Determined Clasp For Action

Following the initiation ceremonies at the Associated Food Dealers' Annual Food Trade Dinner Feb. 13, The Food Dealer camera caught this group of determined AFD officers and directors. From left: Salim Sarafa, vice-president; Albert Wyffels, trustee; Mike Giancotti, president; Allen Verbrugge, vice-president and R. Jerry Przybylski, treasurer.
taste that beats the others cold!

We mean it: Pepsi-Cola tastes better cold than other soft drinks taste at the same temperature. We designed Pepsi that way. We created a special taste that comes alive in the cold. Cold temperatures don't numb this taste. It tastes better cold—the colder, the better! But don't take our word—put it to the taste.
AFD To Appear Before Senate Committee On Riots

The Associated Food Dealers will appear in Washington before the U.S. Senate Subcommittee investigating the Detroit riots sometime in early April. The Committee, headed by Sen. McClellan, has asked the association to prepare a documented report of the damage inflicted on retailers, and suggest possible programs for aiding riot victims and any future possible victims should any outbreak or civil disturbances occur next summer.

High on the list of the priorities will be the unavailability of property and fire insurance coverage and protection, according to AFD chairman Donald LaRose and president Michael Giancotti. They said that testimony given by the association to the Michigan House-Senate Committee recently would be used as the basis for the report before the U.S. Subcommittee.

In addition to outlining the damages of last July, the AFD will propose both a state and Federal insurance pool, according to executive director Ed Deeb. At the same time, the AFD will propose a voluntary national insurance pool whereby each firm would contribute 10% of their casualty premiums. Of the total national casualty premiums written, amounting to some $6 billion, this would make a fund of $600 million to cover merchants in so-called "high risk" areas.

The Food Dealer' Wins Top Editorial Award

The Food Dealer magazine, published by the Associated Food Dealers, has distinguished itself again and bestowed another editorial excellence award and honor.

Last week, The Food Dealer magazine was the recipient of the 1967-68 "Achievement Award" of the Industrial Editors Association of Detroit. The attractive citation, which rests in the association lobby, reads: "The Industrial Editors Association of Detroit grants its highest honor for effective communication and imaginative editing to The Food Dealer magazine."

In 1965, AFD's colorful and attractive monthly magazine The Food Dealer was cited by the International Council of Industrial Editors for "publishing an editorial which motivated readers and caused community action." The editorial, "Must A Retailer Do A Banker's Job," received wide attention and acclaim in the nation's business press.

The Food Dealer thus becomes the only Michigan food distribution publication to have received the top writing and editorial awards from these fine editors associations, making it the most cited and quoted magazine covering the state's food field.

Upon receipt of the award, AFD president Michael Giancotti congratulated the editor, Edward Deeb, in behalf of the entire association membership.

Prior to joining the Associated Food Dealers as executive director of the organization and editor of the magazine, Deeb was a veteran newspaper editor, and a graduate of Michigan State University's communication arts school. He is 30, and joined the AFD in July of 1965.

Over 860 Attend AFD Food Trade Dinner

Over 860 persons involved in the distribution of food and allied products attended the Associated Food Dealers' 52nd Annual Food Trade Dinner and Installation held last month at Cobo Hall. It was the second largest crowd to ever attend an AFD affair, next to the Golden Anniversary celebration.

Following dinner, association president Michael Giancotti, operator of Auburn-Orchard Super Markets, told banquet-goers in his inaugural address of the great need for individual initiative and closer government-business relationships.

"What became of the good old days when initiative and quality craftsmanship were the measure of a man?" he asked. "When someone set out to do (Continued on Page 13)
Memo from Faygo

by
MORTON FEIGENSON
President

As the lone survivor of all the independent soft drink firms started up in Detroit since the turn of the century, Faygo for years has been "running scared" from its competition. We are still running, even though 1967 was our fifth consecutive record-sales year (bringing No. 2 leadership in Detroit's take-home market) and 1968 sales to date are up more than 30 per cent over last year.

Keeping us running safely ahead is the emphasis Faygo gives to pricing its quality products between national franchise brands and private label offerings. That pricing strategy is heavily dependent on maintaining plant operations at the highest possible levels of efficiency.

We're now spending $100,000 to make faster what is already the industry's fastest soft drink bottling line, a line installed only last spring and filling 550 bottles per minute. The refinements will improve its efficiency 8-10 per cent. This is the only way we know how to keep running fast enough so that competition can only nibble at our heels. We are convinced that if we ever tire of running, we might get swallowed up.

Cub Scout Pack 1915 Warren Woods, Michigan, recently held its 5th Annual "Blue & Gold" Banquet. Including parents, brothers and sisters, nearly 400 attended, many of them enthusiastic drinkers of "Red Pop." We were asked to provide 160 "Faygo caps" as souvenirs for the children, the same caps always worn by all of our production personnel. We did and felt honored by the request.

Naturally, any soft drink producer can appreciate users of its products. However, on Faygo's books, the real meaning of the whole Boy Scout movement is how it succeeds in building character and integrity into youngsters who, one day as adults, must face and hopefully will find solutions to problems that now seem to defy our nation's most cherished traditions.
"Insurance Coverage Vital"  
AFD Tells House Committee

Appearing before the Michigan House of Representatives Insurance Committee March 6, the Associated Food Dealers told the distinguished group of representatives that "unless the state steps in to guarantee property and fire insurance, more businesses will close in the center city areas, and blight will spread." The meeting was to discuss the State Insurance Pool proposed by the AFD and Insurance Commissioner Dykhouse.

Edward Deeb, AFD executive director, speaking in behalf of the association's 1,900 members, particularly those operating in so-called "high risk areas," told the committee an average of some 10 calls a day are received by the AFD office by grocery store owners who report their insurance is being cancelled.

Faygo Moves Into No. 2 Spot Behind Pepsi-Cola

An eight percent increase in sales volume during 1967 has elevated the Faygo Beverage Company, an AFD member, into the No. 2 position of sales leadership in greater Detroit's take-home soft drink market behind the Pepsi-Cola Company, it was reported by Morton Feigenson, president.

Faygo becomes one of the few non-franchised regional soft drink firms whose products outsell any of the nationally distributed brands.

Feigenson recalled that his firm moved into the No. 3 position in Detroit in early 1965 when consumer demand for wider varieties of flavors started to become a major factor in soft drink consumption. He said Faygo's new No. 2 ranking has been verified by a survey that covered a majority of 750 supermarkets in the Detroit area.

Feigenson said that package-wise, his company's 1967 metro Detroit sales were comprised as follows: 19% cans, 23% one-way bottles, and 58% returnable bottles.

"Many of the retailers report that as soon as their insurance is cancelled, they are approached by other companies who will insure their property at 400 to 500 percent increase in premiums," Deeb said. "Insurance coverage is vital and essential to assure these businessmen that their property will be protected."

Also appearing in support of H.B. 3466 were representatives from the Cities of Detroit and Grand Rapids, and the Detroit Pharmaceutical Association (druggists), and Insurance Commissioner David Dykhouse. Most insurance company representatives and associations were either opposed to the measure, or urged a modification in the State Insurance Pool.

Get In The Picture

Ray Pinni, manager of the Auburn-Orchard Super Market in Utica poses next to his high-profit cigarette vending machine.

Michael Giancotti, head of the 3-store Auburn-Orchard Super Markets, "We find that the best way to sell single packages of cigarettes is through Fontana vending machines. We are able to enjoy the same profits—without having to invest our own money." Let us show you how you can gain additional sales and profits.

BIG PROFIT CHAMP
Big in every way.
CASH IN!
Call 826-5030

Peters SAUSAGE COMPANY

"Many of the retailers report that as soon as their insurance is cancelled, they are approached by other companies who will insure their property at 400 to 500 percent increase in premiums," Deeb said. "Insurance coverage is vital and essential to assure these businessmen that their property will be protected."

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The Arms Race

There was a time when someone read or spoke about an "arms race," he referred to the increasing amounts of sophisticated weaponry in the volatile arsenals between nations, say between the U.S. and the Soviet Union.

Who ever dreamed that the "arms race" could mean the buildup of weapons in one's own hometown? Such is the case in Detroit, as reported recently by Mayor Jerome Cavanagh.

The mayor asserted that "wildly irresponsible rumors" have caused both whites and Negroes to arm themselves in unprecedented numbers, and pleaded that citizens "return to sanity." He went on, saying "the arms race must be stopped and so must the irresponsible rumors about what may happen next summer."

According to the Detroit Police Department figures, pistols alone registered with the city, as required by law, totaled 6,029 in 1966. There were 9,988 registered in 1967, with a sharp upturn in August. In January of this year, there were 1,090 and in February, 1,421 for a total as of the end of last month of 12,499.

Meanwhile, crime averages on a national level increased some 15% overall. and about 20% in Detroit. Grocers, supermarket operators and other retailers are reporting that burglaries are increasing and going unreported, because of fears that whatever minimum insurance coverage they can get may be canceled at the least provocation.

Exactly what is being done to help curb the arms race, and growing crime rates? Politicians, with few exceptions, either avoid the issue or state that "stop and frisk" laws is not the answer.

What about a stop and frisk law to protect the innocent, regardless of what color or creed an individual may be? It would seem logical and reasonable to assume that an individual with nothing to hide, should not object to such a law, provided it be applied equally to all citizens.

One thing is certain however. It would level off, then cut down drastically the "arms race." And the less arms and weapons around, the better off everyone will be.
The Sounding Board

To the AFD:

We are most happy to again become a supporter and supplier member of the Associated Food Dealers. With pleasure, we look forward to the years ahead and our pleasant association with the members. Best regards to all.

Henry C. Foess
Pittsburgh-Erie Saw Corp.

You should be proud of the fine program and attendance at our recent Annual Food Trade Banquet. My family and many others present with whom I spoke expressed this same view. Thanks also for your hospitality extended to Rabbi Irwin Groner. I hope the Association establishes a record of even greater achievement during the coming year.

Harvey L. Weisberg
Chatham Super Markets

Elsa Maxwell should take a back seat behind Ed Deeb as far as throwing parties are concerned. The annual banquet was a marvelous affair as indicated by the enthusiasm of all our people who attended. Congratulations and thank you for a very pleasant evening.

David Anbender
Great Scott Super Markets

This is to express my appreciation to you and the Associated Food Dealers for allowing me to participate in your banquet program, Feb. 13. Thanks too for your gracious note and considerate honorarium. May you and the members of the AFD continue the fine service you render this community.

Rabbi Irwin Groner
Congregation Shaarey Zedek

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INTERNAL PILFERAGE

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Some of the smart retailers using our SCAN-O-SCOPE cameras include: Great Scott, Chatham, Food Giant, Packers, Quik-Pik, Lucky King, Atlas, Auburn-Orchard, Hollywood and Felice super markets.
THE PRESIDENT’S CORNER

Whatever Became of Individual Initiative

By MIKE GIANCOTTI

It seems the only thing stable today is “change.” Change, that is constant change, is the only measure of our nation’s stability or instability.

Today, there is much unrest in our cities and countrysides. People are suspicious and distrustful of one another. We read where the Good Samaritan hardly exists anymore. People are simply too much in a hurry to care anymore.

What became of the good old days, when individual initiative and quality craftsmanship were the measure of a man?

Those were the days that when someone set out to do something, he didn’t quit until his job was done. Today, everyone wants to make a fast buck, but few really want to work for it.

It would certainly be gratifying to bring back that sense of pride. The pride to accept a challenge to do a job and do it well.

For nearly a couple of centuries, America has been hailed as the “land of opportunity.” A place where you can start with nothing and become a big success in the true tradition of Horatio Alger.

Unfortunately, today a man prefers the contentment of governmental security. He prefers to believe what he hears rather than to seek out the truth. He prefers, in other words, to have someone do his thinking for him. That someone is government which is veering on a course of total socialism!

Where are those who wanted no part of security? Those who preferred to take the calculated risk to dream and to build. Where are those who prefer a constant challenge of life to existence with a guarantee?

The government is an unusual entity. On one hand, it encourages farmers to withhold products, and on the other hand, blames food retailers and distributors for inflation and high prices.

Government bureaucrats have begun to instill in the minds of the consuming public the elements of doubt, suspicion, and profiteering by ALL businessmen, whomever they be.

Government has asserted itself as the “watchdog” over business under the guise of “consumer protection.” But who is going to watch government?

What we need is to revive the principle that government is by the people, for the people and of the people. Perhaps the time is ripe to begin fostering improved government-business dialogues and relationships. There is much which can be done together in behalf of all Americans.

We need to conduct regular serious meetings with government and business representatives so that each can appraise the other’s problems, and in turn, bring about greater understanding for all concerned.

One effective way this has been, and can continue to be accomplished is through associations. The Associated Food Dealers has in the past, and will continue to bring about this needed understanding of our industry with government and the consuming public.

We need more of this!
A Big AFD Thanks To The Food Trade

February was a busy month for the Associated Food Dealers. In addition to our big Annual Food Trade Dinner, we also conducted our third annual “Independent Grocers Week in Michigan” campaign. And of course to involve the association in two major activities as the above requires a lot of cooperation from the entire food and allied industry.

Your association is most grateful and appreciative of the following supplier companies who played a major part in the AFD’s 52nd annual banquet:

PEPSI-COLA COMPANY for once again so generously hosting the evening’s cocktail hour; and

KRUN-CHEE POTATO CHIPS for providing the tasty snacks for our cocktail hour.

We salute and thank the following companies for sponsoring the banquet music and entertainment:

DARLING & COMPANY
DETOIT RENDERING COMPANY
WAYNE SOAP COMPANY
THE BORDEN COMPANY
FAYGO BEVERAGE COMPANY
FRITO-LAY, INC.
GROSSE POINTE QUALITY FOODS
KRUN-CHEE POTATO CHIPS
SEALTEST FOODS
VELVET FOOD PRODUCTS
IRA WILSON & SONS
UNITED DAIRIES

We wish to also thank the following firms for their generous contributions:

MICHIGAN WINERIES, for supplying the dinner wine, which included its new “Cranberry Red,” introduced for the first time at the banquet;

HOLDEN RED STAMPS, for supplying the 30,000 stamps given away as major door prizes when redeemed; and

BOB BOWLUS SIGN CO. for again supplying the attractive banners and signs used at the annual banquet.

There were also much support given by our fellow food distributors regarding the AFD’s third annual “Independent Grocers Week in Michigan” promotional campaign. We wish to acknowledge appreciation and thanks to the following firms for their excellent cooperation and support:

UNITED DAIRIES, for imprinted the “Grocers Week” proclamation on their half-gallon and one-gallon milk containers;

HOLDEN RED STAMPS, who imprinted the thousands of “Grocers Week” proclamations for display in the stores, and those which were used as glossies for insertion in handbills, flyers, newspaper ads, etc.;
GUEST EDITORIAL

Many Retailers Missing Boat on Frozen Foods

By BEN WETTENSTEIN
Executive Vice-President
Abner A. Wolf, Inc.

One of the weakest departments in an independent grocery store today is the frozen foods section.

Since profits and sales of frozen food products are higher than the average of grocery products, a retailer is foolish not to capitalize on the “frozens” department. Sales percentage of frozen foods ranges from a low of 5% to a high of 10%, while gross profits range from a low of about 8% to a high of around 14% in your store.

Still, today many independents do not have a frozen food department. With the trend for more convenience and heat and serve foods by consumers, the frozen food section is a “natural” which will help bring frozen food sales and profits to independents.

Too often smaller store operators complain of a lack of space in their stores. Yet in many cases, a little re-arranging of stock and equipment will bring extra needed space to stock more products which would increase sales volume.

Today, upright freezers, with multi-tiers, are available without requiring extra space. This new concept in “vertical merchandising” of frozen foods makes it possible for independents to institute a frozen food department in their stores, if space is a factor.

A major reason why convenience or bantam stores are succeeding today, is because they are doing a good job of merchandising in the area of frozen foods. A lesson can be learned by inspecting a convenient type store. Notice how they have minimized the number of duplicate items, and give more space to convenience or ready to eat products, which are in greater demand today.

In many cases, independents who already have a frozen foods section in their store can do a better job by updating their equipment, and in turn offering a larger variety of these products. By devoting more lineal feet to frozen food products, a retailer will quickly begin to see his volume climb, while satisfying his customers more fully.

A major factor in support of a frozen foods department is the fact that many housewives purchase surplus supplies of items, because they can stock them at home longer.

In the future, the trend will be toward more convenience foods, many of the items coming in the frozen form. With shorter working hours per week, and more time for leisure and recreation, it is only reasonable to assume that the trend toward these products will increase sharply.

Too often, retailers react to the needs or demands of housewives, instead of noticing a trend, then gearing their store operation to take advantage of it. Since the end of World War II, frozen food sales have sharply increased. The reason for this is that modern technology has instilled confidence in consumers to accept these types of food products.

In conclusion, I would like to reiterate that those retailers who do not yet have a frozen food department in their stores, are missing a real opportunity to increase sales and in turn, profits. Those of you who haven’t, should re-examine the possibility of starting such a department on the basis of real growth and potential.

For those who already have a frozen foods section, you should re-examine your operation to assure that the right varieties and amounts of frozen products are being offered to customers of your store.
AFD members Buddy Atchoo and Manuel Jona are the new owners and operators of Berkley Food Center, located at 3297 W Twelve Mile, in Berkley. The store was formerly owned by another AFD member, George Chodoroff.

Chatham Super Markets, an AFD member, this year celebrates its 20th anniversary. Firm founder and chairman, Peter Weisberg, opened the first “Chatham Village” 20 years ago on Kelly Road in Harper Woods. My how times have changed! Best wishes go out to the entire Weisberg family for continued success.

James Jardack of Food Lanes Super Market, an AFD member in Southfield, is to be congratulated. The reason? Jimmy spearheaded a fund-raising drive for the new Sts. Peter and Paul Syrian Orthodox Church, which just completed its first stage of the building. Jardack is president of the church association.

Also involved in a recent fund-raising was Mose Esse of Parkie’s Party Shoppe, an AFD member on the east side. He and his wife Deanna recently helped raise over $300 for the Northeastern Wayne County Child Guidance Clinic.

Not many people knew it, but the guy behind the Detroit scene during Canada’s “Expo 67” was no other than Max Gurman of Maxwell Gurman Associates, public relations firm. He told The Food Dealer that in promoting Expo, various recipes of tantalizing international food dishes went over quite well.

Fire caused extensive damage to the Little Farm Market, 716 W. Eleven Mile, Madison Heights, recently. The fire was confined to the rear of the one-story brick building. The store was open for business when flames broke out, but no injuries were reported. Cause of the fire was unknown.

The Associated Food Dealers wishes to thank member Sam Tuma of Tuma’s Market, Royal Oak, for providing us with 2,000 copies of the attractive “Optimist Creed,” which was mailed out to members a while back.

Sorry to hear of the fires which took two stores belonging to AFD members. One store was Van Dyke Super Market, operated by Robert and Anthony Bombach. The other: Food Town Super Market, in Clarkston, one of four stores operated by Mrs. Margaret Roth. (Continued on Page 13)

AFD Travel Service Presents...

‘European Travelers Delight’

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(includes hotels; breakfast every morning; four sight-seeing tours in all cities, except Brussels; one tour in Brussels; also includes transportation to and from airports to city air terminals)

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THE BELL RINGER

Old Boys Still Chase Girls, Preferably Downhill

By ALEX BELL

We'll start this one with some advice to those of you who are planning a summer vacation. Did you ever consider a nudist camp? Just think, girls, you won't have to worry about all those dirty clothes.

* * *

So how did you like our Annual Food Trade Banquet? We thought it was a real winner, a good dinner and a wonderful show! And of course Mike G's speech which began with the "broad view" bit. Very sneaky, Mike, but I know it warmed the hearts of all the gals.

* * *

As usual, our association, one of the largest and strongest in the nation, is most appreciative of the cooperation and assistance given by our supplier members and friends. We wish to thank the Pepsi-Cola Company for sponsoring a truly enjoyable cocktail hour; and the following firms who played an important part in providing the entertainment: Darling & Company, Detroit Rendering Company, Wayne Soap Company, Faygo Beverage Company, Frito-Lay Inc., Grosse Pointe Quality Foods, Krun-Chee Potato Chips, Sealtest Foods, Velvet Food Products, Ira Wilson & Sons, United Dairies, and the Borden Co. Thanks also to Michigan Wineries for the delicious wines and Holden Stamps for the prizes.

* * *

Our friend Brownie, from Eastern Poultry, asked us at the dinner if our frau missed much. Brownie, may we answer it this way: She throws pretty straight for a woman.

* * *

This being Leap Year we have been giving a lot of thought to rearranging the calendar and the best solution we can come up with is that the extra day should be added onto July. Why? Because February is a lousy month, so why prolong it?

* * *

Better living through chemistry, L.S.D.

* * *

We overheard our roommate talking to one of her girl (?) friends and we got an earful. She was telling the G.F., "Oh yes the old boy still chases girls but only if it is downhill." We just have to do something about this gal. (Edeebnote: You never know a good thing, Al, when you see it.)

The Federal Equal Employment Commission has ruled that airlines should hire male cabin attendants. Ohmigod, a pair of hairy legs in a miniskirt! And just imagine, if this ever gets around to a Burly-Q House!!!

* * *

We bring you greetings from Dave Deerson and an invitation to attend the National Association of Independent Food Retailers convention at the American Hotel in San Juan, Puerto Rico, August 17-22. More details on this later, including a tremendous package deal.

* * *

Attention AFD Members: Did you hear the latest? Your well-read, attractive and oft-quoted magazine, The Food Dealer, has received another distinguished honor. The recent February issue was presented with the 1967-68 "Achievement Award" by the Industrial Editors Association of Detroit. In their words: "The IEAD grants its highest honor for effective communication and imaginative editing to The Food Dealer." You should all be quite proud. A deserving congratulations to Ed Deeb, our editor.

* * *

Diar John, that's all she said. —ACB

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AFD Sponsors Legislation
To Waive "500 Foot Law"

The Associated Food Dealers has sponsored legislation designed to waive the "500 foot law" requirement for securing package liquor, beer and wine licenses. Presently, before a retailer can obtain a SDD or SDM license, his store must be located more than 500 feet from a church or school.

Michigan Senate Bill 860 was introduced by Sen. Frank Beadle (R - St. Clair) to waive the law concerning package liquor or SDD licenses. An amendment to the bill to include beer and wine or SDM licenses was submitted by Sen. Stanley Rozycki (D - Detroit).

All retailers interested in assuring passage of the bill should write to their legislators in Lansing, or contact the Associated Food Dealers, phone 542-9550.

AFD Food Trade Dinner
(Continued from Page 3)

something, he didn't quit until the job was done. Today, individuals prefer security instead of taking the calculated risk to dream and build."

At the same time, Giancotti rapped government bureaucrats who have instilled the elements of doubt, suspicion and profiteering into the minds of American consumers. "Perhaps we need to revive the principle of Democracy that government is by the people ... for the people ... and of the people," Giancotti urged his audience. "We feel the time is ripe to begin fostering improved government-business relationships. There is much which can be done together."

- AFD executive director Edward Deeb then reviewed the numerous involvement projects and programs of the past year, and gave a preview of the major issues the association will devote itself to in 1968, including shopping cart losses and laws, bad check passing, legislation and correcting injustices affecting the small independent businessman. He briefly outlined the effort to be taken by the AFD to close the communications gap between the food industry and the consumers.

William DeCrick, president of the Detroit Association of Grocery Manufacturers' Representatives (DAGMR) officially installed the AFD officers and directors. In his opening comments, he said that the AFD would receive the backing and support of his organization for any good cause or program which would benefit our total industry.

Following the initiation ceremonies, the enthusiastic crowd attending the annual food trade dinner was treated to an outstanding floor show, and later ballroom dancing. Featured entertainment included comedian Jimmy Nelson, Frankie Rapp, and interpretive dancer, Ramona Bittles. Dancing was to the music of Tommy Baldwin and his Orchestra.

Around The Town
(Continued from Page 11)

William Everett has joined Midwest Refrigeration Company as a sales representative and consultant, it was recently announced. He was formerly with Almor Corporation.

Awrey Bakeries, Inc., an AFD member, has announced the appointment of Walter C. Shamie as the firm's advertising manager. He was formerly managing editor of Grocers' Spotlight.

The Associated Food Dealers is currently in the midst of conducting a survey on property insurance. All members of the association were mailed questionnaires. If any retailers did not receive one, please phone the AFD office, and one will be sent to you; phone 542-9550.
MAJOR TAX DEVELOPMENTS YOU SHOULD KNOW

By MOE R. MILLER
Tax Attorney and Accountant

In 1967, there were many important changes in the Tax Law resulting from various court decisions and Treasury rulings. In this article, I will point out the highlights which could serve as a guideline in planning your 1968 transactions.

BUSINESS DEDUCTIONS:

1—Keeping a diary of meal expenses in the past, served as a protection against disallowance for tax purposes. The District Court recently held however that an agent cannot dispute entries in a properly kept diary.

2—Meal deductions on one-day business trips are now barred, unless the traveler is involved in an overnight trip.

3—Cost of taking your wife on a corporate business trip is now held to be deductible and not income to the husband, provided the wife's presence on the trip tends to enhance the firm's image.

4—A District Court has held that a corporation, which borrows against tax-exempt securities for its business needs, cannot deduct the interest on the loan.

5—Cost of commuting to work with tools or other heavy or bulky items can now be deducted, even if the car would otherwise have been used to travel to work.

6—Education expense regulations have been liberalized by the Treasury.

PERSONAL DEDUCTIONS:

1—Ordinary household accidents such as dropping a ring in the garbage disposal or slamming a car door on a wife's hand with a diamond ring on her finger, gave rise to deductible losses, if person is otherwise uninsured.

2—Points paid to get a home mortgage are not to be considered interest deductions any longer.

3—Voluntary $3.00 per month Medicare premiums are considered medical expenses which can be deducted.

CORPORATIONS:

The following are rulings and tax decisions made concerning corporations:

1—The Tax Court ruled that loans to stockholders were held not to be dividends, where properly evidenced by a note, and where the stockholders paid interest and principal as required.

2—A pseudo corporation can pass its operating losses through directly to its stockholders. But this is only possible to the extent that the stockholders have a basis for their stock, or have loaned money to the corporation.

3—The owner of a corporation should consider holding an election to have his corporation treated as a pseudo corporation, and have its income taxed as personal income to the stockholders directly, without any tax to the corporation.

4—Penalty Tax for unreasonable accumulation of earnings is no longer imposed since it is necessary to accumulate earnings to survive against possible competition and to achieve steady and substantial growth.

5—Running a business under several rooves was recently hit by the Tax Court. It ruled that there must be sufficient business reasons to operate a business with multiple corporations.

6—Operating losses of a discontinued business can be carried over to offset income of a newly acquired similar profitable business, by a corporation, even though there was a change in the minority ownership of the corporation, and the loss corporation had been inactive for two years.
Support These AFD Supplier Members

ACCOUNTING, INSURANCE
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Gohs, Inventory Service VE 8-4767
Moe Miller Accounting
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Ace-A-Cake Cookies 532-2477
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Bonnie Bakers 893-3260
Farm Coast Bakers TR 5-6145
Grennan Cook Book Cakes TA 5-1900

Beverages
Archway Cookies 532-2477
Awrey Bakers
Bonnie Bakers 893-3260
Farm Coast Bakers TR 5-6145
Grennan Cook Book Cakes TA 5-1900

The Food Dealer • March, 1968

TR 4-0300
Peter E. S. Co.

TOR 5-7500
Pitts Packing Co.

TE 4-1400
Sam & Walter Provost Co.

3-4700
Spenner, Inc.

5-6700
Rufli Eugen Co.

925-5050
Wayne Packing Co.

WO 1-2800
Wheeler & Sons (Richmond)

866-9800
Winter Sausage Manufacturers

883-6550
Wayne Packing Co.

8-5600

NON-FOOD DISTRIBUTORS
Akin Distributing Co.

FO 6-2230
Super Toy, Inc.

TW 1-9100
Perfect Plus Inc.

363-3330
Wayne County Wholesale Co.

POTATO CHIPS AND NUTS
Better Made Potato Chips WO 4-7747
Frito-Lay, Inc. WO 1-2700
Kar Nut Products Co. LI 1-1480
Krum's Cheese Potato Chips DI 1-1010
Superior Potato Chips 834-0800
Vita Boy Potato Chips TV 7-5550

PROMOTION
Browns Display Co. (Signs) CR 8-6288
Holden Red Stamps A 4-1155

RENDERERS
Dashing & Company TR 8-5810

SERVICES
Atlantic Service Company 965-1295
Bender Travel Service TV 1-3232
Clayton's Flowers LI 1-6098

SPICES AND EXTRACTS
Brockman's Whlse. Food Service WO 1-6561

STORE SUPPLIES AND EQUIPMENT
Butcher & Packer Supply Co. WO 1-1250

483-4112

Tobacco Brands Dist., Inc. TW 3-8900

United Wholesale Grocery 834-6410

February 1968
Associated Food Dealers

MEMBERSHIP APPLICATION

Firm or Store Name ________________________________________________________________

Owner or Chief Officer ____________________________________________________________

Address __________________________ Phone ________________________________

City ___________________________ State __________ Zip Code _______________

CHECK ONE: □ RETAILER □ BROKER □ WHOLESALER □ MANUFACTURER □ JOBBER □ OTHER

By belonging to the Associated Food Dealers, you become a part of the largest food distribution association in the State of Michigan, and one of the largest locals in the nation. Now more than ever, retailers and suppliers alike should join and support their association. The AFD is the "voice of the industry." Are you on the action team?

Fill Out, Clip, Then Mail To:

ASSOCIATED FOOD DEALERS

"Michigan's Action Retail Association"

434 W. Eight Mile Rd. • Detroit, Mich. 48220 • Phone 542-9550