Team Spirit Prevails

The Team Spirit prevails at the AFD’s 56th anniversary trade dinner held recently. Pictured above, from left, Judge George Bashara Jr., AFD chairman Harvey Weisberg, U. S. Senator Robert P. Griffin (guest of honor), AFD’s Edward Deeb, and new AFD president Allen Verbrugge. Over 1,200 attended the big event.

(See photos, Pages 10-11)
Pepsi's got a lot to give
Those boys of yours. They've got a lot to live. So do you. And your family's a big part of it all. Don't all of you deserve the best? That's Pepsi-Cola. Taste, energy, value... Pepsi's got a lot to give.
Current Report on Inflation and Food Prices

The most visible contact with food shoppers, with the least control, is made with food retailers. The reason why food prices fluctuate involves several factors, some of which include: farmer and farm conditions (seasonal harvest determines supply and demand); processor and processing function, as handling, preparation, packaging, transportation to market, etc.; retailers, and retail outlets who act as the final clearing house through which products flow.

The following report was prepared by the Associated Food Dealers.

Wage-Price Situation

Basically food prices are determined by supply, demand and costs. The President's Economic Program, especially concerning Phase II, is helping to keep costs and prices in line. However, it is not doing a complete job. For example, let's take meats. Meat is considered a raw product — which is exempted from the freeze.

According to the Freeze, any increases in costs concerning raw products may be passed on: from the farmer to the processor to the consumer. The retailer, while having to reflect increased costs, maintains the same average mark-up on prices — whether prices increase or decrease. Example: just recently, meat prices reached a 20-year high. While beef prices are presently moderating, no guarantees can be made that even this will be continued, or become permanent. Prices at all levels, are constantly fluctuating.

Cost of Living

It is anticipated that in spite of prices falling at this date (4-11-72), the cost of living index for the month of April will probably not reflect this decrease until the price decrease has made its way through the entire pipeline, or distribution channel from the farmer, through the processor to the retailer, and finally to the consumer.

Increased Costs

It may interest homemakers to know that food costs for at-home consumption, based on a five-year average (1966-71), increased only 18%. At the same time all other costs increased in the Detroit area far more noticeably. For example: housing costs, were up 36%; medical costs, up 42%.

(Continued on Page 7)
**Grifo New Superior President**

Jack Grifo has been elected President of Superior Potato Chips Co., a long-time Detroit-based snack specialties house. Superior is now a wholly-owned subsidiary of Ward’s Foods, Inc., of New York. The appointment was announced by Charles W. Call, Jr., Chairman of Ward’s.

Mr. Grifo joined Ward’s in New York in 1959, and for the past 10 years was a member of the corporate staff. He will be in charge of complete operations at Superior Potato Chips, which currently is expanding its marketing activities to include Ohio and Pittsburgh and Chicago.

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**Inman Announces Promotions**

Paul Inman Associates, Inc., an AFD member, has announced several promotions at the broker company, according to Gerald C. Inman, executive vice-president.

Dale R. Thurston has been named salesman of the frozen food department. Orlando (Orlie) Jannette has been promoted to manager of the food service department, Detroit division. Patrick J. Allen (an AFD award winner) has been promoted to the food service or institutional sales staff.

Richard Domine was promoted to retail supervisor, Detroit, succeeding Thurston; and John H. Sweeney was promoted to the non-foods department.
To the AFD:

I fully understand the concern which led Ed Deeb to write his column titled, “Even-Handedness” in your February issue of *The Food Dealer*. At the same time, I must take issue with some of his comments.

Scare tactics and sensationalism are not now and to my knowledge never have been FDA policy. Nearly all FDA regulatory actions, however, are minutely scrutinized by the public press.

While I can, and do, reject from certain knowledge any charge of scare tactics and sensationalism by FDA, I can state with less authority but with considerable confidence, that the vast majority of reporters covering this agency are generally sound in their approach and reasonable in their reporting.

Public interest and attendant publicity on matters affecting food safety in this country are simply not going to get less. It seems to me that a far more positive and useful view from your position would be to impress this fact on your members to help them understand that quality control in the plant is far easier to manage than is the quality and amount of publicity occurring from recall or seizure of faulty products.

John T. Walden  
Deputy Assistant Commissioner  
Food and Drug Administration

*Editor’s Note —* Although we appreciate hearing from Mr. Walden and learn his views that, basically, quality control would prevent bad publicity, the point made by Mr. Deeb, and must be considered today from a legal point of view, is that there are “many false alarms which are quite expensive . . . and can put legitimate companies out of business.” Further, that even-handedness must be encouraged from governmental protection agencies, and the ending of public trials in the news media about companies, individuals and/or products until such time that “proof or evidence has been found to justify actions.” Our industry deserves this, at the least.

I wish to thank the members of the Associated Food Dealers for your support of the STRESS program. There has been a great deal of controversy over the recent tragic incident and it is important for me to be aware of the feelings of the people.

As you know, I have decided to retain the STRESS program because it has proved to be a most effective law enforcement tool. Both Commissioner Nichols and I believe that it is a major factor in the significant decrease in crime which has occurred in Detroit during the past year.

The changes which we are now making in the program are designed to minimize the use of lethal force without decreasing effectiveness. We believe that this is a reasonable goal and that we will continue to achieve decreases in crime.

Roman S. Gribs  
Mayor of Detroit

Thanks to the Associated Food Dealers for your public support of the STRESS program and the Detroit Police Department. I think one of the most gratifying experiences I have had as Commissioner has been when individuals and groups as yours indicated their desire for effective law enforcement and yet, expressed deep sympathy for all of the officers involved in our most recent tragedy . . . This department will stand firm in its attempts to make the streets safe that citizens of all walks of life, may enjoy a better life. In so doing, we will also take all necessary steps to insure the safety of officers and civilians alike.

John F. Nichols  
Commissioner  
Detroit Police Department

Congratulations! It was certainly a joy to see that great turnout for your 56th annual installation and trade dinner. Ed Deeb and the AFD staff should be highly complimented for the manner in which such a large group was handled. The fact that everything ran smoothly is a tribute to all the work I am sure was done in the months preceding such an event.

It was an honor to sit at the head table with such a distinguished group. My wife and I very much enjoyed the evening and the hospitality of the Associated Food Dealers. Thank you.

Don Dorst  
Independent Biscuit Co.  
(President, DAGMR)

First, I wish to congratulate Allen Verbrugge on his election to the presidency of the AFD. I extend sincere wishes for a successful term of office. Next, I would like to congratulate Ed Deeb and the admirable job he is doing with the AFD, and in producing such an outstanding publication as *The Food Dealer*. I enjoy reading it from cover to cover. I do look forward to the times you guys get down to Miami Beach, so that we can renew friendships.

Sol C. Shaye  
Miami Beach, Fla.
The food industry as a whole is a very sensitive industry, probably because food is basic and we need it to survive.

It is mainly because of this reason that, as usual in an election year, the politicos, labor leaders and so-called consumer leaders pick on the food industry to overly dramatize issues dealing with economics. Especially this year, because it also involves Phase II of President Nixon's price stabilization program.

But before politicians and governmental bureau chiefs and others who are self-appointed begin pointing fingers at our industry, they should examine the outstanding record of our industry.

For example, it would probably not even phase the critics that food costs for at-home consumption, based on a five-year average (1966-71), increased only 18%, while all other costs increased far more noticeably. Housing costs, were up 36%; medical costs, up 42%; health and recreational costs, up 30%; food away from home, up 29%, with an average increase of 25%.

In addition, consumer expenditures from 1968 to 1985 are estimated to increase as follows: Food, beverage and tobacco, up 79%; clothing, and clothing materials, up 95%; transportation, up 107%; household operations and furnishings, up 110%; recreation and education, up 149%; housing up 172%; and personal and medical care, up 185%.

It becomes obvious that our track record is outstanding indeed, especially when compared to other costs, and other industries.

For these reasons then, it is sad to see the Detroit area food chains buckling under to the sensational charges of politicians trying to win votes and influence people. The finger pointing of people and groups is one thing, but the dangerous and undignified game of one-upsmanship being played by food chains is quite another.

With government costs and taxes skyrocketing, perhaps it is we and all the citizenry who should be doing the finger pointing at them!
health and recreational costs, up 30%; food away from home, up 29%; with an overall average increase of 25%.

**Government Operations**

It may interest homemakers also to learn that Federal income taxes and employment tax receipts for State of Michigan, have increased 53% in the last five years (as a percent of personal income). State and local tax revenues in Michigan have gone up 143% on individual income, and 42% on property taxes.

**Food Industry Profits**

While industry profits generally rose to a high of 1.41% of sales for food store operators after taxes in 1964-65, a low for business categories which average about 6%, food profits declined to a low of .86 of 1% of sales last year (1971). In fact, three of the last five years retail food store profits have been less than 1% of sales, thereby not affording retailers a good opportunity to expand, remodel or absorb additional operating costs or expenses.

It should be pointed out here, that food prices on the average are lower in the greater Detroit area than anywhere else in the nation — even with price increases. How long this will remain the case, however, is questionable.

**Future Outlook**

Consumer expenditures from 1968 to 1985 are estimated to increase as follows:

- *Food, Beverage and Tobacco* + 79%
- *Clothing, Clothing Materials* + 95%
- *Transportation* + 107%
- *Household Operation & Furnishings* + 110%
- *Recreation, Education & Others* + 149%
- *Housing* + 172%
- *Personal & Medical Care* + 185%
- *All Categories Average* + 124%

*(Food, Beverage, Tobacco, only up 79%)*

This indicates that there is continuing pressure on the food retailer to be efficient and to survive competition. Obviously, consumers will benefit by this. Also, the above figures indicate that consumers will be spending an even smaller portion of take-home pay on foods than other products and services. In 1950, consumers spent 25% of their dollars on food — compared with only 16% today in 1972.

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"We now handle only a limited amount of store-door vended pop in one-way glass," said Mike Knilans.

"And, absolutely no store-door cans," emphasized the vice president and general sales manager of Big Bear Stores, the 52-store Columbus based food chain doing more than $200 million in sales annually and growing.

"We want this packaging through our warehouse or not at all," Mr. Knilans said, "because we know we can give Mrs. Consumer a better deal doing it the way we do it with Faygo and our own Gala label.

"Distribution costs have to be recaptured in shelf prices and for store-door pop they are 30-35 percent higher than for warehouse pop. So, we strongly favor warehousing. It's by far the most economical way."

---

Mr. Knilans noted that Faygo and Gala continue to show greater gains than store-door vended products in Big Bear supermarkets.

He concluded with these observations:

"The store-door people try desperately but with too little success to reduce their costs. Meantime, consumers are getting more and more disgruntled about prices.

"At Big Bear we figure we must find operating cost savings to pass along to consumers. Wherever we can hold the line or, if possible, reduce shelf prices, this is where we have to work.

"Our attitude is that if store-door vendors cannot do what must be done, we can — and, we will"
THE PRESIDENT’S CORNER

Personal Store Services Key to Retailer Success

By ALLEN VERBRUGGE

In this fast-paced era of convenience, fancy packages, multi-sizes and colors, the larger operators have geared their operations to bringing in high sales volumes. And from an economic point of view, or the survival of the large chain fit to survive, price competition will be with us for a long time.

But for the enterprising smaller merchants, success means something else. It means offering your customers more personal services, as professional meatcutting and trimming, quality products, as produce for example, and many conveniences that the larger stores do not afford.

For example, let’s take the meat department. Due to the pressures of cost, chains are turning to central meatcutting and packaging to maximize efficiency, then delivering the pre-cut packages to the retail stores.

Independent operators who cannot afford central meatcutting and who would be foolish to implement it since the cost would prohibit it, should step-up personal attention and service in this department. I firmly believe as time goes on shoppers will be expecting more meat services, not less, and this will become an advantage to those merchants who can deliver.

Quality meats with superior service, and quality produce, without the pre-packaging allowing personal inspection of goods, will definitely be an advantage.

So will stocking all the convenience items that shoppers have obviously begun preferring. Consumer demand and sales of these items points this out. (Now this does not necessarily mean the best dollar-for-dollar buy, but it is what the customer has indicated she prefers.)

Personal service, coupled with speedy checkouts and quality merchandise will definitely keep the smaller merchant in the ballgame, and may even make him a big operator someday too. Look what happened to the small guys by the name of Hamady, Weisberg, Fink, Welch, LaRose, Vescio, etc.

Now please do not misunderstand. I am not talking against making progress through implementation of central packaging and cutting, etc. Some operations demand this approach, and as an industry we must encourage new ideas and techniques.

I am saying though, that the smaller operators who are not doing the best job they can in offering personal services, at a time when services are in great demand, are really missing the boat.

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AFD MEMBER
AFD Calls Move to Cut Tails Off Steaks ‘Costly, Inefficient’

The Associated Food Dealers (AFD) has called a move to save consumers money by cutting off the tail portions of T-Bone and porterhouse steaks, “ridiculous, unacceptable and inefficient.”

The AFD, representing over 2,200 food distribution members in Michigan, also said that additional suggestions to save money by removing the fat and bone from rib steaks, would instead “cost homemakers more for meat” because the resultant cut of meat becomes a boneless rib steak or delmonico, one of the more expensive cuts produced today.

AFD executive director Edward Deeb said consumers can be expected to pay anywhere between 25 and 30 cents more per cut of meat labeled T-bone and porterhouse, for the tail-less variety.

To prove that T-bones and porterhouse would cost more if the tail portions were removed, the AFD gave the following example:

If the cuts of meat were selling for $1.60 per pound (or 10 cents per ounce), and the average pound of T-bone or porterhouse contained three ounces of tail portion, the value of good meats which would go wasted, would amount to 30 cents (or 10 cents times three ounces).

Since all cuts of meat are standardized, accepted by packers, processors and retailers alike, surely industry should not be expected to absorb the loss involved, the AFD responded to the move by the Trades Union Leadership Council, Detroit. “The loss, or waste, would have to be passed on to the consumer.”


Robert L. Turner, former controller, treasurer and a vice-president of the firm, has been named executive vice-president of the Pepsi-Cola Metropolitan Bottling Company’s Michigan division. The appointment was made following the resignation of William Barnes, the former president.

Turner was instrumental in helping restructure the company over the past 10 years from a family operation into a profiting incorporated entity that has become one of the parent company’s largest and most successful subsidiaries.

At the same time, Pepsi-Cola announced the appointments of Bart Brodkin as vice-president of marketing for the company’s Michigan division, and that of Louis J. Fusco as vice-president and general manager of the southeast Michigan division for the firm.

Turner, 52, joined Pepsi, an AFD member, in 1958, and currently resides in Rochester, Mich.
Sen. Griffin, Grocers Week

Highlight AFD Trade Dinner

Once again it was the biggest yet! We’re talking about the recent 56th Annual Food Trade Dinner of the Associated Food Dealers which saw over 1,200 retailers, wholesalers, manufacturer and broker representatives pack the Raleigh House. The event was also the highlight, traditionally, of Grocers Week in Michigan. Featured guest of honor and speaker was U.S. Senator Robert P. Griffin. Installing the officers and directors was Wayne County Probate Judge George N. Bashara Jr.

At this time, the AFD wishes to thank the various companies for helping to make the big night the success it was. First, our thanks again to the Pepsi-Cola Company for hosting and sponsoring the cocktail hour for the seventh consecutive time; to Michigan Wineries, makers of Cask Wines, for again providing the tasty dinner wines on the tables; and to Better Made Potato Chip Co. and White Star Dairy for providing the snacks and dips during the evening.


Our thanks go out also to the following for co-sponsoring the evening’s entertainment: Better Made Potato Chips, Borden Company, Faygo Beverages, Grocers Baking Company, Grosse Pointe Quality Foods, Kar-Nut Products Co., Squirt-Detroit Bottling Co., United Dairies, Inc. and Velvet Food Products.

Our appreciation is also extended to the Pontiac Press, and Sperry & Hutchinson for the prizes given out, and to Robert Bowlus Sign Company for supplying the attractive signs for the event.

The AFD and its directors and members are truly grateful to the above companies, and to all the companies and their representatives who attended the big annual celebration. We look forward to seeing you all again at our Awards Banquet in September, and our 57th Annual Food Trade Dinner next February.
AFD FOOD TRADE DINNER
56th Anniversary
A CAMERA-EYE’S VIEW
THE BELL RINGER

Interns at Chicago Hospital to Join Butchers Union

By ALEX BELL

We received our annual fan letter from Sol Shaye. He tells us that I can't spell "tzimmis" correctly. Well Sol, it seems that you can't spell peroxide or did you hit the wrong key on the typewriter to make it come out "perodide." But you corrected it, so you got chutzpah to try and excommunicate your's truly.

* * *

Eddie Acho tells us about the May, December marriage. She was 20 going on 21, he was 60, going on pills.

* * *

We heard about two widows on their way to Florida looking for another crack at matrimony. Crossing the state line, they saw a big sign saying: "Welcome to Florida. Clean rest rooms." Do you know these two broads cleaned ten before they got to Miami.

* * *

AFD Food Trade Dinner Scene: Ben Wettenstein and his red jacket. Benny told us he picked it up at a fire sale. It was nice to see so many old friends, such as Fawzi Azar.

* * *

We missed Lou Thomas of Wolverine Packing. We understand he had a problem with his teeth, like he dropped his choppers. We saw Doug Germain of Frito-Lay trying to sneak some Better Made potato chips out of the Raleigh House. (Tut, tut, Doug.)

* * *

Our first wife and your's truly were dining out in style at George Kappaz' Big Boy in St. Clair Shores. We were talking to the head man and he was commiserating with us about wholesale meat prices and we got to feeling pretty mad at the food business. We told George that our first wife and I had decided to open a bordello to which statement O.F.W responded, "If you think I am going to help you out when you get busy, you are out of your skull." Well, she will never write the sequel to "The Happy Hooker."

* * *

Talking about dining, if you like breaded steak Italian-style, try it at Iggie Palermo's at 18003 E. Eight Mile Rd.

* * *

Do you remember when there was an ice box in the kitchen instead of a refrigerator?

* * *

Now to test your memory: "What did you worry about a year ago today?"

* * *

Don LaRose tells us that Thanksgiving is no easy thing. No wonder no other country has it.

* * *

Well, the last of the big spenders is our old friend P&G, or Procter & Gamble, the suds king. They spent some $265,000,000 on advertising last year and that figure capped the top spot for advertising in the U.S. We wouldn't mind, but they sponsor all those lousy soap operas in the afternoon. Now if they would pass some of those bucks around to their "captives" in the retail food business, that's how to win friends and influence grocers.

* * *

News item: Interns and residents at Chicago's Cook County Hospital say they are considering a labor alliance with the butchers' union (Well, they are all meat dissectors!)

* * *

A Favorite Story: A traveler picked up a hitchhiking beatnik who was so pre-occupied with the

(Continued on Page 13)
snapping of his fingers he wouldn’t take time out to converse. Finally, spotting a cafe ahead, the driver asked the beatnik if he’d like a cup of coffee.

“Like gincy!” was the terse reply.

Driver: “Am I clear on the right?”

Beatnik: “Nothing but a big dog.”

Three days later they woke up in the hospital. The beatnik lay there bandaged from head to toe, still snapping his fingers.

Wounded Driver: “I thought you said there was nothing but a big dog?”

Beatnik: “Yeah, like a Greyhound!”

When ye editor of this sheet asked us years ago “What kind of columnist are you?” I replied: “Not so good.” So when he read this column, he said: “You at least keep your word.”

It is said that husband-hunting is probably the only sport in which the animal that gets caught has to buy a license.

Our first wife’s favorite relaxation is doing crossword puzzles. So, we were quietly reading Charley Manos’ column when she asked, “What is a three letter word for a female sheep?” We replied, “Ewe.” And that’s when the excrement hit the air mover.

Just about the time you teach your kids that you can’t put more in a container than it will hold, along comes a broad in slacks.

Whatever happened to sen-sen? (Edeebnote: I like that nostalgia bit Alex; keep it up.)

Our friend in Yonkers, Leo Green, tells us that the most popular songs in Las Vegas last Christmas were, “I saw Mommy kicking the slot machines; Santa Claus is coming out for a new number; Rudolph the read nosed dealer; and All I want for Christmas are my markers back.”

And, they called Milton Berle the Thief of Bad-gags.

Eat your heart out, Charley Manos. (Edeebnote: with all the reference to the Greeks, Irish, Germans, Arabs and Jews in your column, one would think you’re picking on ethnic groups. Please be careful Alex!)

Our fearless prediction in our last column about beef going down 2 to 3¢ per pound after the first of the year, still holds true. As we write this, beef is at a 20-year high. So it can’t go any place but down.

* * *

Dear John, that’s all she wrote.—ACB

Food Exec Hosts Alumni

Williard H. Hagenmeyer, founder of the Food Industry Committee, and a vice-president of International Multifoods, recently hosted the 125th anniversary celebration of Detroit area alumni of Baldwin-Wallace College of Berea, Ohio. Hagenmeyer, a 1928 graduate of the school, is a trustee of Baldwin-Wallace. The party was held at the Detroit Athletic Club.

Following dinner, Dr. A. B. Bonds, Jr., president of the school, spoke on new concepts of higher education today, and outlined plans for Baldwin-Wallace in the Seventies. Also on hand was Dr. Lee Tressel, director of athletics and head football coach, who led the college to a 9-1 record in 1971.
Continental Paper and Supply Company, headed by Emil Massaro, has acquired Wayneco Wholesale Company, it was announced by Sharkey George, Wayneco president, and Massaro, former owner of the company. At the same time, Massaro named Michael Pisa, vice-president of the new corporation.

Peter Stroh, head of the Stroh Brewery Company, an AFD member, has been named chairman of the 1972 Freedom Festival, an international program between Canada and the U.S., by Detroit Mayor Roman Gribbs.

Ted Shamie, former president of Shamie Publications, publisher of the Grocers' Spotlight newspaper, is the new regional advertising director for Panax Newspapers, publishers of several daily newspapers in Michigan.

Congratulations to Frederik Meijer, president of Meijer, Inc., Grand Rapids, on being named Marketing Man of the Year by the West Michigan chapter of the American Marketing Association. It's an honor he rightly deserves.

The Great A & P Tea Company is in the process of converting its 120 units into WEO discount stores. WEO stands for “Where Economy Originates.” As of this writing over 24 have already been converted.

Mr. and Mrs. Vincent J. Byerlein, will celebrate their golden anniversary June 3. Vince was associated with the AFD following his retirement from Lee & Cady wholesale company following 48 years with the firm. Our hearty congratulations to you.

AFD director Ray Shoulders, operator of the three Shoulders Markets, recently received the Toppers Club Citation from the Boy Scouts of America. In addition, he was cited by BSA for raising some $226,638 for the Detroit area council. Congratulations, Ray.

Douglas Hill has been named assistant general manager of the Detroit Rendering Company, according to a recent announcement by the company. A longtime employee, Hill is also known for his work with children and charity, in his secondary role as Duke the Clown.

Richard Daitch has been promoted to director of store operations for Chatham Super Markets, an AFD member, it has been announced by Earl Eden, senior vice-president for the firm.

Hussman Refrigeration, an AFD member, has moved into new quarters. The new address is 12900 Capital Ave., Oak Park, Mich. 48237. The new phone is (313) 398-3232.

Jim Rozek, formerly with Abner A. Wolf, Inc., is now general manager of the Super-Thrift retail division for the P. A. & S. Small Co., in Pennsylvania. He says he misses his many friends here.
WHEN YOU'RE DISABLED AND CAN'T WORK...

YOU CAN COUNT ON THE AFD'S INCOME PROTECTION PLAN FOR EMERGENCY CASH TO LIVE ON!

When a disability strikes, you face this cold, hard fact — your regular income will be cut off! Protect yourself now against such a financial disaster with the official Income Protection Insurance Plan available to you as a member of the Associated Food Dealers.

PAYS YOU UP TO $800.00 A MONTH when you're sick or hurt and can't work.

These benefits are tax free, paid directly to you to use as you see fit — for food, your home, car payments — even to help pay extra hospital and doctor bills that accompany a serious disability.

You can afford the AFD's plan! The wide selection of monthly benefit amounts lets you tailor your plan to fit both your budget and your insurance needs. This, combined with liberal benefits and valuable extras — all at low Association Group rates — means you get more coverage for your money!

The AFD's Income Protection Plan covers you on or off the job, in or out of the hospital, and pays in addition to any other insurance you may have. What's more, your plan pays $1,000.00 for accidental death and pays up to $23,000.00 for accidental loss of limbs, sight, speech or hearing, on a scheduled basis.

ALSO AVAILABLE — UP TO $20,000.00 LIFE INSURANCE! Provide more financial security for your family with the AFD's Life Insurance Plan. It's the ideal, low-cost way to increase your present life insurance estate to meet today's inflated security needs.

ACT NOW! Get the full details on the AFD's insurance plans — just fill out the Information Certificate below and mail it today.

INFORMATION CERTIFICATE

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Please rush full details on the insurance plans available to me as an AFD member. I am interested in:

☐ Both Plans
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State

ZIP

FILL OUT AND MAIL TODAY
Merchandising

Peet Packing Company, an AFD member, is again sponsoring a statewide Spring Sweepstakes sales promotion for the fourth consecutive year. The sweepstakes runs from April 17 to May 13, and features many prizes.

* * *

Albert Wyffels, former AFD director, has joined the sales staff of Atlantic Service Company, an AFD member.

* * *

John Kimball has been elevated to the new position of executive vice-president of McMahon & McDonald, Inc., an AFD broker member, it was announced by the firm's board of directors.

* * *

Robert E. McEvers, formerly with the Creamette Company, Detroit, has joined Prince Macaroni of Michigan, an AFD member, as sales assistant to Bill Viviano, vice-president and general manager of the firm.

* * *

Koepplinger's Bakery, Inc., breads will be distributed in the Cleveland, Ohio area by Ward Baking Company, according to a joint announcement issued by both companies. President Ray Koepplinger said the move will enable the company to attain greater product distribution.

* * *

The P.F. Pfeister Company, an AFD broker member, has announced the addition to its food service staff of Robert Alleshouse. He joins the firm, coming from Hardee Food Products Co.

* * *

Tom Fanos Associates has announced it has been appointed broker for two health food lines: Hollywood Health Foods Co., and El Molino Mills, for the state of Michigan and the Toledo area.

* * *

Specialty Foods Company has been appointed the new distributor for the Fairmont Foods cottage cheese and dairy line, it has been announced by Chester Kowalski.

INNER CITY BUILDER

The INNER CITY BUILDER is a new community newspaper that is published weekly to build a better Detroit for all of its citizens regardless of race, creed, religion, or national origin. This newspaper is for law and order that will make our streets and our business places safe for law abiding citizens. Yes, we support STRESS and any other program that will stop crime in Detroit. We need your support as advertisers to make Detroit a better place to live. Our circulation now is fifty thousand papers and in the near future the INNER CITY BUILDER will be distributing one hundred thousand papers in the Detroit area.

ALEXANDER M. DEAN, Publisher
Nine New Supplier Members Join AFD

The Associated Food Dealers, Michigan's largest food distribution and service organization, representing over 2,200 members, wishes to welcome aboard nine new supplier members to the Association. Their names, addresses and phone numbers are as follows:

APOLLO BROKERAGE COMPANY, food brokers and company representatives, 21120 Trolley Drive, Taylor, Mich. 48180; phone (313) 292-3636.

CONTINENTAL PAPER & SUPPLY CO., wholesaler and non-foods distributors, 4520 Maybury Grand, Detroit, Mich. 48208; phone (313) 894-6300.


EMBASSY DISTRIBUTING, food broker and manufacturers' representative, 29800 Bristol Lane, Birmingham, Mich. 48010; phone (313) 642-6912.

INTERNATIONAL WINE & LIQUOR CO., distributors of a variety of wines and liquors, 7939 W Lafayette Ave., Detroit, Mich. 48209; phone (313) 843-3700.

LINWOOD EGG COMPANY, INC., wholesale egg and dairy products distributors, 3227 Puritan Ave., Detroit, Mich. 48238; phone (313) 345-8225.

RALSTON PURINA COMPANY, manufacturer and distributor of several grocery products, 27650 Farmington Rd., Farmington, Mich. 48024; phone (313) 477-5805.

ROCKY PEANUT COMPANY, producer and distributor of a complete line of peanut and related nut products, 2458 Russell, Detroit, Mich. 48207; phone (313) 962-5925.

TWIN PINES FARM DAIRY, INC., producer and distributor of a complete line of dairy and ice cream products, 8445 Lyndon, Detroit, Mich. 48238; phone (313) 834-1100.

These new members and all AFD supplier and service members deserve your support and patronage. Refer to the AFD Suppliers' Directory on Page 19 often. In fact, clip it out of The Food Dealer, and post near your phone.

Group Blue Cross - Blue Shield Available To All Retail Members, Employees

For those food and beverage merchants who are not aware, Blue Cross-Blue Shield hospitalization insurance at low GROUP rates is available to all retail members of the Associated Food Dealers. The AFD is the only retail food association in Michigan which offers the comprehensive Blue Cross program.

For those members who are not on our Blue Cross hospital insurance plan, call the AFD office so we can explain how you can participate. Retailers who are not yet members of the Associated Food Dealers, call our office at (313) 542-9550 to join our association (now over 2,100 members strong) and be eligible for our many programs and services.

An Invitation to Join A.F.D.

Through membership in the Associated Food Dealers, you can enjoy wide benefits designed to bring recognition to our industry in your community. In addition, such services as Blue Cross and all types of general insurance, coupon redemption program, weekly newsletter, and a wide variety of other services are available. Call and let us tell about them. Or, clip out the application and mail to:

ASSOCIATED FOOD DEALERS
434 W. Eight Mile Rd.
Detroit, Mich. 48220 — Phone: 542-9550
TAX TOPICS

Review and Analysis of 1971 Revenue Act

By MOE R. MILLER
Accountant and Tax Attorney

Here are some highlights of the Conference Committee changes in the final version of the 1971 Revenue Act as it was signed into Law. This new tax law offers valuable tax breaks for both business and individual taxpayers, plus a number of loophole closings.

Certain working, married and unmarried persons will be allowed beginning in 1972 a deduction of up to $400 per month for employment-related expenses incurred, household service expenses, and dependent care expenses. The final version of the bill applies a reduction for income of over $18,000 to both single and married taxpayers.

Bribes, kickbacks, etc., were made generally deductible by the 1969 Tax Reform Act. This liberal rule was changed retroactively for such payments made after December 30, 1969. Any such payment is not deductible if it constitutes an illegal bribe, illegal kickback or other illegal payments, which subjects the payor to a criminal penalty, or loss of license or privilege to engage in a trade or business. The burden of proving such illegality has been placed on the Treasury.

The economic stabilization act which continues the price-wage freeze provides a criminal fine for violating the regulation. Under this provision, a businessman who pays excessive wages might have the excess disallowed as an illegal payment. The Treasury would have the burden of proving the over-payment was willful.

The restored investment credit applies to machinery and equipment you acquired after August 15, 1971 regardless of when you ordered it. The credit can be as high as seven percent (7%) or as low as two and one-third percent (2 1/3%) depending on the assets useful life. This credit is a direct reduction of your tax.

Example: If you purchased fixtures for $5,000 with a useful life of seven years or more you are entitled to a maximum credit of $350 against the income tax due. Coin operated washing machines and dryers located in apartment houses are now eligible for the investment credit.

What to do about securities before January 1: Gains on sales made on the stock exchange after December 24 will be thrown into the following taxable year. Example: If you should sell stock at a gain on December 26, 1972 the profit you made must be reported in 1973.

The class life asset depreciation range system allows you to treat the asset you buy as having a useful business life that's up to twenty percent (20%) less than the Treasury's useful life. This will enable you to increase the amount of your annual depreciation deduction for an asset by twenty-five percent (25%). This applies to furniture, fixtures and equipment purchased in 1971.

The "hobby loss" rule enacted by the 1969 Tax Reform Act provided that an activity engaged in for profit, was not a hobby. It created a presumption that an activity was engaged in for profit if the activity showed a profit in two out of five years. This has now been liberalized to allow a taxpayer engaged in a new activity to use a five (or seven) year period beginning with the taxable year the activity started. Any activity carried on for years before 1970 is nevertheless viewed as a new activity in 1970 for purpose of the new five year ahead presumption period.
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$3.6 Billion Michigan Food Industry.