Excise taxes—sound the alarm!

Guest Editorial
By Michael Lashbrook
President of Michigan Beer & Wine Wholesalers Association

Retailers in Michigan who derive a significant amount of sales from beer and wine need to pay heed to budget developments in Washington D.C. Our federal lawmakers appear ready to tackle the problem of a runaway budget deficit.

That's good news to those of us in the business world who see virtue in operating in the black and believe that government should as well. However, the bad news is that some of the revenue-generating proposals gaining favor would have a severe impact on the wholesale and retail beer and wine business in Michigan.

Of the proposals being discussed, establishment of new or increased consumption taxes appear to be real possibilities for our political leaders. Increases in federal consumer excise taxes on gasoline, cigarettes, liquor, beer and wine appear to be prominent in our lawmakers' minds. This approach to deficit reduction is unacceptable, and we should all be greatly concerned. The federal deficit is a national problem, one which requires a national solution. By increasing existing consumption taxes like excise taxes, specific classes of consumers are being singled out to shoulder a major burden for a nationwide problem.

Such tax increases are discriminatory because they unduly impact a specific group of consumers and the industries which produce, distribute and sell these goods. If our

Refrigerated prepared entrees

What do they replace? (% of users)

In a survey concerning refrigerated prepared entrees conducted by Willard Bishop Consulting, Ltd. for the International Dairy-Deli Association, the following was discovered:

- Refrigerated prepared foods provide an opportunity for supermarkets to attract food dollars that are being spent in other food outlets.
- Over one quarter of shoppers using refrigerated prepared foods use them to replace meals purchased from a carryout food outlet. They are fresh, can be picked up during a regular shopping trip and are hot when the shopper is ready to use them.
- Refrigerated prepared foods are also replacing scratch cooking because they take less time to prepare and replace frozen entrées because they are fresh and are thought to have fewer additives and preservatives.

Expected location (% of shoppers)

- Two thirds of both users and nonusers expect to find refrigerated prepared foods in the deli, perhaps due to an association with fresh, convenient, prepared foods.
- One quarter of each group would expect to find them in the frozen aisle, perhaps because they had traditionally purchased prepared foods there. These shoppers may not recognize that refrigerated prepared foods are fresh—not frozen.

Occasions for use (past month)

- Dinner and lunch meals appear to offer the primary opportunity to serve refrigerated prepared foods. However, if more shoppers could be seen ENTREES, page 8

New Store Size Appears to be Stabilizing

According to FMI's Facts About Store Development 1990, the size of new stores increased steadily throughout much of the decade, reaching a peak in 1987. The last two years seem to indicate that the growth in store size is stabilizing.
paul inman associates, inc.

YOUR STATE-WIDE FOOD BROKER
BRINGING YOU INNOVATIONS
IN CONSUMER EVENTS!

CENTSIBLE
SUPER SAVER
SWEEPSTAKES

COMING IN SEPTEMBER 1990 ...

- Weeks of September 10, 1990 and September 17, 1990
- Over 45 national brand coupons
- Full-color 16-page insert and supplemental R.O.P. in five marketing areas:
  -- Detroit
  -- Grand Rapids
  -- Toledo
  -- Saginaw/Bay City/Flint
  -- Fort Wayne
- 76 newspapers ... over 3 million circulation
The Start Of Something BIG!

Watch Us.

A brand new alliance that promises to give new strength to independent food retailers through greater buying power and lower cost food distribution systems.

A subsidiary of Spartan Stores, Inc.
Legislative Dinner

Over 50 individuals attended a dinner hosted by the Associated Food Dealers for Lansing legislators on June 12, at the Michigan Automobile Dealers Association in East Lansing. This annual dinner gives AFD members and our state representatives an opportunity to become better acquainted. Among those attending were members of the Senate Commerce Committee, the Senate Regulatory Committee, the Liquor Control Commission, and various state agencies.

Governor’s Dinner

Nearly 100 individuals attended a private dinner in honor of the Honorable Governor James Blanchard on Tuesday, May 29, at the Southfield Manor in Southfield. The Associated Food Dealers Political Action Committee and the Chaldean American Political Action Committee co-sponsored the dinner and reception, supporting the governor’s re-election. The governor spoke of the progress the Chaldean-American people have made, not only in the state of Michigan, but across the country.

Letters

June 5, 1990
Dear Sir,
We would be grateful if you, like us, respond to this request and help fulfill the request of a dying young man.
Craig is a seven-year-old boy who has a tumor on his brain and very little time to live. It is his ambition to have an entry in the Guinness Book of World Records for the largest number of get well cards ever received by an individual.

Please send a card to:

Craig Shergold
36 Shelby Road
Charshalton,
Surrey, England
SN8 1 LD

Thank you. Overseas postage is only $.45. Sincerely,
Carol McNabb,
Sales Assistant, 7-Up Detroit

Correction:
In the May issue of Food & Beverage Report, the person in the photograph with Rep. Wartner is Terry Young, Drake Party Center. Our apologies for the omission.

Don’t lose your liquor license because one of your employees serves a minor/serves an intoxicated person/doesn’t check I.D.

TRAIN YOUR EMPLOYEES!

AFD offers a training program designed for retail managers and their employees, which trains those who sell alcohol how to do so safely. This program is called T.I.P.S.

WHAT IS T.I.P.S.?
An acronym for Training Intervention Procedures by Sellers. This is why this program is absolutely necessary:

1. Having trained employees will reduce or negate your liability.
2. Potential for reduced insurance rates if 75 percent of your staff in T.I.P.S. certified.

Those individuals completing the class will be certified. Call AFD at 557-9600 for information about the next T.I.P.S. training session being offered. It’s for your protection!

Produce Kits Available
AFD has Michigan Fresh Produce Promotion Kits available containing point-of-purchase materials. These are a courtesy of the Michigan Department of Agriculture. If you are interested in obtaining a kit please call Debbie Cooper at (313) 557-9600.
Executive Director's Report

Lottery proposes rule change

By Joseph D. Sarafa
Executive Director, AFD

In March of this year, an informational meeting was called by the Bureau of State Lottery to inform interested parties about a proposed rule change. The new rule, if approved, would allow the lottery to issue terminals to all chain stores meeting certain requirements. Nearly all parties represented had serious reservations about the change and no agreement was reached.

The Bureau then scheduled a public hearing in its Lansing office on April 5th to solicit public comments on the proposed rule changes. About 75 people, mostly AFD members, attended. Of the 28 people who testified, 25 opposed the rule changes and only three supported them. It became clear from the testimony offered that most retailers believed these changes would hurt small businesses and be unfair to them.

AFD testified against the proposed change, sighting our Board of Directors' concerns. The Board felt the lottery was making an unfair distinction between chain and non-chain stores. The Board could not in good conscience, support a rule change that would favor one class of stores over another. AFD also submitted several letters from members opposing the proposed rule change.

In addition, John Dagenais of the Package Liquor Dealers Association, an affiliate of the Associated Food Dealers of Michigan, joined AFD in its opposition.

A very small group was called together by the Lottery Bureau in May. It was intended as a session to work out a compromise between organizations in favor of the changes such as Southland Corp. and those such as AFD, that oppose them.

Efforts to develop a compromise at the May meeting were not successful. However, Commissioner Carr was invited and did agree to attend and speak at AFD's July Board meeting.

We recognize that it is a tough call for the Commissioner to make because the Bureau is charged with generating and maximizing revenue for the state school aid fund. However, we do not believe that the Bureau will go ahead with the rule changes unless a compromise is reached. Any departmental rule changes made by the Bureau of State Lottery must be approved by the Michigan Legislature's joint committee on rules. Only then could the changes be filed with the Secretary of State's office and put into effect.

AFD has left the door open for further discussions.

Super Lotto needs bigger payouts for matching 4 and 5 numbers

The Associated Food Dealers of Michigan appreciates the excellent working relationship we have with the lottery. Both the lottery and the association communicate regularly on issues of concern to our members, their vendors. Last month, I took the opportunity to meet with the marketing director for the Bureau of State Lottery, Tom Egan. One of the items AFD strongly urged Mr. Egan to consider was increasing the payouts for winners who matched 4 or 5 numbers in the Super Lotto drawing. A great many of our retailers have requested it. We at AFD believe that an increase in the payout will increase the ticket sales and will bring back some players who lost confidence in the lottery when these payouts were greatly diminished. I am pleased to report that Mr. Egan further indicated that he recognizes that it is necessary to keep both players and retailers happy and hopes that the lottery will be able to take corrective action in the very near future.
Study shows why food prices vary between cities, neighborhoods

By Robert O. Aders
President, Food Marketing Institute

Early in the 1980's, the Economic Research Service of the U.S. Department of Agriculture undertook a study of food prices, aimed at determining whether there is substance to allegations that retailers take advantage of having a dominant position in localities to increase prices to consumers beyond what operating costs would justify, and why prices in stores vary between and within cities, even under the same company ownership.

This kind of study has been done before, but the previous research has generally been too limited to lead to conclusive results. The earlier surveys were alleged to have had basic flaws that made the conclusions drawn from them suspect. Criticisms include the contention that the cities, companies and stores studied were not representative of the general marketplace, items selected were not representative of food and nonfood supermarket products, and important price determinants were omitted from the statistical analyses. The latest study, which has just been released, was carefully designed to avoid such weaknesses.

The newly released USDA supermarket price survey was made in 28 randomly selected cities, and prices were collected from 616 supermarket stores representing 321 supermarket companies. All supermarket departments were represented in the study, including fresh meat and produce. Prices of individual items were recorded in-store by trained enumerators. More than 300,000 food and nonfood prices were collected, and there were three separate price collection surveys of the same stores and items to avoid the influence of any temporary market aberration. A separate study was made of store characteristics and labor compensation.

With no single study can, once and for all, be said to be the final word on this subject, this one seems to come the closest to any made so far.

It provides convincing data to support the conclusion that "opportunistic price gouging" is not behind differences in supermarket prices. More ordinary market forces are at work here.

Statistical evidence gathered shows that the market leader in most areas does not have the highest prices in the area. Most often, its prices are somewhere in the middle. What does affect a store's prices is its physical size, the type of store it is (i.e., customer services offered or not offered), its sales volume, and its occupancy costs (rent, utility costs, etc.).

All else being equal, larger store size and higher sales volume are associated with lower store prices. Higher store occupancy costs usually result in higher prices. Likewise, as a rule, stores offering more store services, have higher prices than stores such as warehouse stores which offer few customer services. This may seem obvious to us, but it hasn't been obvious to university and government researchers.

Other interesting conclusions drawn by USDA from the study include the fact that food prices in cities where a relatively small number of companies dominate the market do not have store prices significantly different from those where a relatively large number of companies compete for sales.

In-store pharmacy growth faster than ever

With the ever-growing appeal of one-stop shopping, more consumers are turning to supermarkets to fill prescriptions, placing supermarkets among the fastest growing segments of retail pharmacy.

In 1989, sales of prescription drug products grew rapidly in supermarkets with pharmacies, according to a report from Towne-Oller & Associates. Total dollar sales were up 26 percent—more than three times the eight percent increase in the total retail prescription drug market. While only three percent of supermarkets (4,100 stores) have pharmacies, those stores account for 16 percent of total retail prescription sales.

Pharmacy sales increases are outpacing total supermarket sales. In-store pharmacy sales represented three percent of total sales in 1989, up from only one percent in 1984, according to FMI's recently updated in-store pharmacy survey.

Supermarket pharmacists fill more prescriptions than ever, according to FMI's survey. In 1984 fewer than two in 10 supermarket pharmacies filled over 100 prescriptions a day, compared with more than six in 10 last year. In fact, the average pharmacy fills over 150 prescriptions daily in 1989.

Other statistics:

- In-store pharmacies sell 30 percent more prescription products than chain drug stores, according to Towne-Oller.
- The median size of supermarkets with pharmacies is 48,000 square feet, according to the FMI study. Yet the number in stores under 30,000 and over 50,000 square feet is increasing.

GET A LOAD OF THESE GUYS.

To Michigan Lottery retailers, these faces are very familiar. After all, the success of Keno and special fees has meant increased profits for all.

In fact, for the more than 8,600 Lottery retailers, sales commissions and special fees are currently averaging $1,500,000 a week. That includes a 6 percent commission that comes with every ticket sold, and a 2 percent redemption commission on all prizes paid at the retail level. No to mention the publicity gained when a customer wins the top Lotto 47, Zinger, Keno, and Fame and Fortune prizes.

So, as a retailer, make the most of all the Michigan Lottery has to offer. It's the one game you can't lose.
Creativity Is Key To Beer Merchandising

By Tom Forkin
Retail Consulting Services

Beer merchandising and display is somewhat easier than wine and spirits for several reasons. One is that the number of beer brands you carry is usually limited to 30-50 as compared to several hundred for wines and spirits.

Another is that the comparatively larger package sizes of beer allow for bigger and more eye-catching displays. Also, most beer vendors supply excellent merchandising support at store level in terms of quantities and types of P.O.S. materials available along with well-trained salesmen, drivers and merchandisers.

The bottom line in retail sales is profits. Effective beer merchandising can greatly increase your store profits if you use it consistently. You can enjoy success if you make a commitment to use merchandising and display as the best means for increasing your beer sales.

Product Mix

Your beer department should reflect your clientele and your location. If you understand your customers' needs and buying preferences, you should match your beer selections to them.

The key to having a good mix in your beer department is to represent each beer category with the most popular national brands. Then, depending on the amount of space available for beer in your cooler and warm beer department and considering your clientele's needs, you add more brands, types and package sizes.

If, for example, you are located in an affluent neighborhood, you should carry more brands of imports and superpremiums than local or budget-priced beers. If you have a lot of blue-collar or low-income customers, your quart and 40 ounce selection should be larger, perhaps a whole cooler door of these sized bottles.

Set-up

Consumers are being confronted by a multitude of choices in every beer category. Many of these products are new. What can the retailer do to help simplify the customers' selection process? By using a planned space allocation blueprint, you'll be stocking the beer section according to consumer purchases, traffic flow, and price category. A well-designed schematic provides for fewer out-of-stocks and increases your sales and profits.

Beer should be merchandised to the consumer by product category and price level. This price arrangement will clearly define each category. You will achieve a greater return on investment through proper shelf management and generate greater gross profits.

Arrange your beer selection by product category and by retail price on your floor and in your cooler. For example, keep all your superpremiums together and arrange them by price progression (highest price on top shelf, next highest on second shelf, and so on). The same goes for premiums, popular, and budget beer categories.

Set your imports on the shelf according to country. Keep all your quarts and 40 ounce bottles in one section in the cooler. Make one or two shelves just for singles of beer. Single shelves must be closely monitored for proper rotation.

Beer Merchandising

Floor displays of beer are the single most effective method of increasing your beer sales. Displays at regular pricing, but merchandised properly, can increase normal movement of a product by over 400 percent.

Try to be creative with your beer displays because creative beer displays are designed to move large quantities of beer.

Set up a special section for all the imported and domestic non-alcoholic beers and the low-alcohol beers. Put a large sign above this section proclaiming your store's efforts to promote responsible drinking.

Price all your beer with signs, shelf strips, shelf talkers, danglers, and anything else which will immediately inform the consumer of your retail price.

Use fluorescent window signs and banners to promote your beer sales and discounts.

Always show the consumer how much they are saving when you run a beer on special.

Be aware of your competitors' beer specials and everyday beer pricing and selection.

Try running weekly beer sales. Include different categories and package sizes.

Superpremiums and imports are great items to use in vendor supplied bins. These compact, highly visual merchandising tools take up a small amount of floor space but yield excellent sales results.

If your store has a large walk-in cooler with a door on the front or side, you can make cold cases of beer self-serve. At my store we set up a section of our cooler exclusively for loose beer cases and allowed customers to go in and get their own cold cases of beer. This unique merchandising technique has helped increase our total case sales from 33,000 cases in 1981 to almost 60,000 cases in 1985.

Your beer distributors have excellent salespeople who are more than willing to help you increase your beer sales. You should take advantage of this by getting to know your beer reps.
Excise taxes—sound the alarm!

From page 1

policymakers truly believe in an equitable, progressive tax structure—one which does not favor one class of citizens or businesses over another—then it doesn’t make sense that increases in excise taxes are seriously recommended.

In Michigan, we already know what it’s like to be singled out as an industry forced to pay more than our fair share. Our state excise tax on beer and wine is already up to three times higher than that of neighboring states. When you factor in the deposit and wine is already up to three times higher than that of neighboring states. When you factor in the deposit

Can you imagine the impact on beer and wine sales in Michigan if the federal excise tax doubled, tripled or even quadrupled? One proposal calls for a federal excise tax on beer and wine five times higher than the existing tax. The price of a six pack of beer could jump by over $1.00 if this latter proposal is adopted.

Additionally, excise taxes are totally regressive; that is, a greater tax burden is carried by individuals and families who earn the least. Families earning between $10,000 and $20,000 annually would be the hardest hit by excise tax increases. In fact, such tax increases would eliminate tax relief received by the poor from the 1986 Tax Reform Act. Families with a combined income of less than $20,000 would pay taxes four times greater, as a proportion of income, than families earning $30,000 or more.

This is terribly unfair! Why should the people least able to afford tax increases be the ones to bear a major share of the burden of reducing the federal deficit?

Raising federal excise taxes would also damage our state’s fiscal future. Traditionally, excise taxes have been used by state governments to raise revenues to fund our essential state programs. If the federal government raises excise taxes, our state’s ability to raise revenue from excise taxes will decrease. As prices of commodities that are taxed rise, sales decline and revenues fall.

Federal lawmakers should leave consumer excise taxes to the state. If they do not, they will damage state revenue bases and disrupt essential state services. If this occurs, other taxes will be raised and/or service will be cut back. Both effects would be extremely harmful to our state, its consumers and your business.

So my friends, the time has come for all of us to take pen in hand and let the Michigan Congressional Delegation know that the burden of solving the federal budget deficit should not be carried on the backs of our industry and our consumers. When contacted, the Michigan Senators and Congressmen will tell you that they oppose excise tax increases, but it is likely to be included in a big package

Entrees

From page 1

encouraged to use these products for snacking, it could result in shoppers buying refrigerated prepared foods more often.

• Over half of shoppers reported using refrigerated prepared foods for dinner, while over one third use them for lunch.

• Only 8 percent of the shoppers use refrigerated prepared foods as a snack; however, these shoppers serve these products more frequently for a snack (i.e., more than five times per month) than they do for dinner or lunch.

• An advertising campaign suggesting additional uses for refrigerated prepared foods like snacking may increase the use of these products.

How are they served? (% of users)

• Food retailers must not forget the opportunity to complement their refrigerated prepared foods with other products. Pre-packaged products may be included along with refrigerated prepared entrees in the cooler, or suggestions for complementary products from other departments in

DELCATESSEN APPLICATIONS

Handling Cost—Entrees

the store may be made for consumers looking to add to a refrigerated prepared entree to complete a meal.

• Over two thirds of shoppers using these refrigerated prepared foods typically serve them with a side dish. The most popular side dishes are fresh salads, cooked vegetables, and breads.

DELCATESSEN APPLICATIONS

Handling Cost—Bulk Cheese

Suggestions for improvement (% of shoppers)

• Many shoppers reported they would like larger sizes of refrigerated prepared foods. Larger portions may better serve the larger households using this line.

• Many shoppers also indicated that products prices are relatively high for some refrigerated prepared foods. However, in general, shoppers feel these products are fresh and easy to prepare, and they are willing to pay a little more for them.

• Even though there are six different categories of products and a total of seventeen items being offered, many shoppers would like to see an increase in product variety.

Shoppers using refrigerated prepared foods appear very excited about what they have to offer. These foods satisfy their needs for a fresh, convenient meal alternative. Nonusers seem unfamiliar with these benefits. Their attitudes towards nutrition and food preparation are very similar to those using refrigerated prepared foods and they appear to have the same basic needs. However, they have not been convinced that refrigerated prepared foods can fill these needs.

Food retailers and manufacturers face two major challenges:

• Putting together a group of products that satisfy their customers’ needs

• Developing an aggressive marketing program that tells shoppers exactly what is available.

Those who can do this effectively will be on their way to developing a successful refrigerated prepared foods program.

DELCATESSEN APPLICATIONS

Handling Cost—Salads

8—FOOD & BEVERAGE REPORT, JULY 1990
If everyone's a winner with Pepsi, you can't lose.

It's a simple fact. Everyone's a winner when they drink Pepsi in the Heartland. Whether it's under the cap or on the package, everyone wins! And that's one more reason the Heartland is so true to the red, white and blue.

So this summer, stock up on Pepsi. The number one soft drink in the Heartland. Contact your local sales representative today!
Yono "gives back" to his industry

"We want to be different than the average wine store," says Sam Yono. A quick glimpse at his latest acquisition, Palace Plaza, is proof that he has achieved his goal at this Detroit store. He owns three other stores in Detroit and two video stores including Slam's Video which is also located in the Palace Plaza.

"There is a revitalization downtown," says Yono. "We are close to Belle Isle and look forward to a busy summer." Already the new store is exceeding expectations.

The most outstanding feature of the store is the wine display that Yono designed. At the top of the display there is a decorative clear plastic mold through which wine circulates. The store carries a wide variety of wine, liquor and beer in a broad price range. There is an impressive array of gift items as well.

The 20 door cooler running along the side wall houses the many refrigerated items available. Different sections are highlighted with neon signs throughout the store which adds to the modern atmosphere and makes it easy to locate products.

Yono also stocks gourmet food items. He has a delicatessen for which all hot and cold items are prepared on the premises. There is a different menu each day and specials are run to encourage customers to buy. Catering service for both large and small groups is offered.

Yono got started in the business by working part time during his years as a student. "I liked dealing with the public and being my own boss," he said. "That is why I've stayed in the industry since about 1973." He buys businesses and remodels them for resale, but prefers retailing because he enjoys interacting with the public.

Yono has been a member of AFD since 1973. He joined the board in 1982 and the executive committee in 1986. He served as chairman in 1988 and 1989. "I felt a responsibility to give back to the profession," says Yono of his involvement. "People need to be active in associations so we can get a voice heard in Lansing."

Yono credits much of his success to the support of his family. He has seven children. "My wife has been a great part of my success story," said Yono. "She has worked with me all along."

Sam Yono's Palace Plaza offers a wide variety of wines.

Beer from page 7

beer representatives and the many services they have to offer.

Most beer vendors can provide you with reports on your sales volume. These reports track your purchases of each individual product, package size, brand, and category by month and year. Sit down with your salesperson and discuss the trends, both positive and negative, the reports indicate. This will allow you to make adjustments in your inventory levels, mix and merchandising activities.

A display that is tied-in with related items such as nuts, potato chips, beer mugs, coolers, etc. can be extremely effective. Look for opportunities to tie-in your beer display with products that are already on display in the store. Sell the benefit of extra profit and greater sales of both items.

Some beer distributors offer seminars and have excellent films and programs designed to educate you and your staff on many topics relating to retail beer sales. You learn about draft beer, the importance of proper beer rotation, merchandising and selling techniques, and other very interesting information. Some beer companies even offer tours of their warehouse and distribution facilities. You can look at the actual beer distributing system from the brewery to the wholesaler and the wholesaler to the retailer. These seminars and tours will help increase your beer sales by having a well-trained, enthusiastic, knowledgeable sales staff who cares about customer satisfaction and increasing the beer sales in your store.
**SCHEDULE OF EVENTS**

- **Date:** Thursday, August 9th, 1990
- **Place:** Links of Pinewood, Walled Lake
- **Event:** Golf and Dinner
- **Time:**
  - 7:45 a.m.: First Play
  - 7:45 a.m.: Continental Breakfast
  - 9:30 a.m.: Snack and Beverage Stations (on the course)
  - 11:00 a.m.: Buffet Luncheon
  - 5:00 p.m.: Open Bar
  - 7:00 p.m.: Dinner/Door Prizes
  - **9:00 p.m.:** Golf Weekend Drawing / P A C Raffle

**FOOD & BEVERAGE REPORT JULY 1990**

- **7:45 a.m. - 1:30 p.m.:** First Play
- **7:45 a.m. - 10:00 a.m.:** Continental Breakfast
- **9:30 a.m. - 4:00 p.m.:** Snack and Beverage Stations (on the course)
- **11:00 a.m. - 2:00 p.m.:** Buffet Luncheon
- **5:00 p.m. - 9:00 p.m.:** Open Bar
- **7:00 p.m. - 9:00 p.m.:** Dinner/Door Prizes

**SCHOLARSHIP GOLF OUTING REGISTRATION**

**A DAY OF GOLF AND DINNER:**

Enclosed is our check for $__________________________ to register ____________ golfers in the 1990 AFD Annual Golf Outing, at $125.00 each. I understand that the $125.00 registration covers breakfast, lunch, dinner, snacks, greens fees and golf cart. NOTE: The official game is a scramble (golfers may play their game of choice after the first 18 holes of official play). Please print names of golfers:

1. 
2. 
3. 

Tee Time Preferred:

Approximately one week before the event, players will receive confirmation of their starting times via mail. The committee may make up foursomes of those who registered fewer than four players.

**RECEPTION AND DINNER ONLY:**

Enclosed is our check for $__________________________ to register ____________ individuals for the dinner and reception at the 1990 Annual Golf Outing at $60.00 each. I understand that the $60.00 covers the reception dinner, open bar, and prize drawing eligibility.

Please send tickets to:

Name: ____________________________
Company: ____________________________
Address: ____________________________
Signed: ____________________________
Phone: ____________________________

**PLEASE MAKE YOUR CHECKS PAYABLE TO:**

Associated Food Dealers
Send the completed registration form and check to
Associated Food Dealers
18470 W Ten Mile Road
Southfield, MI 48075

Call AFD for more information: 557-9600
Food prices
from page 6
another finding indicates that, in
high growth areas, where there has
been large-scale entry by
food-store companies in the previous
five-year period, slightly higher
supermarket prices have been found
than in other areas. Cities where
there is strong market rivalry
between dominant companies, or
greater turnover among the stores in
the area and changing sales shares,
have slightly lower prices than other
cities.

The study sums up the findings
by observing that the more com-
petitive environment facing food
retailing firms does not change rapid-
ly from year-to-year, a reaffirmation
of a conclusion made in the 1986
study by the National Commission on
Food Marketing. It points out,
however, that the growth of the
large-format supermarkets, such as
the warehouse and superwarehouse
store, have heightened price competi-
tion in many cities and towns during
the 1980s. In meeting this type of
competition, other stores often
provide additional store services to
distinguish themselves from the com-
petition. The study also confirms that
there is relative ease of entry in the
supermarket industry.

Price marketing has become a buzz
phrase in recent years, and the
newly released study underscores its
role in today's marketplace. No one
type of store suits all customers, and
a retailer cannot take advantage of
having the largest market share if
set prices higher than costs justify,
and expect to be in business long. There
are always competitors around,
waiting to move in with something
different, something special and
something more appealing—trying to
take the market leadership
themselves.

The new report shows that, as
we all know, the retail food business
is highly competitive. Customers
today have many options to go
elsewhere to shop if they become
dissatisfied with their current food
store.

Shop your own store

There's an old saying in the
foodservice industry, "the customer
eats with his eyes first." That is a
simple guideline that can be a
cornerstone for success, according to a
Texas-based foodservice consultant.

Tom Campbell advises store
owners to take a full day out of their
schedule, and shop their store as if
they were an average customer. Be
critical and honest, and ask yourself
these questions:

1. What is my impression as I drive
up to the store? Is the parking lot
clean? Do the windows sparkle? Are
outside displays clean and trash-free?

2. How do I feel when I enter the
store? Does the food-service area catch
my eye? Does it look professional, or
like an afterthought?

3. How does the rest of the store
make me feel? Are the floors clean?
Are the aisles cluttered? Are the
walls clean? How about the
employees—are they neat and clean?

4. Do clerks greet me and suggest
a purchase? Does the merchandise
look appealing?

5. Am I satisfied with my purchase?
Was it a good value?

Minimum wage
posters available

Minimum Wage Posters—The
Department of Labor has produced an
"employee notice" poster which
reflects the changes in the minimum
wage. To obtain a free copy of the
poster, contact your nearest
Department of Labor office, or call the
Labor Department in Washington at
(202) 523-8441.

Helping elderly
shoppers

Senior citizens, who make up
about 25 percent of the population,
control close to half of the nation's
disposable income, and purchase about
30 percent of all food consumed at
home. These are indications that the
senior citizen market should be
catered to.

These suggestions will make your
store more inviting to senior citizens:

1) Carts: Let your employees know
that some people may need assistance
separating shopping carts, so be
watchful, and offer help when necessary.
You may also want to consider providing
small, shallow pushcarts, which are both
easier to push around and to place in.

2) Reaching: Place produce bags
and scales at a level that can be easily
reached by shoppers who have less
strength and less flexibility. Put
popular items on easy-to-reach
shelves. Alert your employees to help
these shoppers—nobody likes to
walk in with something less
crowded.

3) Vision: Reading shelf and
price information can be difficult for
many elderly people, and others with
poor vision. Make sure that the print
on shelf tags and signs is neatly
written in large block letters. Use
high contrast colors, such as black or
brown print on a white or yellow
background. Check shelf tags
regularly to make sure they're in
good condition.

4) Aisles: Clear aisles of extra
boxes and carts. Consider advertising
aimed at older shoppers, to let them
know the days and times the store is
least busy, so they can schedule their
shopping times for when the store is
less crowded.

5) Checkout: Customers with less
strength may have a difficult time
getting their groceries out of a cart
and onto the counter. Advise your
employees to be prompt about helping
load carts. Recommend that your
clerks and baggers pack grocery bags
lighter than usual for older customers,
and in always offer to carry the
purchase out to the vehicle.

6) Convenience: Some people
may become easily tired during a
shopping trip. Consider providing a
bench for them to rest on. You may
also want to install a bathroom for
customer use.
Presto... ketchup bottles into carpet

Heinz U.S.A., Division of Heinz Company, recently unveiled a major packaging development that will allow full recycling of its popular ketchup bottles through the PET (polyethylene terephthalate) beverage bottle recycling system. PET is the most widely recycled plastic in America.

ENVIROPET™, the name of the new package which will be introduced by Heinz in 1991, was recycled and used to manufacture carpet. It is the result of a multi-year, multi-million dollar development effort between Heinz U.S.A. and Continental PET Technologies, a division of Continental Can Company. ENVIROPET™ is a clear, multi-layer PET container that is fully recyclable through existing PET beverage bottle recycling systems.

"With this new technology, Heinz is taking a leadership role toward solving one of our most serious environmental problems, the disposal of solid waste," said Anthony J. F. O'Reilly, H.J. Heinz chairman. "Millions of bottles that would have ended up in landfills will now be recycled into other useful products."

Today, more than 20 percent of the PET plastic produced annually in the U.S. is recycled, a rate second only to that of aluminum. PET's recycling rate is expected to equal aluminum's present 50-plus percent rate within five to seven years.

To help increase the PET recycling rate, Heinz will kick off a one-year consumer education program, "Curb Your PET." The program will encourage the development of curbside recycling programs that include PET plastics and will ensure that consumers understand the Heinz ENVIROPET™ bottle is recyclable within such systems.

PEOPLE

Faygo names Gwen Hale district sales manager

Promotion of Gwen Hale to district sales manager for Western Wayne, Washtenaw and Monroe Counties has been announced by Stan Sheridan, president of Faygo Beverages, Inc.

In her new post, the Detroit resident will supervise six area sales managers, serving approximately 1,000 retail accounts.

Hale joined Faygo as an area sales manager in 1987 following five years with Comerica Bank and six months with another soft drink company. A 1983 graduate of Wayne State University, she majored in marketing while earning a bachelor's degree in business administration.

COMING EVENTS

July 10: Michigan Liquor Control Commission public hearing at 10 a.m. to be held at the Boyne Mountain Resort, Boyne Falls. Call 557-9600 or 1-800-66-66-AFD for information at (313) 557-9600.

July 15-17: 63rd Annual Convention & Trade Show sponsored by the National Food Distributors Association, to be held at the Anaheim Convention Center, Anaheim Hilton, Anaheim, CA. For information, call (312) 644-6610.

September 23-25: 1990 Annual Meeting and Exposition sponsored by the National Association of Convenience Stores. For information, call (703) 844-4600.


Awrey's Cholesterol Free Low Fat Baked Goods...

An extraordinary new product line from Awrey's is about to hit the Michigan market — Awrey's Cholesterol Free, Low Fat Baked Goods. Extraordinary because not only do these products meet consumers' strong demand for products with reduced levels of fat and cholesterol, they also taste delicious!

Awrey's is baking with egg whites instead of whole eggs, and non-fat milk instead of whole milk. It has eliminated all butter and tropical oils, and has substantially reduced all other shortening. In addition, all Awrey's Cholesterol Free, Low Fat Products are low in sodium.


New report confirms "trade shows work"

The report confirms, says the Bureau, that expositions deliver the best possible audience—those who are not receiving regular sales calls from exhibiting companies.

As many as 91 percent of all qualified buyers at most trade shows have not been reached by regular sales calls during the previous year, according to a new report from the Trade Show Bureau. This percentage is up from the 86 percent recorded in a 1979 study.

SOURCE: EXPO MAGAZINE 4/90

For information on how to exhibit in AFD's trade show:

557-9600 or 1-800-66-66-AFD

Retail Beverage Merchandising
Guide to Increasing Sales and Profits

$2.00 Discount for AFD Members

By Tom Forkin
Marketing and Management Specialist

Tom Forkin—successful retailer turned management consultant presents the first operator's guide designed especially for Michigan retail licensees. At last, retailers can get professional advice on:

- Liquor. Beer. Wine
- Merchandising & Display
- Creating effective signs
- Shaping store image
- Shelving Management
- In-store promotions
- Package Shot layouts

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Order with your VISA or Mastercard

FOOD & BEVERAGE REPORT, JULY 1990—13
SAVE UP TO $500,
BY NOT REKINDLING AN OLD FLAME.

If you’re thinking about replacing your old gas cooking equipment, think electric. It’s clean. It’s efficient. It’s more profitable. And if you qualify, we’ll give you a discount incentive of $50 to $500. To find the registered Detroit Edison food service dealer nearest you, call 237-9225. Or call and make an appointment to try out electric cooking in a dealer test kitchen. Once you’ve given it a try, you’ll find that it’s not only wise, but it pays to electricize.

Detroit Edison
A good part of your life.
We invite you, the retailer, in joining with The Pfeister Company in a “Win Win” Program with Jerry Lewis and his annual “Aisle of Smiles” Muscular Dystrophy Promotion.

“WIN” Increase your volume by selling more cases of “Aisle of Smiles” designated national brands.

“WIN” Help fight Muscular Dystrophy for Jerry's Kids! The manufacturers of participating brands will donate their dollars based on a per case value on product moved through your wholesaler or distributor.

To participate simply advertise or display. Feature the designated brands and identify the items with “Aisle of Smiles” point of purchase material.

**ORDER DISPLAY QUANTITIES OF THESE “AILSES OF SMILES” PRODUCTS.**

<table>
<thead>
<tr>
<th>BRAND</th>
<th>PK/SZ</th>
<th>PRODUCT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dole</td>
<td>8/40z.</td>
<td>Dole Pure &amp; Light Jce (4 var)</td>
</tr>
<tr>
<td></td>
<td>24/15.25oz.</td>
<td>Dole Tropical Fruit Salad</td>
</tr>
<tr>
<td></td>
<td>6/64oz.</td>
<td>Dole MLB Child P/A, P&amp;O or P&amp;O Jce</td>
</tr>
<tr>
<td>Glad</td>
<td>12/15ct.</td>
<td>Glad-Lock Fnr Bags Gas</td>
</tr>
<tr>
<td></td>
<td>12/20ct.</td>
<td>Glad-Lock Fnr Bags Qt.</td>
</tr>
<tr>
<td></td>
<td>12/25ct.</td>
<td>Glad-Lock Strg Bags Gas</td>
</tr>
<tr>
<td></td>
<td>12/50ct.</td>
<td>Glad-Lock Sandwich Bags</td>
</tr>
<tr>
<td>H-C</td>
<td>9/3pk.</td>
<td>Drinks Aseptic Boxes (9 var)</td>
</tr>
<tr>
<td>Ragu</td>
<td>12/10oz.</td>
<td>Trad. Spag. Scs. (3 var)</td>
</tr>
<tr>
<td></td>
<td>12/28oz.</td>
<td>Fresh Ital Spag. Scs. (4 var)</td>
</tr>
<tr>
<td></td>
<td>12/30oz.</td>
<td>Groan Style Spag. Scs. (4 var)</td>
</tr>
<tr>
<td></td>
<td>12/30.75oz.</td>
<td>Thin &amp; Harty Spag. Scs. (3 var)</td>
</tr>
<tr>
<td>Treesweet</td>
<td>12/46oz.</td>
<td>Orange Juice</td>
</tr>
<tr>
<td></td>
<td>12/48oz.</td>
<td>Pink Grapefruit Juice</td>
</tr>
<tr>
<td></td>
<td>6oz/6pk.</td>
<td>Orange Juice</td>
</tr>
<tr>
<td></td>
<td>6oz/6pk.</td>
<td>Pink Grapefruit Juice</td>
</tr>
<tr>
<td></td>
<td>24/12oz.</td>
<td>Orange Plus Frozen</td>
</tr>
<tr>
<td></td>
<td>24/12oz.</td>
<td>Awake Frozen Breakfast Beverage</td>
</tr>
<tr>
<td>Vlasic</td>
<td>6/6oz.</td>
<td>Baby Dills (.45 L)</td>
</tr>
<tr>
<td></td>
<td>12/7oz.</td>
<td>Spanish Olives</td>
</tr>
<tr>
<td></td>
<td>12/10oz.</td>
<td>Spanish Olives</td>
</tr>
<tr>
<td></td>
<td>24/6oz.</td>
<td>Extra Large Ripen Olives</td>
</tr>
<tr>
<td></td>
<td>12/32oz.</td>
<td>Milwaukee Pickles (4 var)</td>
</tr>
<tr>
<td>Betty Crocker</td>
<td>12/Spk.</td>
<td>Brownie Sundays Choc. or Van.</td>
</tr>
<tr>
<td>Oh Boy!</td>
<td>12/12oz.</td>
<td>Stuffed Potatoes (3 var)</td>
</tr>
<tr>
<td>Dep</td>
<td>8oz.</td>
<td>Gel Pumps (8oz Pk.) 4 var</td>
</tr>
<tr>
<td>Fuji</td>
<td>1pk.</td>
<td>Color Films - CN 115/24 - 100 IS0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CN 115/36 - 100 IS0, CA 105/24 - 100 IS0, CN 110/24 - 100 IS0, Disk 2 Pk. - 200 IS0 (6 var)</td>
</tr>
<tr>
<td>Tampad</td>
<td>40ct.</td>
<td>Tamppons 6 var.</td>
</tr>
<tr>
<td>Ultra Slim Fast</td>
<td>14oz.</td>
<td>Powders 3 var.</td>
</tr>
</tbody>
</table>

This dynamic program will run the entire month of August capping it off with the Labor Day Weekend Jerry Lewis Muscular Dystrophy Association 25th Anniversary Telethon.

Local public service announcements on radio, T.V., and newspapers will alert your customers to look for the “Aisle of Smiles” products.

Attractive point of purchase materials are available from your Pfeister representative. If you do not receive your materials by the last week of July, contact any Pfeister office listed below. Arrangements will be made for you to receive materials.

**Detroit**
36300 Schoolcraft
Livonia MI 48150
313-591-1900

**Saginaw**
3159 Christy Way
Saginaw MI 48603
517-793-8100

**Grand Rapids**
3663 Broadmoor SE
Grand Rapids MI 49512
616-949-7210

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