



FOR IMMEDIATE RELEASE

JUNE 3, 2011

Contact: Michelle Brady, Tobacco Commission
Phone: (804) 225-2027
Internet: michelle.brady@tic.virginia.gov

Greg Kelly, Town Manager
(276) 628-3167
gkelly@abingdon-va.com

Christianne Parker, Washington County
(276) 525-1305
cparker@washcova.com

Tammy Baumgardner, Food City
(276) 623-5100, ext 5734
baumgardnert@foodcity.com

FOOD CITY SELECTS FORMER JMH HOSPITAL AS NEW CORPORATE HEADQUARTERS SITE

~ Company to invest \$20.4 million and retain/create 375 jobs ~

ABINGDON, VA – The Virginia Tobacco Indemnification and Community Revitalization Commission, the Washington County Board of Supervisors and the Town Council of Abingdon, Virginia announced today that Food City will locate their new corporate headquarters at the soon-to-be vacated Johnston Memorial Hospital site in Abingdon, VA. Food City currently operates 106 retail supermarkets in Kentucky, Virginia and Tennessee and employs over 13,000 associates company-wide.

For Abingdon and Washington County, this project involves the retention of the 350 existing corporate employees, as well as the 25 new employees needed to operate the company's state-of-the-art data center. Food City anticipates a capital investment of \$20.4 million dollars at the JMH Hospital property.

Food City has had a presence in the Abingdon area for over 35 years. In the last 10 years, the company has experienced tremendous growth, not only at its distribution center in Washington County, VA, but throughout its chain of supermarkets. This growth prompted the necessity of the relocation, as the company rapidly outgrew its facility on Trigg Street in Abingdon and began to actively evaluate potential locations.

“We are pleased to be able to maintain our headquarters in the Town of Abingdon and Washington County”, says Steven C. Smith, Food City President and CEO. “We are extremely grateful for the support of this community, the Town, County, Tobacco Commission and our legislators, without whom none of this would be possible. Johnston Memorial Hospital has helped us acquire a location that will accommodate our corporate growth for years to come.”

“We are proud to be the home of Food City's corporate headquarters,” says Abingdon Mayor, Ed Morgan, “Our town benefits from their business activities, vendors, customers, and corporate support for entities ranging from the Barter Theater to the United Way.”

Dulcie Mumpower, Chairman of the Washington County Board of Supervisors adds, “Food City is a wonderful corporate citizen and a huge economic engine for our County. We are so pleased with their decision to keep their new headquarters in Abingdon.”

Johnston Memorial Hospital Board Chairman, Otey Dudley stated, “On behalf of Mountain States Health Alliance and the Johnston Memorial Hospital Board of Trustees, we could not be more pleased with this announcement. Our hope was to create a strategic re-use for this property that would have a positive impact on the community. This is a win for the hospital, the company and the community.”

“The Virginia Tobacco Indemnification and Community Revitalization Commission is proud to be a partner in this important project”, says it’s Chairman, Delegate Terry Kilgore, “Food City creates valuable jobs and provides leadership for many initiatives that improve the quality of life for citizens throughout the entire region.” Delegate Joe Johnson of Abingdon adds, “Food City has done so much for Abingdon and Washington County, we are glad to be able to support their efforts to grow and expand.”

###