

Montvale-based supermarket operator The Great Atlantic & Pacific Tea Co., or A&P, has notified the state that it will eliminate 355 jobs when it closes three South Jersey Pathmark stores in September.



AP FILE PHOTO

A&P, which operates about 300 stores under the A&P, Pathmark, Waldbaum's, Superfresh, Food Basics, Best Cellars and Food Emporium banners, emerged from Chapter 11 bankruptcy protection in March 2012.

A&P, which has been closing underperforming stores and selling off some of its real estate assets to raise cash over the past year, has announced it is closing Pathmark stores in Camden and Cherry Hill, and in Edgewater Park in Burlington County.

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The employees in the three stores are covered by a different union than workers in the North Jersey Pathmarks, so North Jersey employees can't be bumped from their jobs by the

laid-off workers, according to North Jersey union officials.

A&P did not respond to questions about the layoffs, or comment on whether more store closings were planned. "We are unable to comment on the operation of our business," said Shariff Duncan, from the company's media relations office, in an email.

A&P, which operates about 300 stores under the A&P, Pathmark, Waldbaum's, Superfresh, Food Basics, Best Cellars and Food Emporium banners, emerged from Chapter 11 bankruptcy protection in March 2012. Since then it has announced various plans to reduce costs, including closing stores. It is trying to sell its Food Emporium division.

John Niccolai, president of United Food and Commercial Workers Local 464A in Little Falls, said the union hasn't heard that any store closings are planned for North Jersey. "The last information we received on the company is that they're doing better in terms of their EBITDA [earnings before interest, taxes, depreciation, amortization]," he said. "They're not making a profit yet, but they're doing better than they were before, and, of course, that's good news for us," he said. Local 464A and other unions representing A&P workers agreed to concessions that allowed the company to emerge from bankruptcy.

Matthew Casey, owner and principal at Matthew P. Casey and Associates, a retail real estate analysis firm specializing in the supermarket industry based in Clark, said the three South Jersey stores being closed most likely were chosen because they were losing money. "When they can close them, or if the lease is up, they're getting out when they can," Casey said.

He said the Pathmark stores have generally performed better in North Jersey, and he hasn't heard of any closings there, but said it is possible A&P is looking at underperforming stores in North Jersey as well.

"They're in financial trouble and they need to do what they've got to do to save money," Casey said. In North Jersey, A&P "has some fantastic real estate," he added, and if they closed certain stores "they're on such good corners, or such good locations, that another supermarket or another retailer would jump on it in a second."

Email: verdon@northjersey.com

North Jersey Media Group Inc.