

Reinhold Karau
Nominated by Jeff Kleiman

Success by recognizing needs, taking a calculated risk and innovating.

At the age of 12, Reinhold Karau left the family farm and headed into Marshfield where he found work unloading grain cars for the Uthmeier-Hintz General Store. Reinie (as he became known) moved from unloading grain for livestock to working in the retail end of the town's nascent grocery business. It became a wise move, especially as the local economy continued to diversify and expand. Marshfield's population increased dramatically by the time that Reinie Karau appeared, close to 8,000 residents. Urban life, in a city of any size, required goods and services to assist the residents in surviving this new alternative to rural and agricultural life.

Reinie saw opportunity here and began to learn the grocery business from the Weber brothers, moving on to manage the first two grocery chain stores in town owned by The Great Atlantic and Pacific Tea Company (known as A&P). For the four years between 1927 – 1931, Karau studied and practiced the responsibilities of assuring enough inventory to provide well-stocked shelves. At the same time, he understood the challenge of pricing goods in a competitive manner without jeopardizing profit margins or sacrificing quality. This inspired him in the innovations that took place in his own shop in 1932.

Throughout his professional life, Reinie possessed a powerful asset: the willingness to innovate, to take a calculated risk. Until Karau opened up his shop in 1932, the shop owner and employees stood behind the counter, gathering everything from the customer's shopping list, placing, wrapping, and packing the items before purchase. However, his customers carried a basket moving from one item to another, choosing their purchases carefully. In the days before shopping carts (these did not appear until 1937), such an innovation sped up the movement and volume of shoppers while increasing the speed and the volume of inventory from the shop. Under Reinie's redesign of the concept, women decided what kind, how many, and which sort of food items to buy without waiting for employees to find requested goods. He also innovated by offering refrigerated, freshly cut, pre-measured portions.

Reinie's own supply chain also drew from local farmers north of town. In Mannville, he bought three farms to provide his business with fresh produce and meat. Each farm specialized in a limited range of production, such that one farm focused on vegetables and chickens, while another supplied hogs and potatoes, the third grew peas that Reinie sold to the Marshfield Canning Company that, in turn, ended up on his store shelves for the customer. During the Second World War, the local draft board exempted Reinie due his role as an important source of reliable quality food.

In November 1940, Reinie moved to create something new again, after purchasing 337 South Central Avenue. In addition to the enhanced self-service grocery selection (now including frozen foods made commercially possible by Clarence Birdseye), he leased space for a bakery and a freshly cut butcher's shop to complement the pre-cut and pre-portioned refrigerated meat section. Moving beyond food, Karau also rented space to Mitten's Home Appliances, giving another new locally-owned business the chance to set up and succeed.

This new enterprise was called a "supermarket," a term growing around the country since the mid-1930s. More than a "market" in terms of the smaller, crowded stores of decades earlier, this



(To More Photo)

enterprise signaled something different, even more so than the introduction of self-service or the simple expansion of an earlier business. Weather did not have to play a role or inconvenience. Opening up in August 1941 the store became a feature of the downtown. Yet it was more than an important source of groceries, it proved that once again Reinie's willingness to take a calculated risk through innovation that yielded success.

After the end of WW2, Karau planned an expansion that would include a self-contained area without adjoining grocery stores or other businesses. Customers would come via auto for the sole purpose of shopping at Karau's. As always arose the question as to where this new concept would be best to develop plagued Karau: location. The old Washington School stood south on Central Avenue possessing a large enough land to hold both a newly expanded supermarket with the envisioned parking lot.

Reinie continued service in public life for the next decade, involved with the Marshfield Chamber of Commerce and Industry where he also advocated for zoning a new industrial park on the city's southeast side. His foresight and innovative drive once again anticipated wider ranging zoning practices in American cities. Sadly, his contributions to civic betterment had to end upon a diagnosis of a terminal illness, a form of leukemia.