

VILLAGE SUPER MARKET INC

Form DEF 14A

October 31, 2011

**Table of Contents**

SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES  
EXCHANGE ACT OF 1934 (AMENDMENT NO. )

Filed by the Registrant  [X]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- o Preliminary Proxy Statement
  
- o Confidential, for Use of the Commission Only  
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- b Definitive Proxy Statement
  
- o Definitive Additional Materials
  
- o Soliciting Material Pursuant to Section 240.14a-12

Village Super Market, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

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**TABLE OF CONTENTS**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

PROXY STATEMENT

SECURITY OWNERSHIP OF CERTAIN

ELECTION OF DIRECTORS

NOMINEES

INFORMATION REGARDING THE BOARD AND ITS COMMITTEES

REPORT OF THE AUDIT COMMITTEE

NOMINATION OF CANDIDATES TO THE BOARD OF DIRECTORS

COMMUNICATION WITH THE BOARD OF DIRECTORS

CODE OF ETHICS

EXECUTIVE COMPENSATION COMPENSATION DISCUSSION AND ANALYSIS

COMPENSATION COMMITTEE REPORT

SUMMARY COMPENSATION TABLE

2011 GRANTS OF PLAN-BASED AWARDS

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

OPTION EXERCISES AND STOCK VESTED

PENSION BENEFITS

NONQUALIFIED DEFERRED COMPENSATION

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

DIRECTOR COMPENSATION

PERFORMANCE GRAPH

TRANSACTIONS WITH RELATED PERSONS

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

SELECTION OF INDEPENDENT AUDITORS

PROPOSAL 3 -- ADVISORY VOTE ON EXECUTIVE COMPENSATION

PROPOSAL 4 -- ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON  
EXECUTIVE COMPENSATION

SHAREHOLDER PROPOSALS FOR 2012 ANNUAL MEETING

OTHER MATTERS

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**Table of Contents**

**VILLAGE SUPER MARKET, INC.**

**733 Mountain Avenue**

**Springfield, New Jersey 07081**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**December 16, 2011**

**Important Notice Regarding the Availability of Proxy Materials for the  
Shareholder Meeting to Be Held on December 16, 2011**

**The Proxy Statement and 2011 Annual Report are available at  
<http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=12706>**

The Annual Meeting of the shareholders of Village Super Market, Inc. will be held at the offices of the Company, 733 Mountain Avenue, Springfield, New Jersey 07081 on Friday, December 16, 2011 at 10:00 A.M. for the following purposes:

- (1) To elect eleven directors for the ensuing year;
- (2) To ratify the appointment of KPMG LLP as our independent registered public accounting firm ( independent auditors ) for the 2012 fiscal year;
- (3) To vote on a non-binding advisory resolution to approve the compensation of the Company's named executive officers, as described in this proxy statement; and
- (4) To vote a non-binding advisory basis regarding the frequency of future advisory votes on the compensation of the Company's named executive officers.

To transact any other business which may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on October 14, 2011 as the record date for the determination of the shareholders entitled to notice of and to vote at the meeting and any adjournment thereof.

By order of the Board of Directors,

Nicholas Sumas,  
*Secretary*

October 31, 2011

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**Table of Contents**

**VILLAGE SUPER MARKET, INC.  
733 Mountain Avenue  
Springfield, New Jersey 07081**

**PROXY STATEMENT**

**December 16, 2011**

**Annual Meeting of Shareholders**

This Proxy Statement and the accompanying form of proxy are being furnished to shareholders of Village Super Market, Inc. (the Company) in connection with the solicitation by and on behalf of the Board of Directors of the Company (the Board) of proxies to be voted at the Annual Meeting of Shareholders (the Annual Meeting) to be held at the offices of the Company, 733 Mountain Avenue, Springfield, New Jersey on December 16, 2011 at 10:00 a.m. and at all postponements or adjournments thereof. You may obtain directions to the Company's corporate headquarters by contacting investor relations by telephone at (973) 467-2200 extension 220 or by e-mail at kevin.begley@wakefern.com. This Proxy Statement was mailed and/or made available to shareholders on or about October 31, 2011.

At the close of business on October 14, 2011, the Company had outstanding and entitled to vote 7,303,696 shares of Class A common stock, no par value (Class A Stock), and 6,376,304 shares of Class B common stock, no par value (Class B Stock). The holders of the outstanding shares of Class A Stock are entitled to one vote per share and the holders of Class B Stock are entitled to ten votes per share. Shareholders of record at the close of business on October 14, 2011 are entitled to vote at this meeting.

All shares of Common Stock represented by properly executed proxies will be voted at the Annual Meeting, unless such proxies previously have been revoked. Unless the proxies indicate otherwise, the shares of Common Stock represented by such proxies will be voted for the election of the Board of Directors' nominees for directors, to ratify the selection of KPMG LLP as independent auditors, to approve the compensation of the Company's named executive officers, and to approve the frequency of future advisory votes on the compensation of the Company's named executive officers. Management does not know of any other matter to be brought before the Annual Meeting.

Directors are elected by a plurality of the number of votes cast. With respect to each other matter to be voted upon, a vote of a majority of the number of votes cast is required for approval. Abstentions and proxies submitted by brokers with a "not voted" direction will not be counted as votes cast with respect to each matter.

Any shareholder who executes and delivers a proxy may revoke it at any time prior to its use by: (a) delivering written notice of such revocation to the Secretary of the Company at its office; (b) delivering to the Secretary of the Company a duly executed proxy bearing a later date; or (c) appearing at the Meeting and requesting the return of his or her proxy.

You may own common shares in one or both of the following ways—either directly in your name as the shareholder of record, or indirectly through a broker, bank or other holder of record in "street name." If your shares are registered directly in your name, you are the holder of record of these shares and we are sending these proxy materials directly to you. As the holder of record, you have the right to give your proxy directly to us. If you hold your shares in "street name," your broker, bank or other holder of record is sending these proxy materials to you. As a holder in "street name,"

you have the right to direct your broker, bank or other holder of record how to vote by completing the voting instruction form that accompanies your proxy materials. Regardless of how you hold your shares, we invite you to attend the Meeting.

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**Table of Contents****SECURITY OWNERSHIP OF CERTAIN  
BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information with respect to the beneficial ownership of the Company's capital stock by: (i) persons known by the Company to own beneficially more than 5% of its Class A Stock or Class B Stock; (ii) each director of the Company; (iii) the named executive officers; and (iv) all directors and executive officers of the Company as a group:

Name	Class A Stock(1)		Class B Stock(1)	
	Shares Owned	Percentage of Class(3)	Shares Owned	Percentage of Class(4)
James Sumas(2)	92,049(5)(6)(14)	1.3	1,152,168(7)(8)(11)	18.1
Robert Sumas(2)	111,376(5)(6)(12)	1.5	708,484(9)(12)	11.1
William Sumas(2)	224,870(5)(10)	3.1	602,156(18)	9.4
John P. Sumas(2)	262,223(10)	3.6	551,340(18)	8.6
Kevin Begley	61,106	.8		
Nicholas Sumas	163,893(12)	2.2	639,017(12)	10.0
John J. Sumas	105,330	1.4	151,045	2.4
Peter R. Lavoy	20,586	.3		
Stephen F. Rooney	19,716	.3		
Steven Crystal	943,266(17)(19)	12.9	440,240(19)	6.9
David C. Judge	24,716	.3		
All directors and executive officers as a group (11 persons)	1,766,843(13)	24.2	3,648,362	57.2
Estate of Perry Sumas(2)(20)	5,352	.1	1,895,364(7)	29.7
Sumas Family Group(2)	476,266	6.5	4,568,972	71.7
River Road Asset Management	1,173,876(15)	16.1		
Royce & Associates	717,145(16)	9.8		
Crystal Family Foundation	800,000(19)	11.0	216,940(19)	3.4

- (1) Except as noted, each person has sole investment power and sole voting power with respect to the shares beneficially owned.
- (2) These five persons comprise the Sumas Family Group. The Sumas Family Group beneficially owns 476,266 shares of Class A Stock and 4,568,972 shares of Class B Stock, or 65.0% of the combined voting power. By virtue of the existence of this group, the Company is a controlled company under the corporate governance rules of NASDAQ. The address of each of these five persons is in care of the Company, 733 Mountain Avenue, Springfield, New Jersey 07081.
- (3) Based upon 7,303,696 shares of Class A Stock outstanding.
- (4) Based upon 6,376,304 shares of Class B Stock outstanding.
- (5) Includes 22,704 shares held by the Company's pension trust of which William Sumas, James Sumas and Robert Sumas are trustees.
- (6) Includes 5,976 shares held by a charitable trust of which James Sumas and Robert Sumas are trustees.
- (7) Includes 252,688 shares as to which Perry Sumas and James Sumas agreed to share the power to vote during their lifetimes pursuant to a Voting Agreement dated March 4, 1987. Upon Perry Sumas death, James Sumas has the exclusive right to vote these shares. The estate of Perry Sumas may terminate this agreement by converting



these shares to Class A shares and selling said Class A shares to the public at large.

- (8) Includes 11,760 shares owned jointly by Mr. and Mrs. James Sumas; 39,820 shares owned by Mrs. James Sumas; and 13,120 shares held by Mr. and Mrs. James Sumas as custodians for their children.
- (9) Includes 108,572 shares owned by Mrs. Robert Sumas.
- (10) Includes 168,400 shares held in the name of William Sumas and John Sumas as Co-Trustees of a Trust for the benefit of the grandchildren of Perry Sumas.
- (11) Includes 149,925 shares held by the James Sumas 2008 GRAT, of which James Sumas is the trustee.
- (12) Includes 42,504 Class A and 508,236 Class B shares held by a family LLC, of which Robert Sumas and Nicholas Sumas are managers. Robert Sumas and his wife own 54.8% of the LLC. Nicholas Sumas, his wife and trusts for their minor children own 21.8% of the LLC.
- (13) Includes 20,000 shares represented by options exercisable by all officers and directors under the Company's Stock Option Plan.
- (14) Includes 8,888 shares owned by Mrs. James Sumas.
- (15) As reported in a Schedule 13G dated February 14, 2011, River Road Asset Management, LLC may be deemed to be the beneficial owner of 1,173,876 shares of the Company. River Road's address is 462 S. 4<sup>th</sup> St., Suite 1600, Louisville, KY 40202.
- (16) As reported in a Schedule 13G dated June 6, 2011, Royce and Associates, LLC may be deemed to be the beneficial owner of 717,145 shares of the Company. Royce's address is 745 Fifth Avenue, New York, New York 10151.
- (17) Includes 20,000 shares represented by options exercisable by him under the Company's Stock Option Plan.
- (18) Includes 80,860 shares held in the name of William Sumas and John Sumas as Co-Trustees of a Trust for the benefit of the grandchildren of Perry Sumas.
- (19) Steven Crystal's shares include 800,000 Class A and 216,940 Class B shares owned by the Crystal Family Foundation. Mr. Crystal is the sole trustee of the foundation.
- (20) Linda Blatt and Patty Anagnostis, daughters of Perry Sumas, are the Executrices of the estate of Perry Sumas.

**Table of Contents****ELECTION OF DIRECTORS**

The following eleven persons will be nominated by the Board of Directors of the Company for election as directors at the Annual Meeting. If elected, they will serve until their successors are duly elected and qualified. Directors shall be elected by a plurality of the votes cast. All of the nominees are now directors of the Company.

Certain information is given below with respect to each nominee for election as a director. The table below and the following paragraphs list their respective ages, positions and offices held with the Company, the period served as a director and business experience during the past 5 years. James Sumas and Robert Sumas are brothers. William Sumas and John P. Sumas are brothers. James Sumas is the father of John J. Sumas. Robert Sumas is the father of Nicholas Sumas. The other nominees are not related.

**NOMINEES**

The following table sets forth information concerning the nominees for director:

<b>Name</b>	<b>Age</b>	<b>Position with the Company</b>
James Sumas	78	Chief Executive Officer and Chairman of the Board of Directors
Robert Sumas	70	President, Chief Operating Officer and Director
William Sumas	64	Executive Vice President and Vice Chairman of the Board of Directors
John P. Sumas	62	Executive Vice President and Director
Kevin Begley	53	Chief Financial Officer, Treasurer and Director
Nicholas Sumas	42	Vice President, Secretary and Director
John J. Sumas	41	Vice President General Counsel and Director
Steven Crystal	55	Director
David C. Judge	50	Director
Peter R. Lavoy	70	Director
Stephen F. Rooney	49	Director

James Sumas was elected Chairman of the Board in 1989. He was named Chief Executive Officer in 2002. He has served variously as Vice President, Treasurer and a Director of the Company since its incorporation in 1955. James Sumas is Vice Chairman of Wakefern Food Corporation and is a member of its Board of Directors. Mr. Sumas also is the Chairman of Wakefern's Grocery Committee and its Advertising Committee. In addition, he is Vice Chairman of Wakefern's Sales and Merchandising Committee and of ShopRite Supermarkets, Inc., Wakefern's supermarket operating subsidiary. Mr. Sumas also is a member of Wakefern's Finance, Trade Name and Trademark, Strategic Planning and Customer Satisfaction Committees. The Board concluded that James Sumas should continue to serve as a Director in part due to his in-depth knowledge of all aspects of the Company and Wakefern, and his leadership and operational experience obtained over his 56 years serving the Company.

Robert Sumas has served as President and Chief Operating Officer since 2009. He has served variously as Executive Vice President, Secretary and a Director of the Company since 1969. Robert Sumas is Chairman of Wakefern's Health and Beauty Aids Committee and is a member of Wakefern's Communications, Sales and Merchandising, Property

Management and Nonfoods Committees. The Board concluded that Robert Sumas should continue to serve as a Director of the Company in part due to his extensive knowledge of the Company and Wakefern obtained over his 48 year career with the Company.

William Sumas has served as Vice Chairman of the Board since 2009. He has served as Vice President and a Director of the Company since 1980. Since 1989, he has served as an Executive Vice President. He has responsibility for real estate development. William Sumas is a member of Wakefern's Loss Prevention Policy, Environmental, Government Relations, and Sanitation, Safety and Appearance Committees. He recently served as Chairman of the New Jersey Food Council. The Board concluded that William Sumas should continue to serve as a

**Table of Contents**

Director of the Company in part due to his extensive knowledge of Wakefern, the Company, the local real estate environment and governmental matters obtained over his 42 year career with the Company.

John P. Sumas has served as Vice President and a Director of the Company since 1982. Since 1989, he has served as an Executive Vice President. He has responsibility for the Company's frozen food, dairy, appetizing and fresh bakery operations. John P. Sumas is a member of Wakefern's Frozen Food Committee. The Board concluded that John P. Sumas should continue to serve as a Director of the Company in part due to his extensive knowledge of Wakefern and the Company obtained over his 38 year career with the Company.

Kevin Begley has served as a Director since June 2009 and as Chief Financial Officer since 1987. In addition, he has served as Treasurer since 2002. Mr. Begley is a Certified Public Accountant. The Board concluded that Kevin Begley should continue to serve as a Director of the Company in part due to his extensive knowledge of the Company, and his finance and accounting knowledge obtained over his 31 year career.

Nicholas Sumas has served as a Director since June 2009, as Secretary since 2009, and as Vice President since 2007. Mr. Sumas has held a diversity of supervisory positions since his employment in 1994. He is currently responsible for store operations and perishables. Nicholas Sumas is Vice Chairman of Wakefern's Marketing, Floral and Meat Committees, and is a member of Wakefern's Produce, CGO, Seafood and Operations Excellence Committees. The Board concluded that Nicholas Sumas should continue to serve as a Director of the Company in part due to his in-depth knowledge of Wakefern and the Company.

John J. Sumas has served as a Director since June 2009 and as head of Village's Legal Department since 2002, and was appointed Vice President - General Counsel in 2007. In addition, he has served as Director of Human Resources since 2000. He is Chairman of Wakefern's Food Service Committee, Vice-Chairman of Wakefern's Retail Employee Relations Committee, and a member of Wakefern's Insurance, Frozen, Dairy-Deli and Shop-Rite Retail Services Committees. He also sits on Wakefern's Strategic Planning - Capital Structure Group. The Board concluded that John J. Sumas should continue to serve as a Director of the Company in part due to his knowledge of Wakefern and the Company, as well as his legal experience.

Steven Crystal has served as a Director since 2001. Mr. Crystal owns and manages five auto parts stores in California and northern Nevada and is the Regional Distributor for AC Delco. Mr. Crystal also owns three multi-line motorcycle dealerships in Reno, NV, Salt Lake City, UT and Boise, ID. In addition, Mr. Crystal also owns a 65,000 sq. ft. Ace Hardware and Furniture store in northern Nevada. Since 1980, Mr. Crystal has been a member of The New York Commodity Exchange and The New York Mercantile Exchange and actively trades commodities off the floor. Between 2005 and 2008, Mr. Crystal, as commodity trading advisor and a commodity pool operator, managed a hedge fund - Crystal Investment Partners, L.P. - registered with the National Futures Association. In addition, Mr. Crystal owns and manages multiple commercial real estate properties. The Board concluded that Steven Crystal should continue to serve as a Director of the Company in part due to his knowledge of the Company obtained from serving as a director for 10 years, and for his broad experience in owning and managing various retail, real estate and investment entities.

David C. Judge has served as a Director of the Company since June 2003. Mr. Judge is an Executive Vice President for The Bank of New York Mellon (BNYM). He is Head of Securities Industry Banking, with responsibility for all investment bank, commercial bank and broker/dealer client relationships. Mr. Judge has previously held a diversity of assignments in corporate banking during his 25-year career at BNYM, including managing the Retailing Industry Division and the Corporate Credit Analysis & Monitoring Group. He is a member of BNYM's Operating Committee, which is responsible for executing the strategy and policies of the firm on a global basis. He also serves as a Director for Contemporary Guidance Services, where he is Chairman of the Audit Committee. The Board concluded that David C. Judge should continue to serve as a Director of the Company in part due to his strong financial background and his

experience serving on other Boards.

Peter R. Lavoy has served as a Director since June 2009. Mr. Lavoy has 40 years of executive experience in the New Jersey retail grocery industry. Mr. Lavoy retired from Foodtown, Inc., a cooperative grocery chain, as President and Chief Operating Officer in December 2006. Since 2004 he has served on the Board of Trustees of the Food Institute, a trade association providing information and services to the food industry. Mr. Lavoy also serves as a member of the Board of ICS Instant Combo Savings. ICS partners private label brands with non-competing,

## **Table of Contents**

complimentary national brands. The Board concluded that Peter R. Lavoy should continue to serve as a Director of the Company in part due to his senior executive experience in, and extensive knowledge of, the retail food industry.

Stephen F. Rooney has served as a Director since June 2009. Mr. Rooney is a Senior Vice President/Senior Credit Officer within the commercial lending division of Sun National Bank. Previous to this, he was a financial analyst with Standard & Poor's asset-backed securities group and a corporate lending officer with CoreStates Bank where he focused on the retail industry, with a specialty in supermarket lending. The board concluded that Steven F. Rooney should continue to serve as a Director of the Company due to his strong financial background and past lending experience with the retail industry.

The Board recommends that the shareholders vote FOR all the nominees named above for election to the Board.

The Certificate of Incorporation includes a provision that no director shall be personally liable for monetary damages to the Company or its shareholders for a breach of any fiduciary duty except for: (i) breach of a director's duty of loyalty; (ii) acts and omissions not in good faith or which involve intentional misconduct or a knowing violation of law; and (iii) any transaction from which a director derived an improper personal benefit.

## **INFORMATION REGARDING THE BOARD AND ITS COMMITTEES**

The Company is a controlled company under the corporate governance rules of NASDAQ. Therefore the Company is not required to and does not have (1) a majority of independent directors; (2) a nominating committee comprised solely of independent directors to identify and recommend nominees to the Board of Directors; or (3) a compensation committee comprised solely of independent directors. The Company qualifies as a controlled company due to the ownership by the Sumas Family Group of shares allowing it to cast more than 50% of the votes eligible to be cast for the election of directors. The Board of Directors has determined that each nonmanagement director is independent as defined by the Rules of the SEC and the listing standards of NASDAQ.

The Board held four meetings in fiscal 2011. All directors attended at least 75% of the meetings of the Board, and meetings of Board committees on which the director served, during the time such director served on the Board or committee.

The Executive Committee, which consists of James Sumas, Robert Sumas, William Sumas and John P. Sumas, meets on call and is authorized to act on all matters pertaining to corporate policies and overall Company performance.

### **Board Leadership Structure and Role in Risk Oversight**

The Board believes that, at the present time, the interests of the Company and its shareholders are best served by having its Chief Executive Officer, James Sumas, also serve as Chairman of the Board. The CEO is the person most familiar with the Company's business and industry, strategies and challenges. The Board believes that the combined role of Chairman and CEO promotes unified leadership and direction for the Company.

Management is responsible for the day to day management of the risks that the Company faces, while the Board as a whole and through its committees, has responsibility for the oversight of risk management. The Board and its committees receive periodic reports from financial, legal and other management members regarding the most significant risks facing the Company. In addition, the Audit Committee assists the Board in its oversight role by receiving periodic reports regarding the Company's risk and control environment.

### **The Compensation Committee**

The Compensation Committee, which consists of James Sumas, John P. Sumas, Robert Sumas, John J. Sumas, Steven Crystal, David C. Judge and Peter Lavoy, has the primary responsibility for establishing the compensation paid to executive officers of the Company. This includes base salary, bonus awards, employment agreements and supplemental retirement plans. The full Board of Directors reviews and approves restricted share awards and stock option grants. During fiscal 2011, the Compensation Committee met twice. The Compensation Committee does not utilize a charter.

**Table of Contents**

**The Audit Committee**

The Audit Committee is comprised of four directors, Steven Crystal, Peter Lavoy, Stephen Rooney and David C. Judge, each of whom is independent as defined by the listing standards of NASDAQ. The Audit Committee: (1) monitors the integrity of the Company's financial reporting process and systems of internal controls regarding financial, accounting, regulatory and legal compliance; (2) retains and monitors the independence and performance of the Company's independent auditors; (3) provides an avenue of communication among the independent auditors, management and the Board of Directors; and (4) approves in advance the fees paid to the independent auditing firm for all services provided. The Audit Committee operates under a charter adopted by the Board of Directors, which is attached to the 2010 proxy statement as Appendix A. During fiscal 2011, the Audit Committee met ten times.

The Board of Directors has determined that David C. Judge is an audit committee financial expert as defined by applicable SEC regulations and that all members of the Audit Committee are able to read and understand financial statements as required by NASDAQ regulations.

**REPORT OF THE AUDIT COMMITTEE**

The Audit Committee is comprised of four independent directors, as defined by the rules of the SEC and the listing standards of NASDAQ, and operates under a charter adopted by the Board of Directors. The members of the Committee are Steven Crystal (Chair), Peter Lavoy, Stephen Rooney and David C. Judge. The Committee appoints the Company's independent auditors.

Management is responsible for the Company's internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and to issue a report thereon. In addition, the independent auditors are responsible for expressing an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee's responsibility is to monitor and oversee these processes.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and the independent auditors the audited financial statements for the year ended July 30, 2011, management's assessment of the effectiveness of the Company's internal control over financial reporting as of July 30, 2011, and the independent auditor's evaluation of the effectiveness of the Company's internal control over financial reporting as of that date. The Audit Committee discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees) as amended, and as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Company's independent auditors also provided to the Audit Committee the written disclosures required by Public Company Accounting Oversight Board Rule 3526 (Communication with Audit Committees Concerning Independence), and the Audit Committee discussed with the independent auditors that firm's independence. On the basis of these items, the Audit Committee determined that KPMG is independent.

Based upon the Audit Committee's discussions with management and the independent auditors and the Audit Committee's review of the representations of management and the report of the independent auditors, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended July 30, 2011 filed with the Securities and Exchange Commission.



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The following table presents fees for professional services rendered by KPMG LLP for the audit of the Company's annual consolidated financial statements for fiscal 2011 and 2010, and fees billed for other services rendered by KPMG LLP:

	<b>2011</b>	<b>2010</b>
Audit fees(1)	\$ 521,000	\$ 550,000
Audit-related fees		
Tax fees(2)	55,000	50,000
All other fees		
Total fees	\$ 576,000	\$ 600,000

**Table of Contents**

- (1) Audit fees consist of audits of the annual consolidated financial statements and the effectiveness of internal control over financial reporting, quarterly reviews and services provided in connection with statutory and regulatory filing engagements, including issuance of consents.
- (2) Tax fees consist of fees for tax compliance and consultation services.

The Audit Committee has considered whether the providing of non-audit services is compatible with maintaining the auditors' independence. The Audit Committee pre-approves all services provided by the principal auditors.

*Audit Committee*

Steven Crystal, Chairman  
David C. Judge  
Peter R. Lavoy  
Stephen F. Rooney

**NOMINATION OF CANDIDATES TO THE BOARD OF DIRECTORS**

The full Board of Directors acts on all matters concerning the identification, evaluation and nomination of director candidates. The Board does not utilize a charter in performing this function. As a matter of policy, the Board will consider nominations of director candidates submitted by any shareholder upon the submission of the names and biographical data of the candidates (including any relationship to the proposing shareholder) in writing to the Board of Directors at 733 Mountain Avenue, Springfield, New Jersey, 07081. Information regarding director candidates for election to the Board in 2012 must be submitted by July 1, 2012.

The Board's process for evaluating candidates recommended by any shareholder is the same as for candidates recommended by the Board, management or others. In searching for appropriate candidates, the Board adheres to criteria established for the consideration and selection of candidates. The Board views the candidate's qualifications in light of the needs of the Board and the Company at that time given the then current mix of director attributes. Among other criteria, the Board may consider the following skills, attributes and competencies of a new member: (i) possessing the highest ethical standards and integrity; (ii) a willingness to act on and be accountable for Board decisions; (iii) an ability to provide prudent, informed and thoughtful counsel to top management on a broad range of issues; (iv) relevant industry or business knowledge; (v) senior management experience and demonstrated leadership; (vi) financial literacy; and (vii) individual backgrounds that provide a portfolio of experience and knowledge commensurate with the Company's needs. Each director candidate will be considered without regard to gender, race, religion, national origin or sexual orientation.

**COMMUNICATION WITH THE BOARD OF DIRECTORS**

Shareholders and other interested parties may communicate with the Board of Directors by sending written communication to the directors c/o the Company's Secretary, 733 Mountain Avenue, Springfield, New Jersey 07081. All such communications will be reviewed by the Secretary to determine which communications will be forwarded to the directors. All communications will be forwarded except those that are related to Company products, are solicitations, or otherwise relate to improper or irrelevant topics, as determined in the sole discretion of the Secretary. The Secretary shall report to the Board of Directors on the number and nature of communications that were determined not to be forwarded.

The Company has a policy of requiring all directors standing for election at the annual meeting of shareholders to attend such meeting, unless unforeseen circumstances arise. All eleven directors attended the 2010 annual meeting of

shareholders held on December 17, 2010.

### **CODE OF ETHICS**

The Company has a written Code of Ethics that applies to, among others, the Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer. During fiscal 2011, there were no changes to, or waivers of, the Code of Ethics. The Company will furnish a copy of the Code of Ethics, without charge, to each person who forwards a written request to the Company's Secretary, Village Super Market, Inc., 733 Mountain Avenue, Springfield, New Jersey 07081. The Code of Ethics is also available at sec.gov as an Exhibit to the 2011 Form 10-K.

**Table of Contents**

**EXECUTIVE COMPENSATION**

**COMPENSATION DISCUSSION AND ANALYSIS**

The Compensation Committee of the Board has the primary responsibility for establishing the compensation paid to the executive officers of the Company, including the named executive officers who are identified in the Summary Compensation Table below. This includes base salary, bonus awards, employment agreements and supplemental retirement plans. The full Board of Directors reviews and approves restricted share awards and stock option grants. The Compensation Committee consists of James Sumas, Chairman of the Board of Directors and Chief Executive Officer; John P. Sumas, Executive Vice President; Robert Sumas, President and Chief Operating Officer; John J. Sumas, Vice President General Counsel; Steven Crystal, David C. Judge and Peter R. Lavoy, independent directors.

The primary objective of the Company's executive compensation program is to attract, motivate and retain executive officers of outstanding ability and to align the interests of these executive officers with the interests of shareholders. Most of the named executive officers own a substantial amount of the Company's common stock and thus have a direct and substantial interest in the long-term growth of shareholder's wealth. In light of this ownership, there is less need to directly relate compensation for the named executive officers to long-term Company performance.

Neither management nor the Compensation Committee currently engages any consultant related to executive or director compensation matters. In setting compensation levels the Committee considers the overall level of responsibility and performance of the individual executive, compensation levels of executive officers obtained through commercially available survey data, compensation of executive officers obtained through reviews of annual proxy statements, compensation paid to corporate executives of Wakefern and other ShopRite members, the financial performance of the Company and other achievements during the most recently completed fiscal year, overall economic conditions, and competitive operating conditions. The Compensation Committee does not specifically benchmark to compensation data obtained, but rather subjectively utilizes the above factors in setting compensation for the named executive officers. The Compensation Committee subjectively determines, without the use of performance targets, individual performance in the following areas: increased responsibilities, performance of departments under the executive's control, leadership, execution of strategic initiatives and decision making abilities. Although financial performance of the Company is a factor in setting executive compensation, financial and other performance targets are not utilized.

The Company's executive compensation for the named executive officers includes the following components: base salary, annual bonus plan, restricted stock awards, retirement benefits and other benefits.

**Salary**

Named executive officers are paid a base salary with annual increases at the discretion of the Compensation Committee. In addition to the competitive data outlined above and Company performance, individual factors are also considered in setting base salaries. The Compensation Committee subjectively determines, without the use of performance targets, individual performance in the following areas: increased responsibilities, performance of departments under the executive's control, leadership, execution of strategic initiatives and decision making abilities. Based on subjective and qualitative considerations, the Compensation Committee granted raises to each of the named executive officers of approximately 3% in fiscal 2011.

**Annual Bonus**

The Company's executive compensation program includes an annual non-equity incentive cash bonus designed to reward executive officers for overall Company success and individual performance. The actual bonus amounts earned by the named executive officers are reflected in the Summary Compensation Table in the fiscal year earned, even though these bonus amounts are paid in the subsequent year. The Compensation Committee subjectively determines, without the use of performance targets, individual performance in the following areas: increased responsibilities, performance of departments under the executive's control, leadership, execution of strategic initiatives and decision making abilities. The bonuses awarded in fiscal 2011 by the Committee, which represents a 3% increase from fiscal 2010 and a slight decrease from fiscal 2009, also considered the Company's 6%

## **Table of Contents**

increase in net income and EBITDA, excluding nonrecurring items, amid a poor economic environment. Although the annual bonus award is not targeted as a specific percentage of the named executive officer's base salary, the bonus awards in fiscal 2011 range from 38% to 46% of base salary. In addition, an employment agreement with Mr. Begley requires the Company to pay a retention bonus of a minimum of \$75,000 per year, payable one year after such bonus is earned, conditioned on Mr. Begley's continued employment with the Company.

## **Equity**

Awards based on the Company's common stock have been granted periodically to the named executive officers and approximately sixty other employees. During fiscal 2011, the Company granted 26,000 restricted shares to each of the named executive officers. Additional information about these awards is included in the tables that follow. The Compensation Committee believes equity awards align the interest of employees with the interest of shareholders. The Company has utilized both restricted share grants and option grants. The last grant of stock options to named executive officers occurred in 1997. The Compensation Committee considers several factors in determining the amounts of stock based awards granted to the named executive officers, including the officer's level in the organization, individual performance and comparison to compensation levels at similar companies. The Compensation Committee subjectively determines, without the use of performance targets, individual performance in the following areas: increased responsibilities, performance of departments under the executive's control, leadership, execution of strategic initiatives and decision making abilities.

The Company has historically set the exercise price for stock options as the closing price of the Company's Class A common stock on the date of grant. Options have generally been granted at the Board of Director's meeting held in December, which is shortly after the release of first quarter earnings.

The Company does not have specific equity ownership guidelines, although as noted above, all of the named executive officers own a substantial amount of the Company's common stock.

## **Retirement Benefits**

The Company maintains a defined benefit and a defined contribution plan for its non-union employees. The named executive officers participate in both of these plans, as well as a supplemental executive retirement plan. Additional details regarding retirement benefits available to the named executive officers can be found in the 2011 Pension Benefits Table and the accompanying narrative description that follows this discussion and analysis.

Village also maintains a deferred compensation plan in which the named executive officers, as well as other supervisory employees, are eligible to participate. No officers currently participate in this plan, although one named executive officer previously participated in this plan. This plan is a nonqualified plan under which participants may elect to defer the receipt of a portion of their salary or bonus otherwise payable to them. Compensation deferred bears interest at the actual rate of return earned on the contributed assets, which are invested in mutual funds and thus is not a preferential rate of interest. Deferred amounts are paid out only in cash, in accordance with deferral options selected by the participant at the time the deferral election is made.

## **Other Benefits**

The Company's group health, dental, vision and life insurance plans are available to eligible full-time and part-time employees. These plans do not discriminate in favor of the named executive officers. Non-employee directors of the Company's Board of Directors do not participate in these plans. The Company provides the named executive officers, as well as all supervisory personnel, a Company vehicle. The Company provides the named executive officers with long-term disability insurance. There are no other benefits provided to the named executive officers.

The Company believes the perquisites described above are necessary and appropriate in providing competitive compensation to our executive officers.

### **Employment Agreements**

The Company entered into an employment agreement with Mr. Begley dated January 1, 2004. The original agreement expired December 31, 2006, but has been extended through December 31, 2011. Under the agreement, the Company agreed to pay Mr. Begley a base salary and bonus at least equal to that existing on the date of the

**Table of Contents**

contract, with increases at least commensurate with the increases granted to the other executive officers of the Company. The Board of Directors may decrease Mr. Begley's compensation in proportion to decreases commensurate with the other executive officers of the Company. In addition, the Company agreed to pay Mr. Begley a retention bonus of a minimum of \$75,000 per year payable one year after such bonus is earned, conditioned on Mr. Begley's continued employment with the Company. This agreement contains a covenant not to compete with the Company. The agreement includes payments in the event of the termination of Mr. Begley within five years following a change in control. The change in control and termination payment due is calculated as five years of current base salary plus bonus using the previous five years average, less amounts paid subsequent to the change in control. If the change in control and termination had occurred on July 30, 2011, the amount due would be \$4,300,000. There are no other severance payments or change in control agreements with named executive officers.

The Company's equity plans described above provide for accelerated vesting of options and restricted share grants in the event of a change in control of the Company. This potential acceleration applies to all employees receiving grants and does not discriminate in favor of the named executive officers.

**Deductibility of Compensation**

Section 162(m) of the Internal Revenue Code limits the deductibility of compensation paid to certain executive officers to \$1,000,000 annually. Compensation that is qualified performance-based compensation generally is not subject to this \$1,000,000 deduction limit. The Company's awards of restricted stock vest solely on the passage of time, are not performance based and, as a result, compensation expense for those awards are not deductible to the extent they exceed \$1,000,000.

**Financial Statement Restatement**

The Company does not have a policy relative to making retroactive adjustments to any incentive compensation paid to the named executive officers where payment was based on the achievement of results that were subsequently the subject of restatement. The Company has never restated its financial statements.

**Risk Assessment of Compensation Policies and Practices**

The Compensation Committee has assessed the compensation policies and practices for our employees and we have concluded that these policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. In addition, the Compensation Committee believes that the mix and design of the elements of executive compensation do not encourage management to assume excessive risks.



**Table of Contents**

**COMPENSATION COMMITTEE REPORT**

The Compensation Committee has reviewed the Compensation Discussion and Analysis and discussed that analysis with management. Based on its review and discussions with management, the Compensation Committee has recommended to the Company's Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statement and incorporated by reference into its annual report on Form 10-K. The report is provided by the following directors, who comprise the committee.

**COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS**

James Sumas, Chairman  
John P. Sumas  
Robert Sumas  
John J. Sumas  
David C. Judge  
Steven Crystal  
Peter R. Lavoy

**Table of Contents****SUMMARY COMPENSATION TABLE**

Name and principal position	Year	Salary (\$)	Bonus (\$)	Stock awards (\$)(1)	Change in pension value and Non- equity incentive deferred			All other compensation (\$)(3)	Total (\$)
					Opti awards (\$)	plan compensation (\$)	earnings (\$)(2)		
James Sumas	2011	841,700	319,300	715,260			191,902	6,847	2,075,009
Chairman and	2010	817,942	310,000				870,338	6,807	2,005,087
CEO	2009	780,230	326,250				432,461	6,618	1,545,559
	2011	571,317	336,620	715,260			565,475	7,959	2,196,631
Kevin Begley	2010	554,677	329,000				1,262,480	7,949	2,154,106
CFO	2009	528,264	345,000				558,478	7,190	1,438,932
Robert Sumas	2011	678,642	268,830	715,260			321,370	8,857	1,992,959
President and	2010	659,400	261,000				957,269	8,577	1,886,246
COO	2009	628,857	275,625				788,076	6,510	1,699,068
William Sumas	2011	584,719	261,620	715,260			637,974	6,945	2,206,518
Executive Vice	2010	565,642	254,000				1,279,401	6,495	2,105,538
President	2009	539,231	270,000				618,072	6,270	1,433,573
John P. Sumas	2011	582,281	261,620	715,260			490,722	7,958	2,057,841
Executive Vice	2010	568,125	254,000				1,128,469	15,163	1,965,757
President	2009	541,786	270,000				568,981	13,616	1,394,383

- (1) These amounts represent the grant date fair value of restricted share awards granted to the named executive officer with respect to the fiscal year. The compensation for fiscal 2011 is calculated for each named executive officer as 26,000 Class A restricted shares granted on March 18, 2011 times the \$27.51 grant price, which was the market value on the date of grant. Restrictions on these shares lapse on March 18, 2014, the third anniversary of the grant, as long as the officer is employed by the Company at that time. Any dividends declared on the Company's Class A common stock are payable on the restricted shares.
- (2) This amount shows the change in pension value in fiscal 2011. Amounts from the Nonqualified Deferred Compensation Table were omitted since the aggregate earnings amount included no above-market or preferential earnings.
- (3) In accordance with SEC rules, this table omits information regarding group life and health plans that do not discriminate in favor of executive officers of the Company and that are generally available to all salaried employees. The amounts shown in this column include employer costs related to personal use of Company automobiles, which is added to the named executive officers taxable earnings in accordance with IRS rules, long-term disability insurance premiums, and the Company's matching contribution to our 401(k) Plan.



**Table of Contents****2011 GRANTS OF PLAN-BASED AWARDS**

The following table provides information about equity awards granted to the named executive officers in fiscal 2011.

<b>Name</b>	<b>Grant Date</b>	<b>All other stock awards: Number of shares of stock or units (#)(1)</b>	<b>Grant date fair value of stock awards (\$)(1)</b>
James Sumas	3/18/2011	26,000	715,260
Kevin Begley	3/18/2011	26,000	715,260
Robert Sumas	3/18/2011	26,000	715,260
William Sumas	3/18/2011	26,000	715,260
John P. Sumas	3/18/2011	26,000	715,260

- (1) Restrictions on these restricted shares lapse on March 18, 2014, the third anniversary of the grant, as long as the officer is employed by the Company at that time. Any dividends declared on the Company's Class A common stock are payable on the restricted shares.

**OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END**

The following table sets forth information for each named executive officer with respect to each award of restricted stock that was made at any time, had not vested and remained outstanding at July 30, 2011. There were no option awards outstanding for any named executive officer at July 30, 2011; thus that portion of the table is omitted.

<b>Name</b>	<b>Number of shares or units of stock that have not vested (#)(1)</b>	<b>Market value of shares or units of stock that have not vested (\$)(1)</b>
James Sumas	26,000	698,880
Kevin Begley	26,000	698,880
Robert Sumas	26,000	698,880
William Sumas	26,000	698,880
John P. Sumas	26,000	698,880

- (1) Restricted shares vest on March 18, 2014. The market value of the Company's restricted stock was \$26.88 per share, the closing market price of the Company's Class A common stock on July 30, 2011.

**OPTION EXERCISES AND STOCK VESTED**

The following table provides restricted shares vested during fiscal 2011 for each named executive officer. No options were exercised by any named executive officer in fiscal 2011, thus that portion of the table is omitted.

<b>Name</b>	<b>Number of shares acquired on vesting (#)(1)</b>	<b>Value realized on vesting (\$)(1)</b>
James Sumas	26,000	744,120
Kevin Begley	26,000	744,120
Robert Sumas	26,000	744,120
William Sumas	26,000	744,120
John P. Sumas	26,000	744,120

(1) Based on the closing market price of the Company's Class A common stock on March 14, 2011 of \$28.62.

**Table of Contents****PENSION BENEFITS**

The following table provides information on pension benefits as of July 30, 2011 for the named executive officers.

<b>Name</b>	<b>Plan Name</b>	<b>Number of Years Credited Service (#)</b>	<b>Present Value of Accumulated Benefit (\$)(1)</b>	<b>Payments During Last Fiscal Year (\$)</b>
James Sumas	VSMERP	44	962,355	66,641
	SERP	44	2,978,511	
Kevin Begley	VSMERP	23	479,294	
	SERP	23	2,604,704	
Robert Sumas	VSMERP	44	1,119,548	
	SERP	44	3,280,546	
William Sumas	VSMERP	42	896,347	
	SERP	42	3,424,944	
John P. Sumas	VSMERP	38	899,818	
	SERP	38	2,822,151	

- (1) The present value of the accumulated benefit for each named executive officer reflects pension benefits payable at the earliest age the named executive officer may retire without significant benefit reductions, or current age, if later. The same assumptions used in Note 8 to the Village Super Market, Inc. audited financial statements in the 2011 Annual Report and the Management's Discussion and Analysis included therein are used in calculating the present value of accumulated pension benefits.

The Company maintains a defined benefit pension plan (the Village Super Market Employees Retirement Plan, or VSMERP ) for employees not covered by a collective bargaining agreement who have been employed with the Company for more than six months and who are over the age of twenty-one. For purposes of determining plan benefits, compensation is the regular base pay of the participant plus bonuses. Effective January 1, 1989, the plan benefit formula was amended. Retirement benefits are equal to the pension accrued to December 31, 1988 plus 1% of average compensation times each year of post-1988 service plus .75% of average compensation in excess of Table II of the 1989 Covered Compensation Table times each year of post-1988 service. Average compensation for post-1988 service is based on the five highest consecutive years' compensation. Normal retirement date is age 65. Employees are eligible for early retirement upon the attainment of age 55 and the completion of at least 15 years of vested service. Benefits are reduced by 1/15 for each of the first five years the early retirement date precedes normal retirement date and 1/30 for each of the succeeding five years. The Company has never granted any extra years of credited service.

In addition to the defined benefit pension plan described above, the Company adopted the Supplemental Executive Retirement Plan of Village Super Market, Inc. (the SERP ) effective January 1, 2004 for the named executive officers to compensate for limitations on benefits available through the VSMERP. Participants vest in the SERP benefit at a rate of 20% per year of service beginning in calendar 2004. The retirement benefit at normal retirement date for the SERP is calculated as 50% of the individual's average compensation during his or her highest sixty consecutive months in the last ten years before retirement, reduced by both the benefit the participant is entitled to receive under

the VSMERP and the amount of the participant's social security benefits. Normal retirement is defined as the later of age 65 or five years of participation in the SERP. Early retirement is permitted upon the attainment of age 55 and the completion of at least five years of vesting service. Early retirement benefits are subject to a reduction of 1/15 for each of the first five years the early retirement date precedes the normal retirement date and 1/30 for each of the succeeding five years. Covered compensation under the SERP includes all salary and bonuses, whether paid in cash or deferred.

**Table of Contents****NONQUALIFIED DEFERRED COMPENSATION**

The following table provides information on nonqualified deferred compensation for the named executive officers for fiscal 2011.

<b>Name</b>	<b>Executive Contributions in Last FY (\$)</b>	<b>Registrant Contributions in Last FY (\$)</b>	<b>Aggregate Earnings in Last FY (\$)</b>	<b>Aggregate Withdrawals/ Distributions (\$)</b>	<b>Aggregate Balance at Last FYE (\$)</b>
James Sumas					
Kevin Begley					
Robert Sumas					
William Sumas					
John P. Sumas					

The named executive officers are eligible to participate in a nonqualified deferred compensation plan under which certain employees may elect to defer the receipt of up to 25% of their salary or 100% of their bonus otherwise payable to them, and thereby defer taxation of the deferred amount until actual payment in future years. Participants may elect to defer payment for a specified number of years or until retirement or termination of employment. Earnings on deferred amounts are allocated to individuals based on the actual performance of the invested funds, which is not a preferential rate.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

The Compensation Committee consists of James Sumas, who is an executive officer of the Company serving as the Chairman of the Board of Directors and Chief Executive Officer; John P. Sumas, who is an executive officer of the Company serving as Executive Vice President; Robert Sumas, who is an executive officer of the Company serving as President and Chief Operating Officer; John J. Sumas, who is an executive officer of the Company serving as Vice President General Counsel; and Steven Crystal, Peter Lavoy and David C. Judge, directors of the Company. As noted elsewhere in the Proxy Statement under Transactions with Related Parties, James Sumas, Robert Sumas and John P. Sumas, through Sumas Realty Associates, have certain business relationships with the Company. There are no other compensation committee interlocks between the Company and other entities involving the Company's executive officers and the Company's Board members who serve as executive officers of such other entities.



**Table of Contents****DIRECTOR COMPENSATION**

The following table describes the fiscal year 2011 compensation for non-employee directors. Employee directors receive no compensation for their Board service.

Name	Fees earned or paid in cash (\$)	Stock awards (\$)(1)(2)	Option awards (\$)(3)	Change in pension value and		All other compensa- tion (\$)	Total (\$)
				Non-equity incentive plan com- pensation (\$)	nonqualified deferred compensation earnings		
Steven Crystal	41,000	330,120					371,120
David C. Judge	19,500	354,120					373,620
Peter R. Lavoy	21,000	354,120					375,120
Stephen F. Rooney	21,000	354,120					375,120

- (1) These amounts represent the grant date fair value of stock awards with respect to the fiscal year. Each named director was awarded 12,000 Class A restricted shares on March 18, 2011. The grant date price of these shares was \$27.51. Restrictions on these shares lapse on March 18, 2014, the third anniversary of the grant. In addition, the above amounts include the fair value of awards of 716 Class A restricted shares (vesting in 12 months) granted to Mr. Judge, Mr. Lavoy and Mr. Rooney on December 17, 2010 in lieu of an annual retainer of \$24,000.
- (2) Aggregate stock awards outstanding at fiscal year end were 12,716 shares each for Mr. Judge, Mr. Lavoy and Mr. Rooney, and 12,000 shares for Mr. Crystal.
- (3) Aggregate stock options outstanding at fiscal year end were 20,000 shares for Mr. Crystal.

Non-employee directors are currently paid an annual retainer of \$20,000 plus fees of \$1,500 for each board meeting and \$1,500 for each committee meeting attended. Directors who are employees of the Company receive no compensation for services as directors. Each director has the option to receive \$24,000 worth of restricted shares with a one year vesting period in lieu of the \$20,000 annual cash retainer. In addition, the Company has periodically granted to each of its non-employee directors either options to purchase shares or restricted shares.

**Table of Contents****PERFORMANCE GRAPH**

Set forth below is a graph comparing the cumulative total return on the Company's Class A Stock against the cumulative total return of the S&P 500 Composite Stock Index and the NASDAQ Retail Trade Index for the Company's last five fiscal years.

**COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN\*****AMONG VILLAGE SUPER MARKET, INC., THE S&P 500 INDEX  
AND THE NASDAQ RETAIL TRADE INDEX**

	<b>Village Super Market, Inc.</b>	<b>S&amp;P 500</b>	<b>NASDAQ Retail Trade</b>
7/06	100.00	100.00	100.00
7/07	143.69	116.13	126.86
7/08	140.66	103.25	112.66
7/09	198.81	82.64	113.48
7/10	193.24	94.07	144.07
7/11	200.48	112.56	218.48

**Table of Contents****EQUITY COMPENSATION PLAN INFORMATION**

Plan category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a)) (c)
Equity compensation plans approved by security holders	555,117	\$23.34	859,752
Equity compensation plans not approved by security holders			

The information in the above table is as of July 30, 2011. All data relates to the Village Super Market, Inc. 1997 Stock Option Plan, 2004 Stock Plan and 2010 Stock Plan as described in the Notes to the 2011 Consolidated Financial Statements.

**TRANSACTIONS WITH RELATED PERSONS**

The Company's supermarket in Chatham, New Jersey is leased from Hickory Square Associates, a limited partnership. The lease is dated April 1, 1986 and expires March 31, 2016. The annual rent under this lease is \$615,000. Sumas Realty Associates is a 30% limited partner in Hickory Square Associates. Sumas Realty Associates is a general partnership among the Estate of Perry Sumas, James Sumas, Robert Sumas, William Sumas and John P. Sumas.

All obligations of the Company to Wakefern Food Corporation are personally guaranteed by certain members of the Sumas family.

It is the Company's policy that the independent directors review and approve any transactions with related persons in excess of \$120,000. There were no transactions required to be reviewed or approved in fiscal 2011.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities and Exchange Act of 1934 requires the Company's executive officers and directors to file with the SEC reports of ownership and reports of changes in ownership of Class A stock and Class B stock. Copies of these reports must also be furnished to the Company. Based solely on a review of these filings and written representations from reporting persons, the Company believes that all filing requirements applicable to its executive officers and directors were complied with during fiscal 2011.

**SELECTION OF INDEPENDENT AUDITORS**

The appointment by the Audit Committee of KPMG LLP as independent auditors to audit the consolidated financial statements of the Company for the fiscal year ending July 29, 2012 is to be submitted at the meeting for ratification or rejection. The consolidated financial statements of the Company for the 2011, 2010 and 2009 fiscal years were audited by KPMG LLP.

Representatives of KPMG LLP are expected to be present at the 2011 Annual Meeting of Shareholders and will be given the opportunity to make a statement if they wish to do so and will be available to respond to appropriate questions.

Although ratification by the stockholders of the appointment of independent auditors is not required, the Audit Committee will reconsider its appointment of KPMG LLP if such ratification is not obtained. Ratification shall require a majority of the votes cast.

The Board recommends that the shareholders vote FOR the ratification of KPMG LLP as the Company's independent auditors for fiscal 2012.

**Table of Contents**

**PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION**

We are providing our shareholders with the opportunity to vote to approve, on a non-binding advisory basis, the compensation of our named executive officers, as disclosed in this Proxy Statement. The vote is advisory, which means that the vote is not binding on the Company, our Board of Directors or the Compensation Committee. Although the vote is advisory, the Compensation Committee will consider the outcome of the vote when making future executive compensation decisions. As described in detail in the Executive Compensation section beginning on page 8, the primary objective of our executive compensation programs is to attract, motivate and retain executive officers of outstanding ability and to align the interest of these executive officers with the interests of shareholders. We urge you to read carefully the Compensation Discussion and Analysis, the compensation tables, and the related narrative discussion in this proxy statement.

In view of the foregoing, shareholders will vote on the following resolution at the 2011 Annual Shareholders Meeting:

**Resolved, that the shareholders approve, on a non-binding advisory basis, the compensation of the Company's named executive officers, as disclosed in Village Super Market, Inc.'s Proxy Statement for the 2011 Annual Shareholders meeting.**

**The Board recommends that the shareholders vote FOR this proposal.**

**PROPOSAL 4 ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION**

SEC rules require that we provide shareholders the opportunity to vote, on a non-binding advisory basis, on how frequently the Company should seek an advisory vote on executive compensation. Shareholders may indicate whether they prefer the vote occur every one, two or three years or they may abstain. As an advisory vote, this proposal is not binding on the Company. However, the Board will take the outcome of the vote into consideration when determining the frequency of future advisory votes on executive compensation.

**The Board of Directors recommends a vote for three years as the frequency of future advisory votes on executive compensation.**

**SHAREHOLDER PROPOSALS FOR 2012 ANNUAL MEETING**

Any proposal that a shareholder intends to present at the Company's 2012 Annual Meeting of Shareholders, presently scheduled to be held on December 15, 2012, and requests to be considered for inclusion in the Company's Proxy Statement for the 2012 Annual Meeting, must be received by the Company no later than July 1, 2012. Such requests should be made in writing and sent to the Secretary of the Company, Village Super Market, Inc., 733 Mountain Avenue, Springfield, New Jersey 07081.

**OTHER MATTERS**

The Company will furnish a copy of its Annual Report on Form 10-K for the year ended July 30, 2011, without exhibits, without charge to each person who forwards a written request, including a representation that he was a record or beneficial holder of the Company's Common Stock on October 14, 2011. Requests are to be addressed to Secretary, Village Super Market, Inc., 733 Mountain Avenue, Springfield, New Jersey 07081.

All expenses incurred in connection with the preparation and circulation of this Proxy Statement in an amount that would normally be expended in connection with an Annual Meeting in the absence of a contest will be paid by the Company. No solicitation expenses will be incurred. Management does not know of any other business that will be presented at the Annual Meeting.

By order of the Board of Directors,

Nicholas Sumas,  
*Secretary*

*October 31, 2011*



Lavoy  
Stephen F.  
Rooney

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned shareholder. If no direction is made, this proxy will be voted for Proposals 1, 2 and 3 and for 3 Years for Proposal 4.

**INSTRUCTIONS:** To withhold authority to vote for any individual nominee(s), mark **FOR ALL EXCEPT** and fill in the circle next to each nominee you wish to withhold, as shown here: =

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be<sup>o</sup> submitted via this method.

Signature of Shareholder

Date:

Signature of Shareholder

Date:

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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**Table of Contents**

o n  
**VILLAGE SUPER MARKET, INC.**

**733 Mountain Avenue, Springfield, New Jersey 07081**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints Kevin Begley and Nicholas Sumas and each of them, proxies for the undersigned, with full power of substitution, to vote as if the undersigned were personally present at the Annual Meeting of the Shareholders of Village Super Market, Inc. (the Company), to be held at the offices of the Company, 733 Mountain Avenue, Springfield, New Jersey on Friday, December 16, 2011, at 10:00 A.M. and at all adjournments thereof, the shares of stock of said Company registered in the name of the undersigned. The undersigned instructs all such proxies to vote such shares as indicated on the reverse side upon the following matters, which are described more fully in the accompanying proxy statement.

**(Continued and to be signed on the reverse side)**

n

14475 n