The AFD In Washington

The Associated Food Dealers was in the nation's capitol recently to testify before the U.S. Senate. Following its appearance, AFD officers met with Sen. Robert P. Griffin in his office. From left above are: Salim Sarafa, Ed Deeb, Don LaRose, John George, Griffin, and Stanley Klein. (See stories, Pages 3 and 4.)

Stop and Frisk? — Page 6
Support These AFD Supplier Members

ACCOUNTING, INSURANCE
Brink, Earl A. (Insurance) ........................................... 9627-1739
Gotts. Inventory Service ............................................ VE 8-4746
Peter J. Kiron Agency ................................................. Chicago
Moe Miller Accounting .............................................. 517-6620
Retail Grocery Inventory Service .................................. 399-0490

BAKERS
Archway Cookies ...................................................... 533-2477
Avery Bakery ............................................................. TY 5-6700
Bonnie Bakers ........................................................... 890-3360
Farm Crest Bakers ..................................................... TR 6-6165
Grennan Cook Book Cakes ........................................... TA 5-1900
Hekman Supreme Bakers ............................................. KE 5-6469
Independent Biscuit Co ............................................. 584-1111
Kooplinger's Bakery, Inc ........................................... JO 4-5737
Lambton Baking Co ................................................... 825-9702
Magnuson Foods (Bays Muffins) .................................. FA 1-0100
Oven King Cookies .................................................... PR 5-4225
Fred Sanders Company ............................................... 868-1900
Schafer Bakers .......................................................... 733-5320
Silvercup Bakery ....................................................... LO 7-1000
Tastelee Bread ........................................................... TY 3-2000
Tip Top Bread ............................................................. TA 5-6470
Warrendale Baking Co ................................................ 271-0330
Wonder Bread ........................................................... WO 3-2200

BEVERAGES
Associated Breweries ................................................ 925-0020
Canada Dry Corp ....................................................... 868-5007
Coke Wines ............................................................. TY 5-4000
Coca Cola Bottling Co ................................................ 998-1900
Faygo Beverages ....................................................... WA 1-6000
Home Juice Company ................................................ 925-9070
Leone & Sons ............................................................ 925-0500
Mavis Beverages ....................................................... TR 1-6800
National Brewing Co .................................................. WA 1-6400
Pepto-Capote Bottle Co ............................................... 366-5040
Saranac Brewery Company ......................................... 998-1840
Squatt Bottling Company ............................................. JO 6-2600
Vernor's RC Cola ....................................................... TE 3-8500

BROKERS
Steve Conn & Associates ............................................ 547-6900
Cenfro Food Brokerage ................................................ 512-3055
A. J. Capeldean Co ..................................................... 342-4320
Harris Crane & Company ............................................ 538-5515
E. A. Danielson Co ..................................................... 858-9111
DeCrick & Maurer ..................................................... 823-3583
Maurice Elkin & Son .................................................. 353-8877
Food Marketers, Inc ................................................ 342-5533
Grubniek & Associates, Inc ....................................... 629-2100
John Hustenman & Son .............................................. 628-6050
Paul Inman Associates, Inc ........................................ 626-8030
Interstate Marketing Corp ......................................... 341-9505
Kiellitzman Co .......................................................... 273-4240
Maloney Brokerage Co .............................................. TU 5-1353
Harry G. Meyers Associates ....................................... 864-6068
McMahon & McDonald Co ......................................... 2-2150
Marks & Goergens, Inc ............................................. 1-0800
Pepperl & Viber ........................................................ 838-6768
Peterson & Vanrahan, Inc .......................................... 8-3600
P. F. Pfeifer Company ................................................ BR 9-0000
Rodin-Holloway (Commodities) ................................... 843-1788
Sest Sales Co ........................................................... WO 3-8885
Stiles Brokerage Company .......................................... 965-7512
Sullivan Sales ........................................................... KE 1-4484
James K. Talmussen Co .............................................. 963-0202
United Brokerage .................................................... BR 2-5400

DAIRY PRODUCTS
The Borden Co .......................................................... 564-5000
Detroit City Dairy, Inc ............................................... TO 8-5511

Egg Products
Fairmount Foods Co .................................................. TR 4-0000
Gunn Dairy, Inc ........................................................ 591-7500
Land O Lakes Creameries .......................................... TE 4-1400
Medley Dairy Dist Co ................................................ 345-4700
Seafair Dairy ............................................................ 349-6000
Tromby Sales ........................................................... TA 6-0630
United Dairies, Inc .................................................... TR 3-2000
Vlasic Food Co .......................................................... TR 3-0000
Westley's Quaker Maid, Inc ........................................ TA 3-0000
Ira Wilson & Sons Dairy .............................................. TY 5-6000

DELI/CAFE/DEPS
Maurice Elkin & Son .................................................. 353-8877
Harris Crane & Company ........................................... 538-5151
Warrendale Baking Co ................................................ 271-0330
Lebanon Baking Co ................................................... 357-4555
Independent Biscuit Co ............................................. 584-1110
Harry E. Mayers Associates ....................................... 864-6068
Interstate Marketing Corp ......................................... 341-5905
John Huetteman & Son .............................................. TA 6-0630
E. A. Danielson Co ..................................................... 838-9111
Steve Conn & Associates ............................................ 547-6900

EASTERN DISTRICT
Canada Dry Corp ........................................................ 868-5007
Moe Miller Accounting .............................................. 547-6620
Gchs, Inventory Service ............................................ VE 8-4746
Detroit City Dairy, Inc .............................................. TO 8-5511
United Brokerage ..................................................... BR 2-5400

EASTERN DISTRICT
Canada Dry Corp ........................................................ 868-5007
Moe Miller Accounting .............................................. 547-6620
Gchs, Inventory Service ............................................ VE 8-4746
Detroit City Dairy, Inc .............................................. TO 8-5511
United Brokerage ..................................................... BR 2-5400

POTATO CHIPS & NUTS
Baker's Made Potato Chips ......................................... WA 5-4774
Frito-Lay, Inc. ........................................................... WA 1-2700
Krohn-Nut Products Co ............................................. LI 1-4180
Superior Potato Chips ............................................... 834-0800
Vita-Boy Potato Chips .............................................. TY 7-5550

PROMOTION
Bowling Display Co .................................................. CR 8-6288
Hofert & Johnson ..................................................... 835-6995
Stanley's Adv. & Distrib. Co ........................................ 961-7177

RENDERERS
Darling & Company .................................................... WA 8-7400
Detroit Rendering Co ................................................ 6A 4-5000
Wayne Soap Co ........................................................ 842-6000

SERVICES
Atlantic Service Company .......................................... 965-1295
Beneke Travel Service ............................................... PR 1-3232
Clayton's Flowers .................................................... LI 1-6098
Comp-U-Check, Inc ................................................... 621-9970
Guldel's Travel Agency .............................................. 596-3261
Pittsburgh & Erie Saw ............................................... 835-0913
Zablocki Electric ..................................................... LA 6-4864

SPICES & EXTRACTS
Frank's Ses & Spices .................................................. UN 2-1311

STORES & SUPPLIES & EQUIPMENT
Alnor Corporation ..................................................... JE 9-6630
Butcher & Packer Supply Co ....................................... WO 1-2500
Diebold, Inc ............................................................. FA 1-9777
Hussman Refrigeration, Inc ....................................... 341-3994
Globe Slicing Co. (Bread) .......................................... LI 5-1855
Hobart Mfg Co .......................................................... FA 1-0977
Lepore Paper & Twine Co .......................................... WA 1-2824
Liberty Paper & Bag Co ............................................. 921-3400
Master Butcher Supply Co ......................................... WO 1-8565
Midwest Refrigeration Co ........................................... JO 6-3431
National Market Equipment Co ................................... LI 5-0900
Night Guard Alarm ................................................... 838-6365
Scan-A-Scope ........................................................... 823-6600
Sentry Security System .............................................. 343-9080
Shaw & Skelly, Inc .................................................... TE 4-3990

Wholesale, Food Distributors
C. B. Geymann Company ............................................ TR 1-4000
Kaplan White, Food Service ....................................... WO 1-6591
Kaskin Food Company ................................................. 815-0666
Sparko Foods, Inc ..................................................... 455-0900
Super Foods Services, Inc ......................................... 565-5570
United Wholesale Grocery .......................................... 834-6140
Wayne Country Wholesale Co .................................... 894-6300
Abner A. Wolf, Inc .................................................... 584-0600
AFD Calls For National Insurance Pool; Blasts Alarming Profiteering Reports Before Senate

WASHINGTON — "Unless merchants are given the opportunity to obtain insurance and something is done to provide them with an incentive to remain in inner-city areas where they are most needed, grocers and other small businessmen will eventually be forced to go out of business and ultimately fade from the American scene."

So said the Associated Food Dealers (AFD) testifying May 15 before the United States Senate’s permanent subcommittee on investigations conducting hearings on last summer’s Detroit riots in the nation’s capitol.

"The time has come to protect small businessmen who are still the backbone of our communities," said the food association, which represents some 1,900 members, many whose stores were destroyed by fire and looting during the rioting. "We cannot allow them (small merchants) to fade out of the picture."

Testifying in behalf of the AFD, Michigan’s largest food distribution association, and one of the largest state associations in the nation, was Edward Deeb, executive director. Also in attendance were AFD officials Donald LaRose, Salim Sarafa and John George. Officers of the National Association of Independent Food Retailers (NAIFR) were also in attendance. (NAIFR has been seriously studying the problems of food retailer on a national scale. The group represents some 18,000 members.)

The AFD blasted reports of price gouging and profiteering made both before and during last summer’s rioting. In defense of the food retailers, the association stated that such charges are "inflammatory, untrue and uncalled for."

"Although these changes have been made over the past couple of years, not once has any grocer been convicted of this practice in Detroit," the association continued. "In some areas, the cost of operation makes it an absolute ‘must’ for the retailers to charge a few pennies more due to higher insurance premiums, greater losses from customer pilferage, increased losses from holdups and burglaries, increased losses from bad checks, and theft of shopping carts, to cite only a few reasons," the AFD said.

"Any retailer who does not give Mrs. Consumer honest value in products and services, will not survive in the business very long," the grocers association told the U.S. Senate committee, chaired by Sen. John McClellan. The AFD cited a highly competitive industry and the free enterprise system as the reason for this. The association said small businessmen felt it unfair that only one side of the story was being told, and that being based on "sensational charges designed to arouse and inflame a community." Destructive criticism, they continued, can only contribute to the decay of the United States, let alone the small businessman.

"The merchant is a law abiding citizen who wants no part of lawlessness and violence. All he asks for is encouragement and hope, not discouragement and despair," the AFD testified.

The Associated Food Dealers urged the Senate to establish a basic property insurance act, which would create a Federal property insurance plan. "This would assure small businessmen of our communities, who cannot afford to pay exorbitant premiums, and who are primary targets in our cities, to be entitled to insurance protection at rates which are not prohibitive," the association said in calling for the national insurance pool.

The AFD went on record as saying that the problem of high premium insurance rates or its unavailability, has been a major problem of Detroit merchants and businessmen for many years, and was not brought about strictly because of the riots. "We feel that the increased cost of insurance, or lack of it, is directly proportionate to the high crime rates in so-called high risk areas and crimes are increasing steadily each year, due to inadequate police manpower to cope with the problems."

In the afternoon, the association officers met with both U.S. Senators from Michigan, Philip A. Hart and Robert P. Griffin, to discuss various problems further. (See story, page 5.)

Summertime Is Picnic Time

Once again the popular and highly successful promotion "Summertime Is Picnic Time" appears in The Food Dealer on Page 11 of this issue, and will run through September. Summertime is an excellent opportunity for retailers to display these and various picnic supplies and related items. Properly merchandised and promoted, these picnic and outdoor barbeque displays will mean more sales and profits.
WASHINGTON — The U.S. Senate passed and sent to the House a massive housing bill May 28 authorizing $5.2 billion of Federal spending over the three years beginning July 1. The vote was 67 to 4. Included in the 303-page bill is a provision that Federal reinsurance by a new National Insurance Development Corp. would be available to companies writing property-damage insurance policies in high-risk ghetto areas. A move by Sen Russell (D-Ga.) to delete this section was defeated 62 to 10.

The new National Insurance Development Corp. would reinsure policies for property damage in ghetto areas. To qualify, insurers would have to participate in state-developed “fair access” insurance plans that would spread the risks among insurers.

The companies would pay reinsurance premiums set by the corporation. This income would be the first tapped to reimburse companies for insurance losses resulting from riots. States also would pay a small share of losses. The corporation, a part of the Housing and Urban Development Department, could borrow from the Treasury to pay losses in excess of its income.

Michigan Property Insurance Bill Passes State Senate

Michigan House Bill 3466 designed to provide insurance for those who are unable to acquire property insurance in so-called high risk areas, passed the Senate by a vote of 35 to 1. Since the measure passed with three minor amendments however, the bill was sent back to the House for approval. If the amendments are approved as expected, the bill will be sent to Gov. George Romney for his signature.

Sources have indicated that the bill would not take effect until after August 1, since the State Insurance Commission is asking insurance companies operating in Michigan to voluntarily match the pool as prescribed by law. If they do not come up with a voluntary plan by Aug. 1, the insurance commissioner will implement the plan according to HB 3466 just passed.

Federal Plan To Provide Insurance In High-Risk Areas Passes U.S. Senate

WASHINGTON — The U.S. Senate passed and sent to the House a massive housing bill May 28 authorizing $5.2 billion of Federal spending over the three years beginning July 1. The vote was 67 to 4. Included in the 303-page bill is a provision that Federal reinsurance by a new National Insurance Development Corp. would be available to companies writing property-damage insurance policies in high-risk ghetto areas. A move by Sen Russell (D-Ga.) to delete this section was defeated 62 to 10.

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AFD Leaders Meet With Senators Hart and Griffin

WASHINGTON — Following its appearance before the United States Senate's Subcommittee on Investigations here last month, officers of the Associated Food Dealers held private meetings with both U.S. Senators from Michigan — Philip A. Hart, and Robert P Griffin.

Spokesman for the AFD during the meetings was AFD chairman of the board, Donald LaRose, of Food Giant Super Markets; also attending were AFD directors Salim Sarafa, John George, and Ed Deeb. (Also attending was Stanley Klein of the Metropolitan Detroit Pharmaceutical Association, who was invited by the AFD.)

In the meeting with Sen. Hart, the subjects touched upon, in addition to riot-stricken retailer problems, included food price stabilization, anti-trust laws, and below-cost selling. Hart said he was quite concerned with these areas, in addition to charges being made against grocers who were reportedly "price gouging."

Hart revealed he was co-sponsor of a bill which would enable a private firm to initiate law suits directly against another firm who was violating anti-trust laws. Previously, only the Federal Trade Commission could institute such litigation.

Griffin, on the other hand, was quite concerned about the problem of rising crimes in our state and nation, and indicated he would support all measures to protect citizens and restore confidence in the people.

He said he strongly supported the U.S. Senate Bill which would create the National Insurance Development Corp. for the Federal government, which would make available property-damage insurance for businessmen in so-called high risk areas.

Both Michigan senators sympathized with the problems of riot-torn retailers, and hoped something could be done to rehabilitate the proprietors and the neighborhood.

Sales Rep Seeks Employment

Experienced sales and management man seeks position with a manufacturer, broker, wholesaler, etc. Excellent retail credentials. Those interested, phone Gene A. Peare at 271-2883. Or write, 20473 River Oak Drive, Dearborn Hts., Mich. 48127

We make 4-BUN PACKS because there's such a big 4-BUN MARKET!

KOEPPLINGER'S 4-BUN PACK is just the right quantity for so many small families. And there are a lot of them, made up of young marrieds whose families are yet to come, and older couples whose children are grown and gone. Hamburgers and frankfurters are big items in their diets, and so are the buns to go with them when they are available in the right-sized packages.

If KOEPPLINGER'S 4-BUN PACKS aren't on your display racks now, tell your Koepplinger man to leave some tomorrow. And don't forget to watch how fast they move out and your profits move up.

Also available in 8-BUN PACKS

KOEPPLINGER'S BAKERY INC.
15200 WEST 8 MILE ROAD, OAK PARK, MICHIGAN PHONE JD 4-5737, OUTSTATE CALL COLLECT
Stop and Frisk?

On Monday, June 10, the United States Supreme Court upheld the power of police to stop and frisk persons for weapons. The vote was 8 to 1, with Justice William O. Douglas the only dissenter.

The high court said policemen are entitled to stop and frisk individuals for the protection of himself and others, and "to conduct a carefully limited search" of a suspect's outer clothing for weapons which might be used.

The court said police may stop and frisk an individual in the following circumstances:

1—Police observes unusual conduct which leads him reasonably to conclude in light of his experience that criminal activity may be afoot, and that persons with whom he is dealing may be armed and presently dangerous;

2—Wherein the cause of investigating this behavior he identifies himself as a policeman and makes reasonable inquiries; and

3—Where nothing in the initial stages of the encounter serves to dispel his reasonable fear for his or others' safety.

A few persons have expressed the opinion that the law was upheld because the justices were undoubtedly influenced by the murder of two nationally prominent figures, Sen. Robert F. Kennedy in June, and Dr. Martin Luther King in April.

For whatever reasons, the law itself will help discourage citizens from purchasing guns and other weapons and carrying them wherever they go. Additionally, it will help restore calmness and confidence in the minds of all citizens, And of course, it will help discourage tragic murders and killings of all persons, be they prominent or not.

There are persons who disagree with the concept of a stop and frisk law, but in reality, a person who is innocent of any wrong-doing, whoever he or she may be, and whatever their feelings, at least can feel reassured that someone is protecting their interests.

Perhaps it is time for the state Legislature and/or various community governing bodies to enact a stop and frisk law, and thereby help reduce the grave tragedies affecting American citizens. Especially since the land's highest court upheld the law almost unanimously!
EVENING WITH THE LEGISLATORS—Members of the Associated Food Dealers' legislative committee were at the State Capitol recently to discuss various bills with the Senators, among them Senate Bill 860, to exempt beverage retailers from "the 500 foot law." From left are Sen. Harvey Lodge, Sen. Joseph Mack, AFD president Mike Giancotti, AFD member Gene Pini, and Sen. Stanley Rozyczki, co-sponsor of SB 860.

STATE COMMISSIONER OK's SURCHARGE ON INSURANCE

Citing heavy property losses from urban rioting, Michigan Insurance Commissioner David J. Dykhouse recently announced in Lansing he was approving a civil disorder surcharge on property insurance that would yield $6 million for insurance companies.

In counties of over 100,000 population, the surcharge on commercial property will amount to 6 percent of the current premiums. The commercial increase will be 2 percent in counties of under 100,000.

Insurance premiums on residential property in counties of over 100,000 would be raised by approximately $1.00 per policy per year, Dykhouse told The Food Dealer. The residential rate would not apply to the smaller counties.

According to the 1960 census, the higher insurance rates will apply in 16 counties: Bay, Berrien, Calhoun, Genesee, Ingham, Jackson, Kalamazoo, Kent, Macomb, Monroe, Muskegon, Oakland, Saginaw, St. Clair, Washtenaw and Wayne.

Dykhouse said the surcharge applies to policies that contain protection against the hazards of civil disorder and riot. In the past, he said, insurance companies had not charged for these hazards because there had not been losses attributable to these hazards.

A&P PRESIDENT BYRON JAY, RETIRES

Byron Jay, president and chief executive officer and a director of the Great Atlantic & Pacific Tea Co. has retired, it was recently reported, effective June 8. Mr. Jay, who has been with A&P for 41 years, told Supermarket News, an industry newspaper, he was leaving the company for personal reasons, but would not elaborate.

Mr. Jay, a native of Michigan who got his start with the nation's largest food chain in Detroit, is one of many former Detroiters at the helm for A&P at its headquarters in New York. Among the positions he held prior to being named president, included Detroit district manager, and vice-president of A&P's central western division, now headquartered in Chicago.

500 FOOT LAW' RUNS INTO SNAG

Michigan Senate Bill 860, designed to exempt package beer, wine and liquor retailers from the 500 foot law, and sponsored by the Associated Food Dealers, is resting in a joint conference committee of the House and Senate awaiting further action.

The bill, which passed the Senate, was sent to the House for approval. The House then approved the bill, but with an amendment which stated a retailer could locate within 500 feet of a church or school "in the absence of objections from the governing body of the church or school," and sent the bill back to the Senate for approval of the amendment.

The Senate is hesitant about the amendment, citing legalities that a church or school is not empowered to make these decisions. And thus, the bill rests in a conference committee, and should be out of committee by the end of June.

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- HAIR CARE
- PET SUPPLIES
- STORE SUPPLIES
- PAPER PRODUCTS
- PICNIC SUPPLIES

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Phone 313/894-6300
We Must Seek Elevation Through Education

By MIKE GIANCOTTI

June being the month of graduation brings to mind education and young students desirous of entering the world of business.

The grocery or food industry at the retail and wholesale levels has, for too long, neglected these impatient yet important young individuals, and have not made any significant effort to lure these people to our industry.

Today, we must now seek elevation of our industry through education. BUT ARE WE READY? Do we really want to do something about it?

If so, then we must reach these young people and encourage them to our industry on a regular and consistent basis. Through them, we can educate consumers and citizens at-large and thus elevate the stature of our industry in the community. This in turn, would make more food education and knowledge available to prospective and present employees.

Of course we must realize this type of program will cost money. But the yields would be quite profitable in the long run, since we would have access to this young and imaginative talent.

In order to facilitate this kind of program, we first must increase the operating income of our industry so we can gain the needed funds to pour into education. Or, in other words, if we had higher operating revenue, we can ultimately employ more qualified personnel in our industry.

To illustrate what I mean, let’s cite the case of the farmer. He has for many years actually subsidized the American housewife (though she would disagree). Or, his pricing structure has not kept pace with inflation, since he only receives 70% of parity for his products.

The same holds true for food distributors. For years, we too have subsidized Mrs. Consumer, principally through hazardous below-cost selling. This below-cost selling can ultimately lead to ruination of our industry.

Perhaps the time is here for Mrs. Consumer to recognize that we cannot operate in this fashion any longer, and expect to either survive, or offer the services she is entitled to as a customer.

Therefore, perhaps we should consider supporting legislation in the form of a law to prevent below-cost selling, and invoking a minimum markup which would stabilize our industry.

Normally, I for one, and I know the association itself, would be against additional government regulation. Since we as industry however have been unable to stabilize our own field, perhaps this is what is needed.

What do you think?

(EDITOR’S NOTE — Our members and readers are encouraged to comment on Mr. Giancotti’s column. Send your comments or letters to The Food Dealer, 434 W Eight Mile Rd., Detroit, Mich. 48220.)

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Melody Dairy Company

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The Sounding Board

To the AFD:

On behalf of the more than 13,000 Girl Scouts in the Southern Oakland Council, I wish to extend my appreciation to the Associated Food Dealers for joining with our Council in the cooperative effort of providing service to girls. We are delighted to have had our Girl Scout cookie “salesmen” featured on the front cover of your magazine *The Food Dealer*, and we have heard many favorable comments about it.

More significantly, however, we are always gratified when a leading group of businessmen, such as are represented in your organization, take an interest in the positive activities of our young people today. Through the revenue received from the sale, the Southern Oakland Girl Scout Council is able to provide better camping services to our Girl Scouts. Once again, we thank you.

Mrs. Wilton Norris
President
Southern Oakland Girl Scouts

Six New Supplier Members Join AFD

The Associated Food Dealers wishes to welcome aboard six new supplier members. Their names, addresses and phone numbers are as follows:

**HARRY E. MAYERS ASSOCIATES**, food brokerage and manufacturers’ representative, 17615 James Couzens Hwy., Detroit, Mich. 48235; phone 864-6068.

**NIGHT GUARD ALARM**, various crime prevention systems, 14711 W Chicago, Detroit, Mich. 48228; Harry Quashat, proprietor; phone 838-6365.


**RASI IN FOOD COMPANY**, food wholesaler and distributors, 15391 Idaho Street, Detroit, Mich. 48238; phone 861-1566.

**RET. IL GROCERY INVENTORY SERVICE**, inventory specialists and accountants, 28157 Dequindre, Madison Heights, Mich. 48071; phone 399-0450.

**EDMONT-WILSON**, glove manufacturers and distributors, 15644 Ellen Drive, Livonia, Mich. 48154; phone 421-8071.

These new members and all AFD supplier or service members deserve your support and patronage. Refer to the Supplier Directory on Page 2 often. In fact, clip it out of *The Food Dealer* magazine and post near your phone. Inter-industry cooperation is vital for food industry harmony.

It was extremely gratifying to see the fine “Bring ‘Em Back Alive!” layout on the front cover of your publication. The men in our Motor News Department have kept me posted on your cooperation and everyone of us appreciates it immensely. It is assistance such as this that has made this campaign a worthwhile endeavor.

We plan to get underway with another year of “Bring ‘Em Back Alive!” in which case we will call on the Associated Food Dealers for your usual good help. Our thanks and very best wishes.

Frederick N. Rehm
General Manager
Automobile Club of Michigan

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.

Get In The Picture

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

For Speedy Service Phone 963-6677
How To Save Taxes With A Temporary Trust

By MOE R. MILLER
Accountant and Tax Attorney

The basic idea of a temporary trust is to give some of your investment income to someone in a lower tax bracket, without first having to pay tax on it yourself and to do this without giving away your income producing property permanently.

The minimum time period of the trust is ten years and a day from the date the property is transferred to the trust. But you can limit the term to the lifetime of an income beneficiary; or if you prefer the trust instrument can read, ten years and a day, or the income beneficiary's actual lifetime, whichever turns out to be shorter. In cases where the beneficiary of a trust is a church, educational organization or hospital, the donor can recover his property that was placed in a trust, in two years and a day, instead of the ten year period.

How A Temporary Trust Works
1. You give property to a trustee, who may be yourself, your wife, or a third party, for at least ten years and a day.
2. The trustee will then pay the income to the beneficiary as it is earned, or to accumulate the income for the beneficiary for payment at or before the end of the trust period.
3. You as the creator of the trust will not be taxed on the income the property produced during the trust period.
4. You as the creator of the trust, will get 100% of your property back at the end of the trust period.

Ways In Which A Temporary Trust Can Be Profitable:
1. Setting up a child in a business or profession.
2. Financing life insurance on a son's life for the benefit of the grandchildren.
3. Financing annual gifts to children.
4. Supporting a brother, parent, sister or relative.
5. Providing a free and clear home for a child and his family.

You don’t have to be wealthy to benefit from using a temporary trust, which is generally best suited to the needs of anyone in a middle or high income tax bracket, who can afford to spare, temporarily, some of his investment income (dividends, interest, rent, etc.) but wants the property and its earning power back at a later time to take care of his retirement or other personal needs.

In most cases there will be no gift tax. If there is one, it is likely to be very small because of the liberal exceptions and exclusions which are allowed.

For gift tax purposes, distribution of the income immediately or annually, may be best, rather than having the income accumulate until the trust terminates, since the immediate distribution of income is entitled to a $3,000 annual gift tax exclusion for each beneficiary. This means you can give up $3,000 annual income to each beneficiary tax free, without using up your lifetime exemption of $30,000.


**Summertime Is Picnic Time!**

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GUEST EDITORIAL

Soft Drink Marketing: Part of the Food Business

By JAMES R. SCOGGIN
President
Food Marketers, Inc., Detroit

A national trade publication recently quoted a franchised bottler as saying the franchise system of marketing soft drinks needs altering to achieve more efficient distribution. Our regular pulse-taking of supermarket merchandising patterns compells us to state the situation more emphatically: “Soft Drink marketing is confronted by the inevitable; it must become part of the food business.”

The bluntness, we believe, better recognizes that in today’s low-profit margin food industry, the basic distribution pattern for a vast majority of products sold out of supermarkets is from manufacturer to wholesaler and chain warehouses, and from such warehouses to retail outlets. The superior economics of this pattern have been firmly established.

But, except for private labels and products of a regional brand-name line, all soft drinks packaged in Michigan still move into supermarkets via back-door delivery off bottlers’ own trucks.

I sincerely believe it constructive to suggest to store-door delivery bottlers to seriously consider the implications of the hard look supermarket operators have been taking over the past year concerning their soft drink departments. Some significant changes in attitude and distribution have already come out of the looking, and more appear certain for the future.

Significantly, last year many stores were saying: “We can no longer accept only one kind of package. We need a variety of packaging that is broader than just return bottles.” This astounded most bottlers. In the Detroit area, at the time, only one brand-name soft drink company was fully prepared to offer a broad variety of one-way packaging, both in bottles and cans, much to the dismay of some bottlers who had not yet reached that point.

Why were soft drink bottlers astounded? We think it was largely because the soft drink industry generally and supermarket management have long operated on different wavelengths. On one wavelength, have been supermarket people with their rising cost burdens.

On the other, have been soft drink people, historically dedicated to the deposit bottle as the most economical product package and, understandably, reluctant to having it thought of being anything else.

On their wavelength, bottlers appear not to have been getting the message that no industry in America is more competitive on costs than the supermarket industry. Nor, do they seem to be getting the message that the economies of deposit-return bottles have always been dependent on two “free labor” sources, retailers and consumers, and that both sources have been drying up.

They have been drying up because: 1) In battling rising costs and labor shortages, retailers feel they can no longer serve as non-compensated collection, pay-off and handling centers for deposit bottles; and, 2) Affluent housewives indicate they no longer care to be bothered with transporting bottles back to a store. (And, often these days, housewives discover many stores no longer handle returnable bottles.)

The overall situation has given new meaning to the potential economies of one-way packaging, especially one-way bottles. For example, a case of 16-ounce returnable bottles weighs slightly more than 60 pounds, including a wooden case and product content. More than 30 additional pounds become involved when the bottles are returned for a total weight factor of about 95 pounds. And, of course, returnables require two trips through a supermarket back door.

By contrast, a case of 16-ounce one-way bottles involves a total weight of less than 45 pounds. This means that the equivalent of two cases of product in deposit bottles can be moved into a supermarket, with only one trip required through the back door.

Meantime, franchised brand soft drink bottlers are becoming increasingly concerned about the growing number of stores adding private label or controlled label soft drinks in one-way bottles to their beverage departments. We find this trend stemming out of these factors:

1) The scarcity of franchise brand products in one-way glass as of last year, when demand forced retailers to non-return bottles, and the subsequent glass industry strike which aggravated the situation; and 2) The wide price spread between national brand and private label soft drinks.

A further consequence of shortages of franchised brands in one-way glass is that many supermarket chains have been giving larger shelf allocations to brand-name lines which retail between the pricing structures of national brands and private label products.

That merchandising strategy provides consumers with a selection of soft drinks covering a total price spectrum. We have been finding that the stores which practice the strategy are also usually the stores doing the biggest per-store soft drink sales volumes. It appears that the advertised medium-priced soft drinks have an appeal which tends to rub off to help generate sales of private label and controlled label products.

(Continued on Page 13)
GUEST EDITORIAL

‘Continued from Page 12)

Supermarket soft drink marketing philosophy, as re­
lected by changing department designs, is leaning more
and more to offering consumers not only a total price
spectrum but also a total product quality-image
spectrum.

The look supermarkets are taking at their soft drink
selling activities is being extended to the back doors of
their stores. As is common knowledge, labor contracts
with store employees, as of this writing, place sharp
restrictions on store-door vendors for getting their
products onto shelves. Where they are enforced, the
restrictions obviously affect all store-door delivered
products.

The producers of many store-door products are pres­
ently seeking relief from the restrictions. This brings to
mind the chat we had very recently with the head of
one of metropolitan Detroit’s largest soft drink bottlers.
He had this to say:

“If such relief does not come, the same restrictions
will probably be written into every retail store employee
contract throughout the nation. If anything more is
needed to obsolete the traditional store-door method of
soft drink distribution, that would be it.”

So, we will close by repeating the statement made
at the beginning of this article: “Soft drink marketing is
confronted by the inevitable; it must become a part of the
food business.”

Retailers Again To Choose
Salesmen of the Year Winners

Members of the Associated Food Dealers will again
submit their ballots for their selection of the annual
“Salesmen of the Year” award recipients. (See ballot,
Page 20, this issue of The Food Dealer.)

The award winners will be honored at a banquet in
September, the date, time and place yet to be announced.
It is the third such annual campaign sponsored by the
AFD to honor those salesmen who contribute to assist­
ing retailers in better promoting and merchandising at
the retail level.

Retailers are asked to fill in the ballot and mail to
the AFD office right away. The address: 434 W. Eight
Mile Road, Detroit, Mich. 48220

June Is Dairy Month

Milk and dairy products again highlight the celebra­
tion of June as National Dairy Month. The U.S. Depart­
ment of Agriculture has joined hands with the important
dairy industry in helping to stimulate the use of its varied
products during this peak production time.

The Test Of Time...

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Years
Of
Successful
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To Slaughter Houses, Wholesale &
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ALLIED MEMBER
Around The Town

AFD director Phil Saverino, of Phil's Quality Market on E. Warren, is the new secretary of the East Side Lions Club. Phil has been most active with the Lions organization on a state and national level, holding many key positions of responsibility.

* * *

The Associated Food Dealers joins the many individuals in extending our sincerest congratulations to the Detroit Free Press staff and its chairman, John S. Knight, on having been awarded two Pulitzer Prizes for 1967 news reporting and editorial comment.

* * *

David Khani, an AFD director, has assumed the management of Guaranteed Advertising and Distributing Co., distributors of circulars, handbills, newsletters, etc., for area supermarkets. Congratulations, Dave, on your new venture.

* * *

A $1,000 Pyrle F. Pfeister Memorial Scholarship has been made available by the National Food Brokers Assn. Foundation during the 1969 school years as a result of a contribution in that amount from the P. F. Pfeister Co., Detroit, an AFD member. The scholarship is in memory of the founder of the Detroit brokerage firm.

* * *

George Schleicher, of Schleicher's Market, longtime member of the AFD and a director, is celebrating his 44th anniversary in the grocery business. To top it off, he and his charming wife, Lucille, are celebrating their 42nd wedding anniversary. We wish them many more years of happiness and success in marriage and business.

The Associated Food Dealers herewith expresses thanks and appreciation to Specialty Foods and National Brewing Company, for co-sponsoring the refreshments for the May board meeting.

* * *

According to Ed Jonna of Wayneco Wholesale Co., an AFD member, the hottest "retail" item being purchased by his customers are the popular J-hooks, which allow greater related item merchandising.

Obituary: Francisco Trupiano, owner of Clay Market, and longtime AFD member, died June 3. He was 61, and had been in the food business some 20 years. He is survived by his wife, Agatha, and two children.

Still Time to Make Reservations For National Retailers Convention

Associated Food Dealers’ director Alex Bell, who is the Detroit coordinator of the National Association of Independent Food Retailers convention, has announced there is still time to make reservations for the annual confab. This year's convention will be held at the Americana Hotel in Puerto Rico, Aug. 18-22. Cost of the total package, including four nights and five days is $299. Bell said, this includes round-trip air transportation, meals, lodging and registration fees. Those interested in making reservations are asked to phone the AFD office, 542-9550.

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Five Fun-Packed Days • Four Fabulous Nights!
August 18-22 Americana Hotel San Juan, Puerto Rico

Aug. 18—Sunday, Cocktail Reception and Dinner.
Aug. 19—Brunch, T-Bone Club Dinner.
Aug. 20—Brunch, La Fiesta Buffet Dinner.
Aug. 21—Brunch, Dinner Show at LaCopa Supper Club.
Aug. 22—Breakfast, NAIFR Board Meeting.

IN ADDITION: Business Sessions, Speakers, activities for Ladies, Sunshine Club programs, and many other surprises.

Entire convention package costs $299 per person, and in addition to the above, includes round-trip jet air transportation via Eastern Air Lines. Rooms consist of deluxe twin-beds and each room with a private balcony with magnificent view, all taxes and gratuities, and registration fee. Fresh whole-cup pineapple in each room.

Fill in the attached Reservation Blank and mail NOW! or Call . . . Alex Bell at TU 2-2530, or the A.F.D. Office at 542-9550.

ALEX BELL
Nat'l. Assn. of Independent Food Retailers
434 W. Eight Mile Road
Detroit, Michigan 48220

Please reserve complete NAIFR Convention PACKAGE RESERVATION as outlined herein.

NAME ____________________________
ADDRESS __________________________
CITY ____________________________ Zip Code ______

NOTE: Reservations will not be accepted after July 15, 1968.
• $25 deposit required with each reservation.
• Make reservations early to secure best accommodations.
Classifieds

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Man with solid experience in food distribution industry seeks sales position with wholesale, retail, broker or manufacturing company. Prefer to call on retailers. Phone Mr. Austin McMath at 837-7242.

Store Fixtures For Sale
Store fixtures at our market, located at 1249 Baldwin Rd., Pontiac, are for sale. If you would be interested in making an offer or making a bid on these fixtures, call Donald J. Skarritt, Hamady Bros. Inc., Flint. (1) 744-0000.

Salesman Wanted
Salesman wanted to call on supermarkets and party stores in Detroit and suburbs. Above average earnings. Write Detroit City Dairy, Inc., 15000 Woodrow Wilson, Detroit, Mich. 48238; or phone 868-5511.

Good Used Register For Sale
A good used NCR cash register for sale, in good condition. Very reasonably priced. Those interested, phone the AFD office, 542-9550.

Grocery and House For Sale
Grocery store in key location for sale, complete with fixtures and inventory. Also included in package is house situated about 100 yards from store. Must sell due to health. Very good offer. Phone Mr. Hakim at 881-6415, after 6 p.m.

NCR Label Machine For Sale
National Cash Register label machine for sale, like new; reasonably priced. Phone Mr. Rainey, TR 9-0132.

Want To Retire Early?
Yes, you can retire early. Grocery, meats, beer and wine. Only store in neighborhood. Low volume, short hours. A steal at this low price. Phone Vic, at WA 1-2806.

LOSS FROM a Utica shopping center fire was estimated to be around $800,000. Five stores were destroyed in the center including Auburn-Orchard Super Market, one of three stores owned and operated by Associated Food Dealers' president Michael Giancotti, and Gene Pini. Firemen said lack of adequate water facilities exploding bottles and cans in the food store complicated fighting the blaze.

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ALLIED MEMBER
The Bell Ringer

Food Giant's Grossman Really Socks It To 'Em!

By ALEX BELL

This guy Deeb gives this poor scrivner only 10 minutes to write a column. Well, we'll show you it can be done. I don't know about the quality or quantity, but you'll get one. (Deebenote: If I gave him 10 weeks, he'd say the same thing!)

We would like to get our 2-cents worth into the store hour controversy. I think that all food stores should be closed Monday, Tuesday, Wednesday and Saturday no later than 7 p.m. At this time, I will lay off Sunday opening since that is a real hot potato. Don't forget boys, the American public is very conscientious and easily educated. Nothing ventured, nothing gained, you know.

We haven't heard any rumors lately. What's the matter boys, is the food business OK once again?

Note to Sid Hiller of Shopping Center Super Markets, an AFD director: We have Scotch on hand now, Sid, and we hope to see you again at the next board meeting, per usual.

A real outstanding convention package is available to all AFD member firms and employees. I'm talking about the fabulous 5-day 4-night convention package of the National Association of Independent Food Dealers, Aug. 18-22 at the lovely Americana Hotel in San Juan, Puerto Rico. You have until July 15 to make your reservations. Cost for the whole package, including round-trip jet transportation, hotel, meals, and many extras, is $299 per person. You can't beat that. All interested, phone the AFD office at 542-9550.

News Item: "A British firm offers a gold, nine-ounce chamber pot at $66 an ounce; as an 'industrial product,' it doesn't violate British laws against gold hoarding." The moral: take your pot wherever you go.

"Is it time to take some profits in the market? The answer," continues a press release from Paine, Webber, Jackson & Curtis, the brokerage house, "Is an unequivocal yes and no." (If this isn't staying on the fence, it will do until something better comes along.)

We were recently taken to task by Salim Sarafa for discontinuing the SSS Fund. For your information, Sal, we are at present working with Joe Solaka of Gulliver's Travels, on a plan to send you to the moon!

New Bumper Sticker: "Flying saucers are real; the Air Force doesn't exist."

Sock It To 'Em, Freddie! We particularly like the manner in which Fred Grossman of Food Giant Super Markets, an AFD member, speaks out in defense of our industry. I refer to the inspiring talk he gave recently before DAFMR, and the recent article in last May's Spotlight. How about an encore, Freddie, in the AFD's magazine? In this "paper" you will at least have editorial backbone.

We were giving a cute blonde the once over, and our bride of 31 years caught us. She quipped: "Don't forget honey, a blonde can be expensive despite the light overhead."

Dear John, that's all she wrote! —ACB

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Grosse Pointe Quality Foods
Elevates Richard Graham

The appointment of Richard H. Graham to the newly created post of director of operations of Grosse Pointe Quality Foods, an AFD member, has been announced by Max Yorke, GPQ general manager. In making the announcement, Yorke said that this is the first of a series of steps being taken due to the exceptional growth of the wholesale firm.

Graham, a native Detroiter, joined GPQ in 1961 as general sales manager. He was formerly associated with the Borden Co. and the Kaukauna Dairy Co. Prior to this Graham served in the U.S. Marine Corps and Army.

The firm presently services some 600 independent supermarkets and grocery stores throughout greater Detroit, and is "planning to service additional areas out-state," Yorke told The Food Dealer.

Group Blue Cross - Blue Shield
Available To All Member Stores And Their Employees

For those grocers who don't know it already, Blue Cross-Blue Shield Insurance at low group rates is available to all grocer members of the Associated Food Dealers of Greater Detroit. The AFD is the only grocery association in Michigan which offers the comprehensive Blue Cross program.

For those members who are not on the Blue Cross hospital insurance plan, call the AFD office so we can explain how you can participate. To those grocers who are not yet members of the Associated Food Dealers, call our office at 542-9550 to join our association and be eligible for Blue Cross Coverage.

MEMBERSHIP APPLICATION

Store Name

Address

City

Owner's Name

Do you wish Blue Cross Coverage?
   Yes □   No □

An Invitation to Join A.F.D.

Through membership in the Associated Food Dealers of Greater Detroit, you can enjoy wide benefits designed to bring recognition to the independent grocer in the community. In addition, such services as Blue Cross and all types of general insurance, coupon redemption program are available. Call and let us tell you about them.

ASSOCIATED FOOD DEALERS
434 W. Eight Mile Rd.
Detroit, Mich. 48220  Phone: 542-9550
Chatham Relocates
Offices In Warren

Chatham Super Markets, an AFD member, has announced the relocation of its general offices to 2300 E. Ten Mile Rd., Warren, Mich. 48091. The new phone number is 759-4600. The local independent food chain, which operates some 22 stores, was formerly located at 7600 Russell, Detroit.

RECIPIENTS OF THE “GOVERNOR’S AWARD” recently held in Lansing in front of the Capitol building, take time out to chat before the ceremonies began. Four of the recipients, pictured above, include, from left: Clarence “Biggie” Munn, Michigan State University athletic director; Ed Deeb, AFD executive director; Walt McMurtry of Bank of the Commonwealth; and Matt Surrell, WJR radio newscaster. Gov. George Romney cited 50 Michigan citizens for “extraordinary and distinguished services as spokesmen for Michigan and for promoting the state” as part of the 1968 Michigan Week celebration.

Buy U.S. Savings Bonds and new Freedom Shares
WHO'S YOUR CHOICE
FOR SALESMEN OF THE YEAR?

Retailers, you now have the opportunity to choose or nominate your candidates for representatives of the year. This is not a popularity contest. We want you to select those representatives who you think best deserve the titles . . . Broker, Wholesaler, Manufacturers' and Driver-Salesmen representatives of the year. The four chosen will be honored at the Associated Food Dealers "President's Awards Banquet," to be held in September.

Broker Rep. of Year__________________________
Company_____________________________________

Wholesaler Rep. of Year_____________________
Company____________________________________

Manufacturers Rep. of the Year________________
Company____________________________________

Driver-Salesman of the Year___________________
Company____________________________________

Signed______________________________________ Store________________________

Fill in your nominations form and send to the AFD office at 434 W. Eight Mile, Detroit, Mich. 48220.