

Grocer Named Chairman of the National Association of Chain Drug Stores

As health and wellness concerns grow, NACDS membership has benefits for supermarkets

by Lorrie Griffith/editor

It may seem a stretch for a grocer to be named chairman of the board of a chain drug store association, but not when considering that many of them operate pharmacies and that “their business is in health and wellness,” according to Jim Whitman, SVP of member programs and services at the National Association of Chain Drug Stores (NACDS) in Washington, D.C.

Randy Edeker, chairman, president and CEO of Hy-Vee Inc. in West Des Moines, Iowa, was installed in April as chairman of the NACDS board, serving a one-year term. As chairman, Edeker will work with the NACDS board of directors, the organization’s officers and executive committee members to develop NACDS’ policies and priorities and will help carry out the organization’s mission. The mission of NACDS is to advance the interests and objectives of the chain community pharmacy industry, by fostering its growth and promoting its role as a provider of healthcare services and consumer products.

Edeker, whose company operates more than 235 supermarkets in eight states in the Midwest, says he is honored to serve NACDS in this evolutionary time in the industry.

“Coming together as an industry to better understand consumers’ ever-evolving healthcare needs and how to respond to those changes is extremely important,” Edeker said. “I look forward to working with NACDS members and the board of directors to help guide the industry on key issues and policies.”

He says these include ongoing changes related to Medicaid; healthcare delivery; attitudes and expectations of care; specialty pharmacy; quality measurements; technology and patient-managed health; Millennial trends; cyber security; growing collaboration among companies through NACDS; and government and political involvement.

Edeker first joined the NACDS board in 2013 and, in 2014, served as treasurer of the board. Edeker succeeded John Standley, chairman and CEO of Rite Aid Corp., as chairman.

During his first address as chairman of the board on April 27, Edeker announced that Hy-Vee will contribute \$100,000 to the NACDS Foundation to support research to advance public health.

NACDS’ Total Store Expo coming soon

Whitman spoke with *The Shelby Report* earlier this year about NACDS’ Total Store Expo this summer, which Edeker will oversee as chairman.

The event, Aug. 22-25 at the Colorado Convention Center in Denver, has become the association’s premier event, uniting what used to be three meetings into one. This is the third year NACDS has held the united Total Store Expo.

Whitman explained why the choice was made to go to one four-day event per year instead of three separate events.

“Listening to our members and also taking a look at how the industry was changing, how their businesses were changing and the processes within their businesses were changing, we took a look at the services and benefits we



TOTAL STORE EXPO

were providing and came to the realization that we could better serve them,” Whitman said. “It was really for the manufacturers and retailers that we made the change. We explained to them what our premise was, and we got unbelievable, unqualified support: ‘You’re really on to something, that’s how we’re actually going to market within our companies,’ they told us. So it made sense to do it.”



Randy Edeker



Jim Whitman

So today, it’s three shows in one. One part is supply chain and technology; a second one is pharmacy/prescription drugs. That second part includes products, technology, personnel issues and regulatory issues.

“Like food, pharmacy is a very heavily regulated piece of the business, and that’s where a lot of the information is exchanged in terms of the programming we’re doing at Total Store Expo,” Whitman said.

The other piece is non-perishables, “which is a huge growing segment, and your pharmacy actually reports into the leadership within the food company” where these items are concerned, Whitman said.

The expo features educational workshops that Whitman refers to as “insight” sessions, some of which offer continuing education credits.

Its “Meet the Market” program involves hundreds of pre-scheduled appointments between buyers and sellers (retailers and manufacturers/suppliers) that they set up themselves. NACDS does offer a collaborative agenda tool for the parties so that they are on the same page when they sit down together at the Expo. That way, the meetings can be both productive and efficient.

This setup “is actually very common now at a lot of shows, but we were at the forefront of it,” Whitman said.

“We are able to have close to 9,000 (meetings) all day on a Saturday.

“Having the key leaders of all retailers and manufacturers there makes it a very efficient way of doing business. When you think about it, you can see 50, 60 companies over a three-day period,” he said. “Can you imagine having to schedule 60 conference calls like this? It would take you a year just to do that. Our role is to help people who have invested time and dollars to be very efficient. We are going to give them all the tools they need to be efficient before they get here so that when they do get here, they can hit the ground running.

“Our surveys indicate about 93 percent of the people return because it’s been a good use of their time,” he added, noting that return rate was out of 6,000 attendees.

There also is a traditional trade show component as well as evening networking opportunities at the Total Store Expo, which draws people with a wide range of job titles, according to Whitman: “chairman, CEO, president, all the way down to the category buyer on the front-end side or the prescription drug buyer on the pharmacy side; senior executives as well as their support people, from manager, director, VP, SVP, all the way up to the chairmen.

“You’re able to meet a lot more people—above you and below you and your own peers. That’s what it’s really all about as you’re trying to grow your own career and improve yourself,” Whitman said.

Whitman noted that Edeker brings his entire senior management to Total Store Expo, “and they’re there for a specific reason—to meet with as many suppliers as possible to find new products, find new innovation, talk with their peers, discover trends...from the senior level to the buying level so they can make decisions effectively and in a very cost-efficient manner.”

This is an ideal time for grocers to get involved in NACDS because of the ever-growing emphasis on health and wellness across the store.

“If you look at it from the entire health and wellness picture, take a look at their pharmacy, their health & beauty care areas, their OTC areas, their prescription areas and even some of their general merchandise areas, those are the areas NACDS also is involved in,” he said. “These are important and growing segments of business right now for our pure food and drug members. If you look at our food members, they’re actually increasing their participation because for all the non-food areas of the store, the main relationship is going to be with the suppliers that come to Total Store Expo.

“It’s a great opportunity to learn from your peers, identify the leading trends, see the new products and make both the strategic and tactical kinds of decisions to grow your business and be profitable. There are lots of challenges out there, and everyone needs to find ways to grow their margins and differentiate themselves and be a little bit better for their customers, and that’s what we’re about,” Whitman said.

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—Jim Whitman, NACDS