

VILLAGE SUPER MARKET INC  
Form 10-Q  
December 07, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

FORM 10-Q  
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended: October 29, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

Commission File No. 0-2633

VILLAGE SUPER MARKET, INC.  
(Exact name of registrant as specified in its charter)

NEW JERSEY 22-1576170  
(State or other jurisdiction of incorporation or organization) (I. R. S. Employer Identification No.)

733 MOUNTAIN AVENUE, SPRINGFIELD, NEW JERSEY 07081  
(Address of principal executive offices) (Zip Code)

(973) 467-2200  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No \_\_\_

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No \_\_\_

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12-b2 of the Exchange Act.

~~Large~~ accelerated filer x  
accelerated  
filer

q  
Non-accelerated  
filer  
q  
(Do  
not  
~~Shell~~ reporting company q  
if  
a  
smaller  
reporting  
company)

Indicate by check mark  
whether the Registrant is a  
shell company (as defined in  
Rule 12b-2 of the Exchange  
Act). Yes \_\_\_\_\_ No

Indicate the number of shares outstanding of each of the  
issuer's classes of common stock, as of the latest practicable  
date:

December 7, 2016

Class A Common Stock, No Par Value 9,851,625 Shares  
Class B Common Stock, No Par Value 4,319,256 Shares

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VILLAGE SUPER MARKET, INC.

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## PART I - FINANCIAL INFORMATION

Item 1. Financial Statements  
VILLAGE SUPER MARKET, INC.  
CONSOLIDATED BALANCE SHEETS  
(In thousands) (Unaudited)

|  | October 29,<br>2016 | July 30,<br>2016 |
|--|---------------------|------------------|
| <b>ASSETS</b>  |                     |                  |
| Current assets   |                     |                  |
| Cash and cash equivalents  | \$ 65,858           | \$ 88,379        |
| Merchandise inventories  | 43,235              | 42,011           |
| Patronage dividend receivable  | 17,821              | 13,185           |
| Notes receivable from Wakefern   | 21,463              | —                |
| Income taxes receivable  | 6,207               | —                |
| Other current assets   | 17,550              | 16,259           |
| Total current assets   | 172,134             | 159,834          |
| Property, equipment and fixtures, net  | 202,332             | 201,470          |
| Notes receivable from Wakefern   | 21,731              | 42,735           |
| Investment in Wakefern   | 27,093              | 26,467           |
| Goodwill   | 12,057              | 12,057           |
| Other assets   | 7,900               | 7,691            |
| Total assets   | \$ 443,247          | \$ 450,254       |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                     |                  |
| Current liabilities  |                     |                  |
| Capital and financing lease obligations  | \$ 527              | \$ 514           |
| Notes payable to Wakefern  | 935                 | 341              |
| Accounts payable to Wakefern   | 56,133              | 59,186           |
| Accounts payable and accrued expenses  | 17,458              | 17,240           |
| Accrued wages and benefits   | 15,042              | 16,313           |
| Income taxes payable   | 122                 | 5,702            |
| Total current liabilities  | 90,217              | 99,296           |
| Long-term Debt   |                     |                  |
| Capital and financing lease obligations  | 43,048              | 43,184           |
| Notes payable to Wakefern  | 316                 | 377              |
| Total long-term debt   | 43,364              | 43,561           |
| Pension liabilities  | 26,493              | 26,740           |
| Other liabilities  | 8,999               | 8,922            |
| Commitments and contingencies  |                     |                  |
| Shareholders' Equity   |                     |                  |
| Preferred stock, no par value: Authorized 10,000 shares, none issued   | —                   | —                |
| Class A common stock, no par value: Authorized 20,000 shares; issued 10,190 shares at October 29, 2016 and July 30, 2016 | 56,209              | 55,196           |

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|   |            |            |
|---|------------|------------|
| Class B common stock, no par value: Authorized 20,000 shares; issued and outstanding 4,319 shares at October 29, 2016 and July 30, 2016 | 701        | 701        |
| Retained earnings   | 235,122    | 234,175    |
| Accumulated other comprehensive loss  | (13,072 )  | (13,339 )  |
| Less treasury stock, Class A, at cost: 338 shares at October 29, 2016 and 353 shares at July 30, 2016                                   | (4,786 )   | (4,998 )   |
| Total shareholders' equity  | 274,174    | 271,735    |
| Total liabilities and shareholders' equity  | \$ 443,247 | \$ 450,254 |

See accompanying Notes to Consolidated Financial Statements.

## VILLAGE SUPER MARKET, INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts) (Unaudited)

|                                      | 13 Weeks Ended   |                  |
|--------------------------------------|------------------|------------------|
|                                      | October 29, 2016 | October 24, 2015 |
| Sales                                | \$389,692        | \$389,529        |
| Cost of sales                        | 285,044          | 284,042          |
| Gross profit                         | 104,648          | 105,487          |
| Operating and administrative expense | 91,131           | 91,338           |
| Depreciation and amortization        | 6,063            | 5,958            |
| Operating income                     | 7,454            | 8,191            |
| Interest expense                     | (1,117 )         | (1,128 )         |
| Interest income                      | 688              | 563              |
| Income before income taxes           | 7,025            | 7,626            |
| Income taxes                         | 2,916            | 3,196            |
| Net income                           |                  |                  |