



## case 1-429-371 February 17, 2014

## Whole Foods Market: A Luxury Grocer in Detroit?

"We came [to Detroit] to confront the issues of elitism and racism because people perceive Whole Foods as only serving a particular community . . . and I don't like that."

---Walter Robb, co-CEO, Whole Foods Market

"It's not for us. I feel that they're moving black people out of Midtown."2

-Derick Williams, Midtown Detroit resident

"People smell phony. Only go if the intent is right: if you're going to uplift people and give them access to food."<sup>3</sup>

-Larry Austin, Detroit Store Manager, Whole Foods Market

## Introduction -

On a chilly December evening, Detroit Whole Foods Market store manager Larry Austin wrapped up a meeting with the local nonprofit Focus: HOPE on boosting local employment opportunities. As he made his way back to the store, Austin took in the familiar images of empty lots and boarded-up homes while the city's underground energy system eerily poured steam out onto the cold streets. Turning off Mack Avenue into the Whole Foods Market entrance, Austin smiled with satisfaction at the now-common sight of a full store parking lot. The store had successfully operated since opening in June 2013 amid both skepticism and pride.

As Austin stepped into the store, he was warmly welcomed by a guard stationed at the door and took note of the usual diversity of customers strolling the aisles. The Whole Foods Market in Detroit was like others in terms of layout, from piles of fresh produce to a café-style prepared food section, but it was built with a décor reflecting Detroit's distinct character, including brightly painted murals and tables constructed from car scraps (see **Figure 1**). Austin was proud of the selection of Michigan-made products such as Garden Fresh salsa, McClure's pickles, Kenzoil dressing, and Motor City Brewing Works beer, and hoped to go even further in supporting local producers.

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2014 Claire Boland, Heping (Cindy) Fu, Kristine Schantz, and Daniel Voce-Gardner. This case was written under the supervision of Andrew Hoffman (Holcim Professor of Sustainable Enterprise at the Ross School of Business) at the University of Michigan by graduate students Claire Boland, Heping (Cindy) Fu, Kristine Schantz, and Daniel Voce-Gardner as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.