

# THE FOOD DEALER

The Magazine of The Greater Detroit Food Market

SEPTEMBER, 1968



## 1968 Annual Awards Winners

The 1968 Annual Awards Banquet of the Associated Food Dealers was a momentous occasion for the recipients. Above Robert McBride of WJBK-TV, center, receives a Distinguished Service Citation from AFD's Ed Deeb, left, and Mike Giancotti. — (See story on page 3)

Tax Structure — Page 12







RALPH MILLER

Manufacturer

Procter & Gamble



JOHN WARCHOCK Broker Peterson & Vaughan



DAVE ROBERTS
Wholesaler
Spartan Stores



JOE POMAVILLE Driver-Salesman American Bakeries

# Nine Receive Distinguished Service Awards

Four food firm representatives and five firms from the mass communications industry have been cited by the Associated Food Dealers (AFD) for "distinguished and extraordinary service" to the food industry.

In conjunction with its Annual Awards Banquet held at the Raleigh House in Southfield, the state's largest food distribution association, with over 1,900 members, presented four salesmen of the year awards and five citations for outstanding service.

Recipients of the salesmen honors were Ralph E. Miller, sales representative for Procter & Gamble Company, manufacturer; John S. Warchock, sales manager for Peterson & Vaughan, Inc., food brokerage; David Roberts, merchandising director for Spartan Stores, Inc., food wholesaler; and Joseph Pomaville, route salesman for the Taystee bread division of American Bakeries, Inc.

Recipients of the Associated Food Dealers' distinguished service citations in behalf of the food distribution industry, were presented to the companies for providing fair and accurate news and editorial coverage to the food field in particular, and the business community generally, were:

WJBK-TV, WJR radio, East Side Newspaper, Supermarket News (national industry weekly newspaper), and Michigan Beverage News, bi-monthly newspaper of the beverage field.

Accepting the citations in behalf of their companies were Robert McBride, community affairs director, WJBK-TV; William Harris, news director, WJR radio; Ben Nathanson, publisher, East Side Newspapers; Stuart Hanger, Detroit bureau manager, Supermarket News; and Kenneth Davison, publisher, Michigan Beverage News.

Presenting the 1968 awards in behalf of the association were Michael Giancotti, president, and Edward

Deeb, executive director. Over 560 persons attended the annual event.

In addition, the association paid a special memorial tribute to the late Sam Fink, president of Great Scott Super Markets, and an association director, who died August 29 Making the presentation in behalf of the AFD was Harvey Weisberg, of Chatham Super Markets, who also is a director of the association. Accepting a memorial plaque in behalf of the Fink family and Great Scott was the firm's legal counsel, David Anbender.

Purpose of the outstanding service awards to individuals both in and out of the food field, is to give recognition to those persons or organizations who have distinguished themselves in the service to the industry.

# Store Operations, Crime Subjects of NAIFR Panels At San Juan Convention

Store operations, increased crime affecting merchants, and lack of adequate insurance protection were the main themes of two interesting panel discussions held in conjunction with the 83rd annual convention of the National Association of Independent Food Retailers (NAIFR), held recently in San Juan, Puerto Rico.

Over 500 delegates representing local and state food trade organizations affiliated with the national association. heard a plea from panelists to seek avenues for reducing customer and employee pilferage, to step up educational efforts to lure more persons to the food industry, to re-

(Continued on Page 7)

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# Grocery Business Offers Unlimited Opportunity For Negroes — Allens

"For individuals who are willing to work more than an average eight-hour day, be they black or white, the food industry offers unlimited opportunities for success to those who are willing to become self-employed entrepreneurs."

So said Mr. and Mrs. Lafayette Allen Sr., operators of the family-owned Allen's Super Markets in Inkster, Michigan, featured speakers at the 83rd annual convention of the National Association of Independent Food Retailers held recently in San Juan, Puerto Rico.

The Allens, considered to be the largest and most successful Negro food merchants, with a three-store supermarket chain in Inkster and nearby Ypsilanti, do a sales volume exceeding \$2½ million annually.

Edith Allen, wife of the food chain owner, took the rostrum first and described their humble beginnings, when Mr. Allen sold fresh chittlings door-to-door in Inkster in the late 1920's. After two years, they converted the woodshed in back of their home into a small store and added chickens, apples and small selection of produce to chittlings.

"While Mr. Allen would sell his goods door-to-door, I watched the store, and even saw our children off to school in between," said Mrs. Allen, who at 68 years of age looks more like 40. "Those were rough times when Mr. Allen used to put in about 16 hours a day." The senior Allen is a young and active 72. They have been married 48 years.

"Although we're not as active in the management of our stores today, we still regularly go over the operation with our seven children who ably run the stores," she says proudly.

"Most of the people around Inkster refer to us as 'Papa and Mama Allen' because we're so close to the people in our community," says Mr. Allen. "That's the key to any business. You must have a good rapor and reputation in the community where you do business."

Despite adverse comments and criticism made about food merchants, the Allen's feel the food industry offers unlimited opportunity for success to Negroes, both financially and socially. "But it takes long hours and hard work."

"We have always believed in hard work and strong family ties," says Mr. Allen. "We believe it is hard work which is responsible for our never needing to take something for nothing." -

The family has been written up many times in national publications and received wide acclaim for their success as market owners. They are quite active with the Associated Food Dealers of Greater Detroit. Their son, Lafayette Jr., serves as a director.

## THE FOOD DEALER

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OF GREATER DETROIT

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> EDWARD DEEB, Editor LOUISE LUCAS. Office Secretary JOAN SENA, Insurance Secretary

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### COMP-U-CHECK SUCCESS STORY!

Computerized Check Verification Service

# CURBS CRIMINALS, SAVES DOLLARS FOR DETROIT MERCHANTS!

#### **₹ TWO ARRESTED AT SUPERMARKET**

Comp-U-Check's computer disclosed a ficticious driver's license with the attempted pass of a \$150 check. The store, which is a consistent user, had us dispatch a Dearborn police car; the person was arrested and held.

A short time later Comp-U-Check revealed to this same store that another customer was trying to pass a stolen check. By request, Comp-U-Check summoned police and the person was apprehended.

#### **¥** FUR SALON OUT-FOXES WOULD-BE FELON

A fashionable fur salon in Detroit was asked to cash a sizable check. A call to Comp-U-Check revealed the passer had an extensive derogatory history of NSF and closed account check writing. Potential loss if this check had been accepted: the cost of more than 2 years of Comp-U-Check service.

#### **₩** DRUGGIST IS BIG SAVER

A retail druggist in the northwest area called to verify a check for a customer with no driver's license. When Comp-U-Check revealed it to be a stolen check, the druggist saved enough to pay for 44 months of Comp-U-Check service.

#### # SUPERMARKET TURNS TABLES ON NSF'er

A man attempting to cash a payroll check in an East Side food store was checked through Comp-U-Check. The Comp-U-Check scan revealed that the store earlier had a NSF experience with the same man. The store cashed the payroll check after deducting the amount of the NSF

#### **₹ 10% OF CALLS SPOT CRIMINALS**

A well known department store reports that almost 10% of its first month's calls flagged enough bad check information to enable it to save the cost of several months' of Comp-U-Check service.

#### \*TWO TRIES AND OUT

After Comp-U-Check counseled a supermarket manager in refusing a customer check at a suburban store, the same passer tried another store of the same chain a few miles away. Again the check was refused because of Comp-U-Check information.



invitation to good check cashing customers...
warning to bad check passers!

COMP-U-CHECK, Inc

#### **REGULAR USERS REAP REWARDS**

During Comp-U-Check's first five weeks of operation our subscribers reported over 100 situations where potential check losses had been averted. The potential dollar loss amounted to nearly four times the monthly cost of the service for the subscribers inolved. Large and small subscribers shared alike in this saving.

The stores that consistently verify doubtful checks report the greatest benefit. One supermarket chain, making full use of the service with hundreds of calls a month, reports savings during the first 5 weeks equal to seven months' service cost.

#### DOUBLE BENEFIT PROTECTIVE SEAL

The impressive decal identifying your store as a subscriber to the Comp-U-Check verification service tells an honest citizen his check is welcome and at the same time informs the crook he is in dangerous territory. Security manager for one retail firm has said: "There are a number of undesirables who won't be back in our stores. They've learned the red Comp-U-Check emblem really means something. They'll no doubt take their bad paper to other stores."

#### **HOW COMP-U-CHECK SERVICE WORKS**

When a subscriber to the service is presented with a check, an authorized employee calls Comp-U-Check and gives the customer's Michigan driver's license number. An operator at Comp-U-Check feeds this into the computer. The computer then scans a "memory bank" pool of bad check experience obtained from banks, retailers and other sources. In seconds the computer will either report "all clear" or refer the caller to a security officer who interprets the information so the merchant can make his own check cashing decision.

Call 255	-2800 or mail c	oupon NOW!
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Rush me all	the facts on Comp-U-Ch	eck.
Name		
Address		
Company		
City	State	Zip

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ED DEEB

## OFF THE DEEB END

# Matter of Ethics

A few weeks ago a food and drug survey was unloosed to the public which created another discussion on prices. It is not difficult to understand, especially during this election year, why inflation generally, and rising food prices and price differences would make for interesting discussion.

As you know, the survey sponsored by Focus: Summer Hope, charged and tried to prove the poor pay more, and that food costs more at independent stores, and that chains charge different prices within units of the same chain.

There are a couple of things which should be pointed out, for the record. If the survey was designed to be constructive, why were efforts of the Associated Food Dealers and food industry to offer assistance ignored? At the same time, it should be pointed out that the AFD wrote to Archbishop Dearden two weeks before the survey began (in May) urging that various economic factors be considered, offering assistance, and asking that the survey not be another barrage of industry criticism publicly when it was completed. In adidtion, the AFD asked that copies of both the preliminary and final surveys be provided the association before running to the press.

Our efforts were in vain, and leads us to the intention or ethics of those involved in the survey. As it turned out, the survey results were published first, without bringing in members of our industry to discuss the findings constructively.

If the efforts and motives of the survey were sincere and intended to be constructive, they weren't, at least so far. Instead, it turned out to be another barrage of destructive criticism of our industry. And yes, it did instill doubt and suspicion in the minds of area citizens.

To this day, after repeated requests, we have not received a copy of the preliminary survey, at least a copy of the same report which went out to the press. Personally, I was sorry to learn that the press chose to publish the findings without checking to verify the authenticity of the survey itself. There were many innuendos and half-truths.

At any rate, after we receive a copy of the survey, AFD president Mike Giancotti will appoint a committee to go over the results, and then try to meet with those who made the survey.

After all, there are many questions needing answers, at least from an industry point of view.

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## **Store Operation Panels**

(Continued from Page 3)

duce check cashing losses, and seek more adequate insurance protection.

Opening day panelists during the general session included Clarence Meyers, executive secretary of the Southwestern Ohio Food Dealers Association, Cincinatti; Sidney Brent, operator of Kenilworth Super Market, Detroit; Leo Green, operator of Greenfield's Super Market, Yonkers, N.Y., and a NAIFR director; and Salim Sarafa, operator of Big Dipper Super Market, Detroit. Moderator was Edward Deeb, NAIFR secretary, and executive director of the Associated Food Dealers.

Additional subjects discussed included government critics instilling doubt and suspicion about food merchants in the minds of consumers, and additional financial and community pressures on smaller merchants.

Panelists on the second day of general convention sessions included Glen Price, operator of Price's IGA Super Market, Milton-Freewater, Oregon: William Welch of Hollywood Super Markets, Royal Oak, Michigan; Lester Howe of Lester's Fine Food, Philadelphia; and Leo Trabold, operator of Leo's Super Market, New York City.

Moderator of the discussion, with question-andanswer period following, was Alex Bell of Village Food Market, Grosse Pointe, Michigan, and a director of NAIFR and the AFD.

Theme for the discussion was store operations, and included the subjects of pricini, personnel, the need for accurate record-keeping, and employee incentives, as profit sharing plans, recently granted to self-employed businessmen through Federal legislation.

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#### **Memo from Faygo**

# by MORTON FEIGENSON President



Faygo, founded in 1907, is finally going to "cross the river"—the Detroit River. We begin marketing this month in Windsor, Canada, to consumers who. although on the other side of an International border, live closer to our Detroit plant than 90 per cent of the consumers whose loyalty gives Faygo No. 2 leadership in the Greater Detroit take-home soft drink market.

Our initial Canadian distribution will span four populous Ontario counties where Faygo flavors have pre-cultivated brand-name acceptance, due to Detroit TV and radio advertising spilling over into them for years. As glass bottles come into greater supply—we plan to expand into Hamilton, Toronto and Niagara Falls, Ontario, and to be manufacturing and packaging in the Toronto area by early 1969 or sooner.

This "crossing the river" brings us a heart-warming feeling, because Canadians and Americans are the world's most peace-loving neighbors. Hopefully, the time may be near at hand when both can enjoy and benefit from each other's products without involvement in border-tariff fees.

Faygo has started distributing a low calorie version of its venerable Rock & Rye. This brings to mind that we once thought there never would be a sizeable market for dietetic soft drinks. How wrong we were! They now account for over 15 per cent of our sales and the new Rock & Rye brings to nine the number of low-calorie offerings in Faygo's product line-up.



Rock & Rye and Faygo are synonymous in the minds of many long-time Faygo customers. However, few people know Rock & Rye's formulation was developed to simulate the taste of an alcoholic drink which was very popular prior to the Prohibition Era. Bartenders concocted the alcoholic Rock & Rye by adding rock candy to rye whiskey.

\* \* \* \* \*

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# Problem of Bad Checks Highlights Convention

The National Association of Independent Food Retailers passed a resolution which "protests vehemently" the involvement of churches and religious groups in matters of economic issues, and for openly, on the pulpit, urging church-goers to shop at certain stores while boycotting others, as a violation of the spirit of the free enterprise system.

The resolution was one of eight adopted by the national food retailers association, which represents over 17,000 members, during the organization's 83rd annual convention held recently in San Juan, Puerto Rico, and part of a year-long campaign just launched titled "Operation Free Enterprise."

Action on the NAIFR church resolution came as a result of boycott efforts to withhold California grapes from retail stores and the movement by religious groups to support the boycott by "pressuring" parishioners not to shop in certain named stores.

"Traditionally, the church does not take a stand for or against a product, company or political candidate, and we feel they should not," said NAIFR's Ed Deeb, who is also executive director of the Associated Food Dealers. NAIFR also passed resolutions expressing its concern over increasing crimes affecting food merchants and the increase in violence, lawlessness and breakdown of law and order generally.

With the nation's food industry in vital need of trained personnel, the retail group called for essential programs to be initiated to attract young people to its industry in cooperation with educational institutions, government, unions and the industry itself.

Since food merchants have been the prime target of criticism from elected and appointed government officials, NAIFR also resolved to notify President Johnson of the increasing "destructive criticism which instills doubt and suspicion in the minds of consumers," which the group feels unfair and unjust.

The association also passed two resolutions which it says could help reduce the growing problem of bad check passing, which costs merchants and other businessmen over \$2 billion annually.

One of the two resolutions calls for federal and state

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#### THE PRESIDENT'S CORNER

# Congratulations To The **AFD Award Winners**

by MIKE GIANCOTTI

In behalf of the members of the Associated Food Dealers, at this time I wish to thank all those who attended our recent Awards Banquet at the Raleigh House in Southfield.

It was gratifying to see the wonderful turnout (over 560 attended) of industry people for our annual awards presentations. Purpose of these awards is to give recognition to those individuals who have distinguished themselves through extraordinary service to the food industry in general and retailers in particular.



GIANCOTTI

In addition, it is time when we present citations for distinguished service to those persons or companies in behalf of the Michigan food distribution industry. People who know of the importance of this industry, while making others aware of the job we're all doing.

The spirit of these awards are intended to place the emphasis on the individual rather than a company. It is these people, the retail sales or merchandising specialists, who usually spell the difference between success and failure of many companies.

Naturally, again many nominations were submitted by our members to receive these awards. Although only a few individuals can be cited each year, it should be noted that the AFD is most appreciaitve of the work being done by ALL salesmen and companies in the food field.

The Associated Food Dealers has long paved the way at bringing unity to our industry, and has done more good for the total industry than any other association. In performing vital services, the AFD has grown to where today we enjoy the finest reputation as the largest and most active food distribution association in Michigan.

As many of you already know, the AFD has established itself firmly and responsibility as "the voice of our industry," which was recently attested by no less than Robert McBride of WJBK-TV at our recent awards banquet.

We have achieved this stature by genuinely concerning ourselves with legitimate problems by not fearing to "get involved" in our industry, as well as in the various communities throughout the state.

Efforts of the AFD has brought our great industry closer together in the cause of just and fair play both within and without the field, like never before ever accomplished.

Unfortunately, when the AFD, like a college football team, ranks No. 1, all the guns are after you. We have no intentions however of relinquishing our No. 1 position.

The awards banquet is the industry's way of acknowledging the works of individuals so we can all be inspired to do a better than average job. It's been said many times, an honor bestowed by one's own industry, company or group, is far more appreciated than most any other citation or award which can be given.

Meanwhile, our congratulations to Ralph E. Miller of Procter & Gamble; John Warchock of Peterson & Vaughan; Dave Roberts of Spartan Stores; and Joseph Pomaville of American Bakeries. Also our congratulations go out, for distinguished service, to WJBK-TV, WJR radio, Michigan Beverage News, East Side Newspapers, and Supermarket News.

New Wilson Promotion . .

## **Main Meal Meats** that keep without refrigeration!





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#### NOTICE TO RETAILERS, WHOLESALERS:

Please be informed that a 50¢ Refund Coupon Offer will be made available to consumers Oct. 9 and Nov. 11. Be sure you have adequate Wilson products on hand. For further information contact:

BILL BLAKE, Wilson & Co., Inc. 15716 Wyoming Street, Detroit, Michigan 48238 Phone 313 - 863-7577

# The Sounding Board

To the AFD:

With reference to your letter of August 23rd regarding Lansing City Council's action of August 19th concerning the dispute between California growers and the United Farm workers group, first, may I state that the above action by the Council was, in my opinion, unfortunate. I was out of the city at the time this action took place. I am happy to report to you that after a thorough discussion with the City Council this afternoon (Sept. 3), a majority decided to rescind their previous action at a regular meeting.

I am in agreement with your comment that such action is outside of the proper domain of a City Council in the State of Michigan. There can be no question but that the Council's action was taken hastily and without adequate consideration. Their decision to rescind their action is commendable and demonstrates their willingness to correct an error.

I trust the Lansing City Council's action of Sept. 3 will, therefore, meet with your approval.

Max E. Murningham Mayor of Lansing

# **PROFIT**

# WITH CAL-CHEM'S HOME CARE LINE

After serving industrial and institutional firms for many years, Cal-Chamical Manufacturing Company now offers its Nutral Foaming Cleaner to to consumers. This fabulous miracle "Nutral" brand formula cleans rugs, fabrics, leather and plastic products like magic.

Smart retailers will stock end sell this popular item for more sales and profits. To place your order, contact:

## CAL-CHEMical Mfg. Co.

1003 Baldwin, Detroit Phone 567-5620 As part of my duties in administrating the Food Stamp Program, I visit many food dealers. While visiting one. I became acquainted with your publication, *The Food Dealer*. I find it very interesting and informative, and of great help to me in my work. I would appreciate it very much if you would arrange to have me on your mailing list.

Court J. McDougall Consumer Food Program U.S. Dept. of Agriculture Flint Field Office

I want to congratulate you on the fine meeting of your Awards Banquet (Sept. 17). The location, the food and the general tenor and mood of the affair were all excellent. Thanks much for the Award; we appreciate it.

Robert J. McBride Director of News and Community Affairs WJBK-TV

American Bakeries is proud and appreciative that our Taystee salesman, Joseph Pomaville, was elected by the Associated Food Dealers as the route salesman of the year. It is a great honor the grocers have bestowed on Joe, as a salesman, and upon us as a company. Thank you for this award. I am sure this recognition will give our total sales force a great lift in morale.

E. W. Houck Vice-President American Bakeries

AFD Travel Service Presents . . .

# The Case For Incentive Travel Tours, Programs

Did you know that tailor made travel tours used as incentives can boost or improve employee sales results, production, efficiency, courtesy and loyalty? It's true!

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#### IAX IUPICS

# The Corporate Organization Tax Structure

by MOE R. MILLER
Tax Attorney and Accountant

Unlike partnership and sole proprietorship, a corporation is a separate entity, taxwise. The result is ordinarily a double tax: (1) on the corporation's net profits, (2) on the profits after taxes distributed to the stockholders as dividends.

Corporations may escape the tax at the corporate level by having the corporate income taxed directly to the stockholders. The psuedo-corporation makes the corporate form more attractive for new enterprises.

Consideration of corporate tax problems should begin and studied before the Articles of Incorporation are filed, since there are many fac-



MILLER

tors one should consider in determining whether the corprobate form is best suited for the particular business.

The proper time to decide how much the corporate capital should be is at the time of organization. A capital

structure showing indebtedness out of proportion to the equity interest, can be classified as a thin corporation, and the stockholders indebtedness can subsequently be regarded as capital stock. The repayment of the indebtedness is classified as a dividend, which ultimately produces double taxation. The Treasury will probably not challenge a debt-stock capital ratio of 3½ to 1, or less, but any capitalization beyond this ratio may be treated by the Treasury as all equity capital.

Restrictions on transfer of stock may be advisable to protect certain tax advantages, such as the psuedocorporation election or tax-free liquidation. Such restrictions generally give the corporation or stockholders an option to buy the stock, sometimes at a predetermined price.

The transfer of assets to a corporation in return for stock, generally does not give rise to taxable income or deductible loss, even though the assets have appreciated or depreciated in value since they are acquired, if certain tests are met.

A psuedo-corporation is for corporation law purposes no different from the ordinary corporation, but for federal tax purposes it avoids the income tax at the corporate level, and the corporate taxable income is taxed to the stockholders. To qualify as a "psuedo-

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# Detroit RENDERING Company

**SINCE 1850** 

SUPERIOR SERVICE - TOP MARKET VALUES

TAshmoo 6-4500

"First We Render Service"

AFD MEMBER

The Sausage with the Second Helping Flavor...



QUALITY PLUS!

# Peschke Packing Co.

2600 EAST GRAND BLVD.

**TRinity 5-6710** 

SUSTAINING MEMBER

corporation" the corporation must have no more than ten stockholders, the stockholders must be individuals or estates, no stockholder may be a non-resident alien. and the corporation can only have one class of stock.

The time of incorporation is a good time for stock-holders of a closely held corporation to agree on disposing of the stock in the event of a stockholder's death or withdrawal from the corporation. A well drafted buy and sell agreement, including one backed by life insurance, will provide a purchaser for the stock, secure the continuity of the enterprise and avoid valuation difficulties in connection with the estate tax.

For tax purposes, the first taxable year may be closed at the end of any month within the first 12 months, thereby securing the full benefit of the \$25,000 surtax exemption for the short year.

#### Wilson Adds Hanus to Staff

Wilson & Company's meat division has named John W. Hanus to its Michigan sales staff, it has been announced by the firm's state sales manager, Ross W Dimmel. Hanus will be a representative for the Detroit area, and his responsibilities will include the full line of Wilson products.

At the same time, Dimmel has announced an October and November coupon promotion for consumers for Wilson's main meal meat products. He said the firm has discovered many persons are sending Wilson products to servicemen in Vietnam, and that point of purchase material is available.

# THE WAYNE SOAP COMPANY



Growing Thru Giving

**Good Service** 

BUYERS OF BONES
FAT, TALLOW & RESTAURANT GREASE

700 LEIGH STREET
VI 2-6000 DETROI

DETROIT 17, MICH.

ALLIED MEMBER

#### Light N' Lively at Sealtest

A new low fat milk containing only one percent of butterfat and priced "no higher" than regular whole milk, has been introduced by Sealtest Foods. The product is called Light n Lively, which is aimed at modern adults who are diet conscious. According to Olie Olson, manager of store sales for the firm, sales of the new products have been going quite well.

#### Get In The Picture



Ralph Robbins, manager of the Hollywood Super Market in Troy, poses next to his high-profit cigarette vending machine.

# Big Profit . . . Big Volume . . . Big Turnover . .

Jay Welch, president of the 3-store Hollywood Super Markets says: "We find Fontana vending machines an excellent way to sell single packages of cigarettes. The good thing is we enjoy the same profit, without having to invest our money." Let Fontana show you how to win additional sales and profits.

# FOREIR BROTHERS

Cigarette Vending Machines
3245 Hubbard • Detroit
FOR SPEEDY SERVICE PHONE 963-6677

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#### NAFC Detroit Meeting Explains Complexity, Prices of Food Field

The many complexities and economics of food retailing, as well as various problems concerning and affecting our industry, were outlined recently at a meeting called in the Motor City by the National Association of Food Chains, with various members of our industry participating.

Purpose of the meeting, called by Clarence Adamy, NAFC president, was to speak openly on the normally explosive subject of food pricing, a major issue of discussion during this Presidential election year. The meeting proved most interesting and useful.

Adamy led off the discussion involving the economics of our industry by pointing out that food retailers have come a long way since the advent of the supermarket in the mid-1920's, when stores only offered about 100 various items, to the spacious modern supermarket of today which stocks as high as 10,000 items, and often referred to as the "eighth wonder of the world."

Adamy explained that although food prices were up this year, American consumers were getting a better value of food for the money than at any time in the history of the world. He told the group that although food prices were up about 4% in 1968, food prices were not up nearly as much as the non-food products.

"Despite the increase in the cost of



A REAL GOLF ACE — Howard Phillips of Marks & Georgens food brokerage is shown picking his golf ball out of the cup after he hit a hole-in-one at the recent golf outing of the Detroit Association of Grocery Manufacturers' Representatives at Glen Oaks. Phillips is DAGMR secretary. Looking on, from left, are his golf partners, Jerry Schoendorf of General Mills; Gordie Jacobson of General Mills; Phillips; and Jack Shea of Marks & Goergens, AFD members.

food, retail profits today are at an alltime low, and on the down-swing," he said. Among the reasons he cited for the low profit margins included the increase cost of labor (9%), while productivity was lower (2%), cost of goods was up, increased transportation and handling costs, as well as higher building and maintenance costs.

The food men explained that extensive research was being conducted in the area of loading and unloading food deliveries, automated checkouts. centralized meat and produce packaging and distribution, and even in the area of possible use of credit cards or a future "checkless society" system.

Do Consumers Really Mean What They Say?

The 14th annual study of supermarket shoppers by Borgoyne Index, Inc. came up with these not-particularly-suprising statistics: 31% of those interviewed said they prefer self-service packaged meat; 46% said they buy packaged fresh meats but would prefer to buy fresh meat prepackaged; and said they seldom or never buy packaged fresh meat.

The question mark is on the 46% who accept but claim they don't like self-service. Do they really mean it, or are they just saying it? If stores at which they shop went to custom service, would consumers take the time and possibly added expense of shopping that way? Or would they seek out other self-service stores still claiming they dislike it?

It's a constant problem trying to please Mrs. Housewife. It's happened many times before: industries over-hauling their merchandising services in response to customers' declared attitudes and then losing the customers. —National Live Stock

and Meat Board Report

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#### THE BELL RINGER

# What, No Camels For Transportation?

By ALEX BELL

Well, after a hard day at the "Kibbutz," we will try and tell it like it is. In other words, we'll get right down to the nitty gritty. (Edeebnote: Omigod, this guy is getting to be a literary genius. Hope it dosen't get to his head.)

We have noticed lately that our I's and we's have been getting mixed up. So instead of the editorial "we" that has been used in this column, we will now go to the singular "I" and stand by my convictions. Here goes.

I see that Unelc Sam is at it again. I mean giving it away, dollars that is. The U.S. is going to lend \$10 million dollars to a West African



Mr. Bell

railroad to extend its tracks. Now get this: the loan is payable in 40 years at 2% annual interest, for the first 10 years, and 2½% thereafter. I wish I was a railroad in West Africa. This is a better racket than hustling groceries.

Frustration is climbing into the bedroom window at 3 o'clock in the morning because your key does not open the door and finding yourself in the wrong house.

So the Bleeding Hearts are at it again. I refer to the secret (to this date) price survey taken by Focus: Summer Hope (boy could I do something with that one). The prime mover in the project seems to be Fr. Cunningham

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of Sacred Heart Seminary. Well, my advice to the reverend is to get into the food business himself in the inner-city or, for that matter, anywhere in Detroit. I'll bet he would be back in the religion business real fast, and be thankful!

Don't put a price on principle!

I have often wondered if a burlesque stripper gets embarassed taking her clothes off for a doctor.

We should make mention of the recent and highly successful NAIFR convention in Puerto Rico. I thought the hit of the convention was Mrs. Lafayette Allen's talk to the convention delegates. My hat is off to you, Mrs. Allen. Keep up the good works.

On the way back from the convention, about half-way to Miami, flying at 500 m.p.h., Joanne Deeb informus that she had just spied a seagull passing the plane. Joanne, why didn't you try for the Flying Nun?

Our good buddy Sal Sarafa was very perturbed when



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he visited St. Thomas. Reason: No camels for transportation.

Speaking of transportation, those who attended the convention from Michigan didn't find out till we were in the air that SabahNajor of Lucky Strike Market missed the plane on the way back. His wife however, did catch the flight, but worried about her hubby all the way back home.

Crap Shooting Note: Bill Welch should have owned the casino at the Americana Hotel. Go ahead, Bill, cry a little.

With Puerto Rico history now, it was another good job done by Dave Deerson under very adverse conditions. So start making plans for next year. We will have the convention site by our next issue of The Food Dealer.

The President's Awards Banquet was a top-flite affair, and it was a moving sight to see the deserving individuals receive the due recognition, especially Ralph Miller of Procter & Gamble. When Ralph responded with a few well chosen words that he wasn't "at a loss for words," Harry Resnick of Chatham came back with: "That's the first time in his life that happened."

Get with the AssoCiaTION—the action AFD, that is.

Political Comment: One thing about the upcoming Presidential Election is that only one of them can get elected.

After watching the Republican and Democratic conventions, I can only come to one conclusion: you can't beat the machine.

It is too late, but thank you Mr. Sarafa for trying to start a grass roots movement for A.C.B. for President. (Edeebnote: I think he just wanted to get out of Detroit, Al.)

Financial Note: Anyone for raising pomegranates? The Commerce Department advises that "the time may be ripe for investment in the fruit industry" in Afghanistan.

I could not think about a remark about my child bride. She expects to be mentioned in every "epistle" I write. There you are, dear, you got in.

Let me be the last one to wish you all a prosperous New Year and hope you had a Happy Hanuka.

Dear John, that's all she wrote.

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## **Bad Check Problem**

(Continued from Page 8)

employment and social welfare checks issued to recipients be "picked up at government agencies, as post office branches and Federal Reesrve Banks," or be sent to recipilents by "certified U.S. government mail" to help reduce and eliminate check losses. The resolution also called on government agencies not to issue dupulicates for lost or stolen checks until the first one has been cleared or located.

The other related resolution on bad checks passed by NAIFR called for a "positive identification" program for check users which "should require banks to issue identification cards with photo of user attached." The resolution includes a provision which urges banks to "carefully screen new checking account customers," or imprint the social security number of individuals on their checks.

According to NAIFR, this would greatly reduce the

problem of bad check passing which is costing businessmen billions of dollars, and help, in turn, reduce the cost of goods by reducing operating costs.

The food retailers, in another resolution, called on Congress to amend the Federal Wage and Hour act to exempt all employers with a retail sales volume of less than \$500.000 from the provisions of the act.

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