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VILLAGE SUPER MARKET INC
Form DEF 14A
October 29, 2003

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:

- [] Preliminary Proxy Statement
- [] Confidential, for Use of the Commission Only
(as permitted by Rule 14a-6(e)(2))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] 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)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

VILLAGE SUPER MARKET, INC.
733 MOUNTAIN AVENUE
SPRINGFIELD, NEW JERSEY 07081

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
DECEMBER 12, 2003

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 12, 2003 at 10:00 A.M. for the following purposes:

- (1) To elect eight directors for the ensuing year;
- (2) To ratify the selection of independent public accountants; and
- (3) 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 10, 2003 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,

ROBERT SUMAS,
Secretary

November 7, 2003

VILLAGE SUPER MARKET, INC.
733 MOUNTAIN AVENUE
SPRINGFIELD, NEW JERSEY 07081

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PROXY STATEMENT

DECEMBER 12, 2003

ANNUAL MEETING OF SHAREHOLDERS

This Proxy Statement and the accompanying form of proxy are being mailed 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 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 12, 2003 at 10:00 a.m. and at all postponements or adjournments thereof.

At the close of business on October 10, 2003, the Company had outstanding and entitled to vote 1,495,200 shares of Class A common stock, no par value, and 1,594,076 shares of Class B common stock, no par value. 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 10, 2003 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 and to ratify the selection of independent public accountants. Management does not know of any other matter to be brought before the Annual Meeting.

The Company's address is 733 Mountain Avenue, Springfield, New Jersey and its telephone number is (973) 467-2200. This notice, proxy statement and enclosed form of proxy are being mailed to shareholders on or about November 7, 2003.

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 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 ARE REQUESTED TO COMPLETE AND SIGN THE ACCOMPANYING PROXY AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED FOR THAT PURPOSE.

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; and (iii) all directors and executive officers of the Company collectively:

CLASS A STOCK(1)		CLASS B STOCK(1)
SHARES	PERCENTAGE OF	SHARES

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NAME (2)	OWNED -----	CLASS (3) -----	OWNED -----
Perry Sumas.....	120,959(5) (6) (11) (12)	8.1	508,924(7) (20)
James Sumas.....	68,163(5) (6) (12) (14)	4.6	288,042(7) (8)
Robert Sumas.....	54,780(5) (6) (12) (15)	3.7	188,703(9)
William Sumas.....	82,423(11) (12)	5.5	160,172(20)
John Sumas.....	97,677(10) (11) (12)	6.5	147,468(20)
John J. McDermott.....	1,200	.1	--
Steven Crystal.....	22,000	1.5	800
David C. Judge.....	5,000(17)	.3	--
All directors and executive officers as a group (10 persons).....	253,200(13)	16.9	1,170,543
Franklin Resources, Inc.	117,000(16)	7.8	--
Wister Morris III.....	98,045(19)	6.6	--
AXA Financial, Inc.....	96,700(18)	6.5	--
Norman Crystal.....	221,800	14.8	109,280

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- (1) Except as noted, each person has sole investment power and sole voting power with respect to the shares beneficially owned.
 - (2) The address of each of the Company's principal shareholders is in care of the Company, 733 Mountain Avenue, Springfield, New Jersey 07081.
 - (3) Based upon 1,495,200 shares of Class A Stock outstanding.
 - (4) Based upon 1,594,076 shares of Class B Stock outstanding.
 - (5) Includes 25,680 shares held by the Company's pension trust of which Perry Sumas, James Sumas and Robert Sumas are trustees.
 - (6) Includes 13,394 shares held by a charitable trust of which Perry Sumas, James Sumas and Robert Sumas are trustees.
 - (7) Includes 63,172 shares as to which Perry Sumas and James Sumas have agreed to share the power to vote pursuant to a Voting Agreement dated March 4, 1987.
 - (8) Includes 2,940 shares owned jointly by Mr. and Mrs. James Sumas; and 9,955 shares owned by Mrs. James Sumas; and 3,280 shares held by Mr. and Mrs. James Sumas as custodians for their children.
 - (9) Includes 49,643 shares owned by Mrs. Robert Sumas.
 - (10) Includes 100 shares owned by Mrs. John Sumas and 1,200 shares held by Mr. and Mrs. John Sumas as custodians for their minor children.
 - (11) Includes 70,167 shares held in the name of Perry Sumas, William Sumas and John Sumas as Co-Trustees of a Trust for the benefit of the grandchildren of Perry Sumas.
 - (12) Includes 11,000 shares represented by options exercisable by him under the Company's Stock Option Plan.
 - (13) Includes 78,000 shares represented by options exercisable by all officers and directors under the Company's Stock Option Plan.
 - (14) Includes 3,842 shares owned by Mrs. James Sumas.
 - (15) Includes 3,842 shares owned by Mrs. Robert Sumas.
 - (16) Pursuant to a Schedule 13G dated February 12, 2003, Franklin Resources, Inc. may be deemed to be the beneficial owner of 117,000 shares of the Company. Franklin's address is One Franklin Parkway, San Mateo, California 94404.
 - (17) Includes 5,000 shares represented by options exercisable by him under the Company's Stock Option Plan.
 - (18) Pursuant to a Schedule 13G dated February 12, 2003, AXA Financial, Inc. may be deemed to be the beneficial owners of 96,700 shares of the Company. The address of AXA Financial, Inc. is 1290 Avenue of the Americas, New York, New York 10104.
 - (19) Pursuant to a Schedule 13D dated August 23, 2001, Wister Morris III may be deemed to be the beneficial owner of 98,045 shares of the Company. Mr. Morris address is c/o the Pennsylvania Trust Co., Five Radnor Corporate

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Center, Suite 450, Radnor, PA, 19087.

(20) Includes 30,197 shares held in the name of Perry Sumas, William Sumas and John Sumas as Co-Trustees of a Trust for the benefit of the grandchildren of Perry Sumas.

These five members of the Sumas family beneficially own 150,520 shares of Class A Stock and 1,169,743 shares of Class B Stock, or 68.0% of the combined voting power.

The aggregate number of shares of Class B Stock owned by Perry Sumas and his sons, William Sumas and John Sumas, exceeds the aggregate number of shares of Class B Stock owned by James Sumas and

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Robert Sumas (the "Excess Shares"). Perry Sumas and James Sumas have entered into an agreement whereby the Excess Shares will be voted pursuant to the mutual agreement of James Sumas and Perry Sumas. The voting agreement will be automatically cancelled if Perry Sumas either: (i) converts the Excess Shares into shares of Class A Stock; or (ii) exchanges 50% of the Excess Shares for shares of Class A Stock owned by James Sumas.

ELECTION OF DIRECTORS

The following eight 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 at the next Annual Meeting of Shareholders, which is expected to be held on December 10, 2004. 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. Perry Sumas is the father of William Sumas and John Sumas and is the uncle of James Sumas and Robert Sumas. The other nominees are not related.

NOMINEES

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

NAME	AGE	POSITION WITH THE COMPANY
James Sumas.....	70	Chief Executive Officer, Chief Operating Officer and Chairman of the Board of Directors
Perry Sumas.....	88	President and Director
Robert Sumas.....	62	Executive Vice President, Secretary and Director
William Sumas.....	56	Executive Vice President and Director
John Sumas.....	54	Executive Vice President and Director
John J. McDermott.....	78	Director
Steven Crystal.....	47	Director
David C. Judge.....	42	Director

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James Sumas was elected Chairman of the Board in 1989. He was named Chief Executive Officer in 2002. He also serves as the Company's Chief Operating Officer. He has served as variously 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 and Strategic Planning Committees.

Perry Sumas, together with Nicholas Sumas, founded the Company in 1937. He has served as a Director of the Company since its incorporation in 1954 and has served as President since 1973.

Robert Sumas has served as Vice President, Secretary and a Director of the Company since 1969. Since 1989, he has served as an Executive Vice President. He has responsibility for finance and administration matters, construction of new stores and remodels and retail automation. Robert Sumas is Chairman of Wakefern's General Merchandise Committee and is a member of Wakefern's Communications, Sales and Merchandising and Property Management Committees.

William Sumas 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

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is Chairman of Wakefern's Commercial Bakery Committee and is a member of Wakefern's Loss Prevention Policy Committee. He also serves as Chairman of the New Jersey Food Council.

John 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 Sumas is a member of Wakefern's Frozen Food, Dairy/Deli and Fresh Bakery Committees.

John J. McDermott has served as a Director of the Company since 1982. Mr. McDermott is the President of John J. McDermott Enterprises, a bank consulting firm. Prior to his retirement in 1989, Mr. McDermott served as President of the commercial lending subsidiaries of three bank holding companies. Mr. McDermott previously served as General Counsel to the Company from 1982 to 1983.

Steven Crystal has served as a Director of the Company since 2001. Mr. Crystal owns and manages five Car Quest auto parts stores, the nation's eleventh largest Honda motorcycle dealership and an ACE hardware store. He also is a member of the New York Mercantile Exchange and NY Commodity Exchange, where he actively trades commodities. In addition, Mr. Crystal manages and owns residential and commercial real estate. Steven Crystal is the son of Norman Crystal, a major shareholder of the Company.

David C. Judge has served as a Director of the Company since June 2003. Mr. Judge is a Senior Vice President and Division Head for the Bank of New York. He is responsible for the Retailing and Healthcare Industry Divisions, which handle over 175 client relationships. In addition, Mr. Judge is Head of the Corporate Credit Analysis & Monitoring Group, a primary source of financial analysis for the Corporate Banking Sector.

The Certificate of Incorporation includes a provision that no director shall be personally liable for monetary damages to the Company or its

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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; (iii) intentionally or knowingly authorizing any unlawful dividends or distributions; and (iv) any transaction from which a director derived an improper personal benefit.

DIRECTORS MEETINGS, COMMITTEES AND COMPENSATION

The Board held four meetings in fiscal 2003. 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 Board does not have a standing nominating committee.

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

The Audit Committee, which consists of John McDermott, Steven Crystal and David Judge, reviews auditing matters and selects the independent accountants for ratification by shareholders in accordance with the written charter of the Audit Committee, which was attached to the 2001 Proxy Statement. During fiscal 2003, the Audit Committee met seven times.

The Compensation Committee, which consists of Perry Sumas, James Sumas and John McDermott, establishes the compensation of the officers of the Company. During fiscal 2003, the committee met twice.

Non-employee directors currently are paid an annual retainer of \$8000 plus fees of \$1,000 for each Board meeting and \$1,000 for each Committee meeting attended. Directors who are employees of the Company receive no compensation for service as directors. In addition, the Company granted to each of its non-employee directors options to purchase 5,000 shares of class A common stock at an option price equal to the fair market value of the stock at the date of grant.

The Securities and Exchange Commission has adopted rules implementing Section 407 of the Sarbanes Oxley Act of 2002 requiring public companies to disclose information about Audit Committee financial experts. The Board of Directors of the Company has concluded that none of the three independent audit

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committee members meet the narrow SEC definition of Audit Committee financial expert as none have served as a principal accounting officer or public accountant, or have been responsible for actively supervising a principal accounting officer. SEC rules do not require Audit Committees to have a financial expert. However, the Board of Directors has determined that all three independent members of the Audit Committee meet the NASDAQ requirements for audit committee members. NASDAQ requires Audit Committee members be able to read and understand financial statements. In addition, NASDAQ rules require one member of the Audit Committee to have employment experience in finance or accounting, or other comparable experience which results in financial sophistication, including as a senior officer with financial oversight responsibilities.

The current members of the Audit Committee include two individuals who have varied experience in the finance industry, including responsibilities for analysis of financial statements in connection with corporate lending to the supermarket industry. A third member of the Audit Committee is CEO of several operating companies, including two retail companies. The Board of Directors believes all three members of the Audit Committee have the ability to read and

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understand financial statements and an understanding of the retail industry appropriate to perform their Audit Committee duties. The Company may consider the addition of an Audit Committee member in the future meeting the narrow Audit Committee financial expert definition recently adopted by the SEC.

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 2003, 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 Mr. Robert Sumas, Secretary, Village Super Market, Inc., 733 Mountain Avenue, Springfield, New Jersey 07081.

EXECUTIVE COMPENSATION

Except for the Stock Option Plan, the Company does not have any long term compensation plans. The following table sets forth the compensation paid by the Company during the last three fiscal years to the Chief Executive Officer and the four most highly compensated executive officers of the Company:

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SUMMARY COMPENSATION TABLE

NAME AND POSITION -----	YEAR ----	ANNUAL COMPENSATION -----		LONG-TERM COMPENSATION AWARDS	OTHER ANNUAL COMPENSATION (A)
		SALARY (\$) -----	BONUS (\$) -----	OPTIONS (#) -----	-----
James Sumas.....	2003	529,980	40,000	--	1,659
Chairman of Board, Chief	2002	472,863	75,000	--	1,596
Executive Officer and	2001	441,863	36,000	--	2,750
Chief Operating Officer					
Robert Sumas.....	2003	433,968	35,000	--	2,587
Executive Vice President	2002	401,721	75,000	--	2,625
and Secretary	2001	387,921	32,000	--	2,750
William Sumas.....	2003	334,537	35,000	--	2,750
Executive Vice President	2002	333,525	75,000	--	2,625
	2001	317,430	32,000	--	2,750
John Sumas.....	2003	362,917	35,000	--	1,651
Executive Vice President	2002	336,493	75,000	--	1,594
	2001	320,620	32,000	--	2,750
Perry Sumas.....	2003	340,415	--	--	--
President	2002	302,025	55,000	--	--
	2001	273,940	--	--	--

(a) Company Paid 401K match

AGGREGATED OPTION EXERCISES IN THE LAST FISCAL YEAR

AND FISCAL YEAR END OPTION VALUES

The following table sets forth information with respect to the exercise of

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options during fiscal 2003 and the value of the unexercised options as of July 26, 2003.

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF UNEXERCISED OPTIONS AT JULY 26, 2003 (1)	VALUE UNEXER- IN-THE- AT JULY 26
James Sumas.....	0	0	11,000	\$171
Robert Sumas.....	0	0	11,000	\$171
William Sumas.....	0	0	11,000	\$171
John Sumas.....	0	0	11,000	\$171
Perry Sumas.....	0	0	11,000	\$171

(1) All outstanding options held by Executive Officers were exercisable at year end.

(2) Based upon the price of \$25.60 as of July 26, 2003.

BENEFIT PLANS

The Company maintains a defined benefit pension plan 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. The amount of the Company's contribution to this plan with respect to a specified person cannot readily be separated or individually calculated by the actuaries for the plan. For purposes of determining plan benefits, compensation is the regular base pay of the participant plus bonuses, overtime pay and other extra compensation. 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. The approximate annual retirement benefits at age 65 (computed as of January 1, 2003) are \$74,004 to James Sumas; \$76,896 to Robert Sumas; \$82,032 to

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William Sumas; \$86,640 to John Sumas; and \$469,176 to all executive officers and directors as a group. Due to his age, Perry Sumas cannot participate in this plan.

The Company also maintains a plan which permits salary reduction contributions by participants under Section 401(k) of the Internal Revenue Code. Pursuant to this plan, each person not covered by a collective bargaining agreement who has been employed by the Company for more than twelve months and is over the age of twenty-one may direct that a percentage of his or her salary, up to 18%, but not more than \$12,000, be withheld and paid over to the plan trustees for investment. The Company, in turn, will pay to the plan trustees a further sum equal to the lesser of (a) 25% of the amount so directed by the employee to be withheld from the employee's salary and contributed to the plan or (b) 1.5% of the employee's salary. Until the employee has reached his normal retirement age, the employee's contribution may not be withdrawn without incurring a tax penalty.

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Securities and Exchange Commission has adopted rules concerning the format for the disclosure of executive compensation. These rules also require proxy statement disclosure of specified information regarding certain relationships of executive officers and members of the Company's board of directors which might bear on decisions concerning the compensation of executive officers of the Company. None of the executive officers or the members of the Company's board of directors has a relationship requiring such disclosure except as set forth below. The Compensation Committee consists of Perry Sumas, who is an executive officer of the Company serving as the President; James Sumas, who is an executive officer of the Company serving as the Chairman of the Board of Directors, Chief Executive Officer and Chief Operating Officer; and John J. McDermott, who is a former executive officer of the Company, having resigned as General Counsel in 1983. As noted elsewhere in the Proxy Statement under "Certain Transactions", Perry Sumas and James Sumas, through Sumas Realty Company and Sumas Realty Associates, have certain business relationships with the Company.

REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS ON EXECUTIVE COMPENSATION

The Company's compensation policies, as applicable to its executive officers, are administered by its Compensation Committee of the Board of Directors (the "Committee"). The Committee members recognize that the Company is, to a significant extent, a family owned business. The Chief Executive Officer and each of the other executive officers named in this proxy statement own substantial amounts 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 executive compensation to long-term Company performance.

The basic criteria used in making determinations concerning compensation for executive officers is the level of compensation paid to comparable executives in the industry, in particular to corporate executives of other ShopRite members and at competing supermarket chains, the financial performance of the Company and other achievements during the most recently completed fiscal year, time devoted to Company affairs, reputation in the industry, record of accomplishments and efforts on the Company's behalf.

The Committee decided to grant performance bonuses in 2003 based on the efforts of those executives in achieving satisfactory financial performance in the areas of sales, operating income, EBITDA and net income despite difficult conditions in the supermarket industry. Financial results, and, therefore performance bonuses, were somewhat less in fiscal 2003 than fiscal 2002.

The Compensation Committee bases the compensation of the Chief Executive Officer on the same criteria as mentioned above for other executive officers.

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The Committee notes that compensation tables required by the rules of the Securities and Exchange Commission are based upon fiscal year totals, which in the case of the Company are July to July periods of 52 or 53 weeks. Executive compensation decisions are implemented, in part, on a calendar year basis. Thus, minor apparent year to year variations in compensation levels appearing in the tables may not be reflective of actual Committee actions.

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

PERRY SUMAS

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JAMES SUMAS
JOHN J. MCDERMOTT

PERFORMANCE GRAPH

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

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN*

AMONG VILLAGE SUPER MARKET, INC., THE S&P 500 INDEX
AND THE NASDAQ RETAIL INDEX

[PERFORMANCE GRAPH]

	VILLAGE SUPER MARKET, INC. -----	S&P 500 -----
7/98	100	100
7/99	84.17	120.2
7/00	86.67	131.39
7/01	129.67	112.61
7/02	179.67	86.04
7/03	170.67	95.31

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EQUITY COMPENSATION PLAN INFORMATION

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	124,600	\$11.96	6,000
Equity compensation plans not approved by security holders	--	--	--

The information in the above table is as of July 26, 2003. All data relates to the 1997 Incentive and Non-Statutory Stock Option Plan.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is composed of three independent directors, as defined

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by the listing standards of NASDAQ, and operates under a written charter adopted by the Board of Directors. The members of the Committee are John J. McDermott (Chair), Steven Crystal and David C. Judge. The Committee recommends to the Board of Directors, subject to shareholder ratification, the selection of 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 auditing standards generally accepted in the United States and to issue a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

In this context, the Audit Committee has met and held discussions with management and the independent auditors. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The Audit Committee discussed with the independent auditors matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees).

The Company's independent auditors also provided to the Audit Committee the written disclosures required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the Audit Committee discussed with the independent auditors that firm's independence.

Based upon the Audit Committee's discussion with management and the independent auditors and the Audit Committee's review of the representations of management and the report of the independent auditors to the Audit Committee, 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 26, 2003 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 financial statements for fiscal 2003 and 2002, and fees billed for other services rendered by KPMG LLP:

	2003	2002
	-----	-----
Audit fees.....	\$ 80,000	\$ 75,000
Audit related fees(1).....	20,000	18,000
Tax fees(2).....	38,500	165,750
All other fees.....	--	--
	-----	-----
Total fees.....	\$138,500	\$258,750
	-----	-----

 (1) Audit related fees consist of audits of financial statements of employee benefit plans.

(2) Tax fees consist of fees for tax compliance, planning, and consultation services.

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The Audit Committee has considered whether the provision 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

JOHN J. MCDERMOTT
STEVEN CRYSTAL
DAVID C. JUDGE

CERTAIN TRANSACTIONS

On April 2, 2003, the Company sold the land and building currently occupied by the Somers Point, NJ store to an unrelated real estate investment ("REIT") for \$3,500,000 plus the reimbursement of certain costs. The Company's purpose in this transaction was to provide for the development of an 80,000 sq. ft. store in Somers Point with minimal cash outlay by the Company, and to ensure continued occupancy of the Springfield store and the Company's headquarters. The Company executed long-term leases with the REIT for the above properties. The Springfield store and the Company headquarters were previously leased from Sumas Realty Company, a corporation owned by James Sumas, Robert Sumas, Perry Sumas and his two daughters. The Company canceled its leases with Sumas Realty as part of this transaction. The combined annual rents of the two replacement leases are approximately the same as the annual rents of the leases cancelled.

As part of this transaction, the shareholders of Sumas Realty are selling their shares to the REIT. Sumas Realty assets consist substantially of the Springfield store, the Company's headquarters and undeveloped land in Somers Point upon which a 130,000 sq. ft. center is to be developed by the REIT. Although the transactions with the unrelated, publicly traded REIT were negotiated at arms-length, the Company's independent directors evaluated and approved these transactions for fairness due to the concurrent sale by Sumas Realty Company, which was a related party. Prior to the closing of the above transactions on April 2, 2003, the Company paid aggregate rents to Sumas Realty Company under the existing store and headquarters leases of approximately \$377,000 in fiscal 2003.

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, 2006. The annual rent under this lease is \$549,160. Sumas Realty Associates is a 30% limited partner in Hickory Square Associates. Sumas Realty Associates is a general partnership among Perry Sumas, James Sumas, Robert Sumas, William Sumas and John Sumas.

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SELECTION OF INDEPENDENT PUBLIC ACCOUNTANTS

The selection by the Board of Directors, on recommendation of the Audit Committee, of KPMG LLP, as independent public accountants to examine the financial statements of the Company for the fiscal year ending July 31, 2004, is to be submitted at the meeting for ratification or rejection. The financial statements of the Company for the 2003, 2002 and 2001 fiscal years were examined by KPMG LLP.

Representatives of KPMG LLP are expected to be present at the 2003 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 selection of independent

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public accountants is not required, the Board will reconsider its selection of KPMG LLP if such ratification is not obtained. Ratification shall require a majority of the votes cast.

SHAREHOLDER PROPOSALS FOR 2004 ANNUAL MEETING

Any proposal that a shareholder intends to present at the Company's 2004 Annual Meeting of Shareholders, presently scheduled to be held on December 10, 2004, and requests to be included in the Company's Proxy Statement for the 2004 Annual Meeting, must be received by the Company no later than June 1, 2004. Such requests should be made in writing and sent to the Secretary of the Company, Robert Sumas, 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 26, 2003, 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 10, 2003. Requests are to be addressed to Mr. Robert Sumas, 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,

ROBERT SUMAS,

Secretary

November 7, 2003

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VILLAGE SUPER MARKET, INC.
733 MOUNTAIN AVENUE, SPRINGFIELD, NEW JERSEY 07081

PROXY SOLICITED ON BEHALF OF THE COMPANY'S BOARD OF DIRECTORS

The undersigned hereby appoints Perry Sumas and Robert 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 12, 2003 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 below upon the following matters, which are described more fully in the accompanying proxy statement.

I authorize and instruct my Proxy to:

1. VOTE FOR all nominees for the Company's Board of Directors listed below: except that I WITHHOLD AUTHORITY for the following nominees (if any)

Perry Sumas, James Sumas, Robert Sumas, William Sumas, John Sumas, John J.

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McDermott, Steven Crystal and David C. Judge.

[] VOTE WITHHELD from all nominees.

2. VOTE FOR [] AGAINST [] ABSTAIN [] approval of KPMG LLP, to be the independent auditors of the Company for fiscal 2004.

(Continued and to be signed, on the other side)

(see other side)

3. In their discretion, to vote upon such other business as may properly come before the meeting and all adjournments thereof.

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this proxy will be voted for Proposals 1 through 3.

Please sign exactly as your name appears below. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give your full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by an authorized person.

Signature

Signature, if held
jointly

Dated 2003

PLEASE MARK, SIGN, DATE
AND RETURN THE PROXY
CARD PROMPTLY, USING THE
ENCLOSED ENVELOPE.