

Russian Organic Food Store LavkaLavka to Open Store in IKEA-Run Mall

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Organic food cooperative LavkaLavka will open a store in a Moscow mall run by Swedish furniture store IKEA, LavkaLavka head Boris Akimov said Monday, as demand grows in the capital for healthy, domestically produced food.

The first store will open in IKEA's MEGA-brand mall in Khimki by the end of the year, with the option to expand the partnership to all 14 MEGA stores across Russia. The total cost of the project is about 800 million rubles (\$14.5 million), newspaper RBC reported, citing IKEA and Akimov.

Moscow has seen rising demand for domestically produced organic food amid a growing interest in healthy eating among Russians and a surge in patriotic feelings triggered by worsening ties with the West over the Ukraine crisis.

"People began to pay more attention to the food, as well as understand that by supporting local farmers they help to develop the country," Akimov told The Moscow Times.

The LavkaLavka farmers cooperative, which sells produce from over 100 Russian farmers, currently operates a chain of grocery stores in Moscow, as well as a cafe and a restaurant.

Prices in the MEGA market will be 30 to 40 percent lower than in the company's grocery shops, where products often retail for double their wholesale price, Akimov said.

The MEGA store will sell goods from 70 farmers, and make 7-10 million rubles (\$126,000-180,00) in sales daily according to Akimov's estimates. The store will take up about 1,000 square meters in the center of the shopping mall, Akimov said.

Despite the unconventional setting, a number of organic farmers' markets have also set up shop in major malls across Moscow. High-end shopping center Tsvetnoi is currently planning to open up a farmers' market, and two more markets are in development at mega-malls Metropolis and Aviapark, RBC reported.

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