the Internet to order your groceries online — from eggs and milk, Pinot Noir to Pampers, GroceryGateway.com will deliver.

And if you fire off your grocery list to the Toronto grocery firm tonight, they can deliver the next day when you know you'll be home.

This is the future of grocery shopping — no annoying line ups, no carts to squeeze the kids into and no schlepping to the car and home again.

Taking a cue from the grocery boy who put a basket on his bicycle to deliver your bread and milk, GroceryGateway.com wants to revolutionize the mundane and time-consuming task of the weekly shopping list.

Partnering with the Longos chain of grocery stores, Bill Di Nardo created GroceryGateway by forming a series of partnerships with the idea that customers would become loyal if a quality product arrived at their door each time.

After teaming up with Longos, Compaq computer, Royal Bank and other corporate partners, the idea is starting to pay off.

"We've been around for a couple of years but it's only in the last six months where the business has really taken off," said John Mozas, vice-president of marketing for GroceryGateway.

Three years ago, Di Nardo wrote a business plan for an e-grocer and tried to raise some money to get his start-up company off the ground.

The early days are reminiscent of other entrepreneurs with a dream, but no backing — Di Nardo quit his day job and ran up his credit cards trying to get it off the ground.

But then, after struggling with his concept to deliver groceries to the masses using the Net, Di Nardo secured \$32 million in venture capital from private investors allowing the company to expand from six employees to 120 and lease a 75,000 square foot facility in Mississauga. Mozas says they've also invested heavily in the technology side of the company.

Right now, the service runs out of four Longos locations across the GTA where personal shoppers hand-pick and pack the orders. GroceryGateway coverage is limited at this point to York Region, as far

north as Newmarket, Peel Region, parts of Halton and all of Metro Toronto.

GroceryGateway is not alone in taking grocery shopping online. Soul Provisions Inc. of Richmond Hill doesn't charge for delivery with a minimum \$40 order, but orders are by phone or fax and also offer dry cleaning and

shoe repair.

There are no photographs of the products at Soul Provisions, only a list that indicates name brand and price, which appear somewhat higher than GroceryGateway.

"Shopping" at GroceryGateway involves registering at the website, which is free, which provides you with a password that later allows you to return to the site and pick up with a shopping list you may not have finished.

Once you're in the site, click on an "aisle" and then a category to shop from. The categories show pictures of all brand names, including the price. Click on the item to add to your list, which begins to accumulate at the side of the screen.

Bargain hunters looking to stock up the pantry can click on "week's specials" to find staple items on sale each week and impulse buys are reduced because there are no special displays luring you to buy the cookie of the week.

And if you thought convenience would translate into inflated prices, comparisons prove that isn't the case. Besides the \$6 delivery charge, most regular grocery items are less than other major food chains.

"Our pricing is exactly Longo's pricing," said Mozas, who hints Metro Toronto shoppers may be getting a better deal from GroceryGateway. "The major chains are higher priced downtown than in the suburbs. We are lower priced than a downtown Loblaws, which is amazing to me."

For example, four litres of 2 per cent milk was \$3.29 compared to \$3.49 at Dominion and 1 kg of Kraft peanut butter was \$2.99.

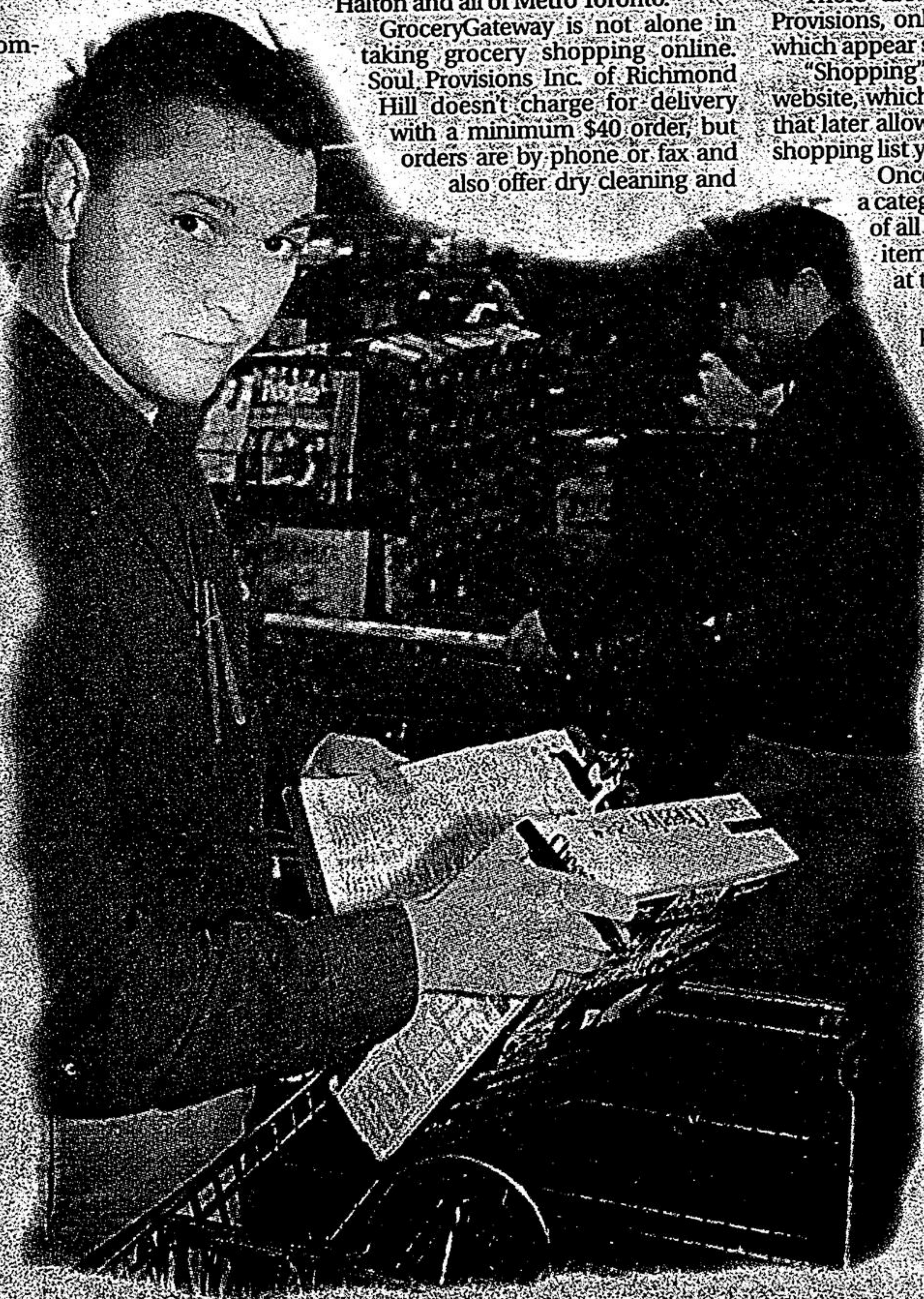
Meat is shown with the per kilogram price and the picture shows what units it is sold in so you know how many to order.

Three delivery times are offered to customers — 11 a.m. to 2 p.m., 2 p.m. to 5 p.m. and 7 p.m. to 10 p.m. with no Saturday delivery yet, but the site promises that may become available soon.

Wine and beer can even be added to the list, although it is limited to micro brews such as Brick, Laker, Conners, Algonquin and Formosa Springs. Wines can be selected from an offering of Kittling Ridge, Henry of Pelham. (Delivery staff are required by law to make sure customers are 19 years and older.)

Customers can also make changes to submitted orders and change delivery times within two hours of delivery.

See SERVICE, page 17.



STAFF PHOTO/SJOERD WITTEVEEN

Steve Torrance, regional manager of grocery.gateway.com, shops for one of his many Internet customers at Longo's. The company says customers will put trust in its service after just one delivery.

**McChicken®**  
**MONDAYS**

**\$1.49**  
Plus tax

**Hamburger**  
**WEDNESDAYS**

**59¢**  
Plus tax

**Cheeseburger**  
**SUNDAYS**

**69¢**  
Plus tax



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