Cherries are just one of the many foods grown in Michigan.

**Michigan Week**

May 18-26 is great time to encourage customers to sample the many products this state has to offer.

May 18-26 has been designated Michigan Week to focus attention on all the wonderful things the state has to offer.

Michigan is known for lakes and the beautiful variety of its seasons, but the fact that it's a national treasure for food and beverage products is overlooked. The state is ideally located in the Temperate Zone and is nourished by the fresh water of the Great Lakes and fertile soil. More varieties of fruits and vegetables are produced in Michigan than in any state except California.

With the help of modern technology, each Michigan farmer is able to produce enough food to feed himself and 78 other people. One farm worker produces an average of 107,000 pounds of food and creates jobs for more than five non-farm workers who process, transport and merchandise the crops as well as produce farm items.

Many beverages are also produced in Michigan. Beer brewing and winemaking have been Michigan industries for many years. By 1980, when the first national winegrowing census was taken, Michigan had more than 2,000 acres under vine and was producing more than 25,000 cases of wine. The state is also known for its specially brewed beers.

In honor of Michigan Week, encourage your customers to sample Michigan products.

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**Don't get burned**

Know the limitations of your fire insurance policy. Not knowing if you have adequate coverage can leave you unprotected in some instances.

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**Annual AFD Trade Show was success**

The Associated Food Dealer's Annual Trade Show held March 27 at Fairlane Manor, Dearborn, was a great success, according to those attending.

The show, themed "Profit for the '90s," offered retailers an opportunity to see new products and services in the food and beverage industry.

Retailers from all over the state enjoyed the displays, taste-testing, prize giveaways and discount buying available to them at this year's show.

"I drove all the way from Douglas to attend the show," said Tony Hezelli of Little Store II. "It was the best show we've been to.

More than 75 companies exhibited their wares. Those attending enjoyed delicious food and beverages and had the chance to learn about the latest equipment in the industry.

"We enjoyed the opportunity to interact with our partners in sale and profit," said Dave Kirkpatrick of Coca-Cola Bottlers. "We introduced our new Caffeine Free Classic Coke, and it was the most successful new product introduction since Diet Coke."

AFD sponsors a trade show every spring. Participating in the show is a fantastic way to introduce new products and maintain market awareness.

"Our objective in participating in the AFD show was to show support of the independent retailer and address any needs or concerns they may have," said Pat Leahy of Prince. "We're looking forward to next year."

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**Photo feature. see pages 12, 13**

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**What recyclables retailers collect**

84 percent of wholesalers and large retailers collect recyclables at distribution centers. They collect a wide variety of recyclables from their communities as well as their own operations. What do they collect?

<table>
<thead>
<tr>
<th>Recyclables</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardboard</td>
<td>98%</td>
</tr>
<tr>
<td>Aluminum cans</td>
<td>23%</td>
</tr>
<tr>
<td>Shrink wrap</td>
<td>18%</td>
</tr>
<tr>
<td>Plastics</td>
<td>13%</td>
</tr>
<tr>
<td>Glass</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: FMI Solid Waste Survey, October 1989
SCHOOL'S OUT
THE KIDS ARE
HOME FOR LUNCH

- Full page R.O.P. newspaper — 1.6 million circulation (week of June 11)
- 30 second WKBD-TV spots; statewide & Ohio
- Consumer sweepstakes • 9-high value coupons

LET THE KIDS MAKE YOUR SUMMER SELLING SOUPER!

CAMPBELL SALES CO.
32000 Northwestern Highway — Suite 190
Farmington Hills, MI 48018 — (313) 855-1750
Since 1883, our goal at Oscar Mayer has been to provide you with new and profitable ways to meet your customers' needs.

Thanks to you, our retailers, Lunchables Lunch Combinations is fast becoming the most successful Oscar Mayer new product in the last five years!

Look for Oscar Mayer to continue to provide you with innovative products in 1990 and beyond!

Lunchables
Lunch Will Never Be The Same.
Freedom of speech, expression, communication, privacy and association are protected by the First Amendment to the United States Constitution. Over the years, the U.S. Supreme Court has defined what is protected and what is outside the protection of the Constitution. This article is not meant to be a description of the precise lines drawn by the Court but, rather, a generalized discussion of the areas reflected by recent Michigan law.

Nearly all forms of expression and communication are allowed by law, but a few types of communication are prohibited. Some types of communication are prohibited depending upon the time, place and manner of the expression or communication. For example, a manufacturer should not falsely label his merchandise; nor should a customer issue a forged, altered, insufficient- funds or counterfeit check.

Home, one may alter or switch the labels on packages, cars, etc., as he or she wishes. And, one may write a note to a neighbor that reads, "You passed." Thus, "unsafe or illegal" sometimes depends upon where, when or how an idea is communicated, e.g., taking a bath in your home as opposed to bathing on the front lawn, yelling "fire" in a crowded movie theater as opposed to an empty theater, etc.

Michigan law prohibits the marketing of obscene materials. "Obscene" means any material which meets all of the following criteria:

- The average individual, applying contemporary community standards, would find that the material taken as a whole, appears to the prurient interest.
- The material taken as a whole, lacks serious literary, artistic, political or scientific value.
- The material depicts or describes, in a patently offensive way, sexual conduct. "Contemporary community standards" means the customary limits of candor and decency.

For most Americans, "light" or "lite" foods and beverages are now staples of leaner, healthier eating, according to a recent national survey conducted for the Calorie Control Council. The findings are based on a nationally projected sample of 1,035 people age 18 and over, who were interviewed in September 1989. Staying in better overall health was mentioned most among light product consumers (86%) as a reason to consume light foods and beverages. Controlling calories (85%) and fat (83%) are also major reasons for use. The most popular light products, according to the survey, are light beverages (consumed by 70%), light cheese, yogurt and sour cream (65%), and light ice cream and frozen desserts (45%).

The survey revealed that most people understand that "light" can refer to a variety of product qualities, depending on the product. When people were asked if light foods and beverages were considered to be "light," 69% said lower in calories, 64% lower in fat, 50% lower in calories, fat, cholesterol or sodium, and 34% lower in calories, fat, cholesterol, sodium or lighter in texture, color, taste, or weight.

The vast majority (65%) of light product consumers agreed that using the term "light" to refer to different product qualities is appropriate, as long as "light" is clearly explained. A smaller percentage (54%) said the term's meaning should be limited to calorie, fat or sodium reduction.

The Calorie Control Council is an international association of manufacturers of low-calorie and diet foods and beverages.

**Most popular 'light' foods and beverages:**

<table>
<thead>
<tr>
<th>Product</th>
<th>Percent Who Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverages</td>
<td>70%</td>
</tr>
<tr>
<td>Cheese, yogurt, sour cream</td>
<td>65%</td>
</tr>
<tr>
<td>Ice cream and other dairy products</td>
<td>46%</td>
</tr>
<tr>
<td>Cakes, breads and other baked goods</td>
<td>40%</td>
</tr>
<tr>
<td>Chips and other snack food</td>
<td>38%</td>
</tr>
<tr>
<td>Dinner entrees</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: Calorie Control Council 1989 national survey conducted by the Gallup Organization.
**EXECUTIVE DIRECTOR'S REPORT**

**We must work together to meet our goals for the future**

By Joseph D. Sarafa  
Executive Director, AFD

For the past three and a half years I have had the privilege and honor of serving the Associated Food Dealers as executive director. While it is often very time-consuming, it is also very rewarding. I take great pride in the leadership and service AFD has provided to so many.

Our long-range planning committee has given us a direction for the future. Sound financial management will allow AFD to continue to be a strong and viable organization. Our continued membership growth makes AFD the voice of the food and beverage industry in Michigan.

Our member services are a source of pride for all of us. From liquor liability to Visa and Mastercard, from trade shows to college scholarships, we offer programs you want and need to improve your bottom line. Out new publication, our public relations program and legislative activity have earned AFD the title of “watchdog for the food and beverage industry in Michigan.”

Obviously, one person alone could not have accomplished all of this. We owe a deep debt of gratitude to the dedicated staff who works so closely with me. And, I owe a special heartfelt thanks to the Board of Directors who give so generously of their time, energy, ideas, and their money.

I could never thank them enough for getting AFD where it is today. But now we are four months into the last decade of the 20th century. There are only about 3.530 shopping days left until the year 2000. Where will the food industry be at the dawn of the 20th century? No one knows for sure, but one thing is absolutely certain. I cannot, you cannot, we cannot maintain the status quo. To do so would bring about the almost certain demise of large segments of our industry.

We can no longer be reactive. We must be proactive. We can no longer be fractioned; we must be indivisible. In unity, there is strength. There are many challenges in the 1990s, but there are many opportunities. If we work as a team, we can meet the challenges and take advantage of the opportunities.

I was born and raised in the food industry. And I remember how it used to be. But "used to be" is no longer good enough. We must get better. Labor shortages, food safety and environmental concerns like solid waste are the challenges. Technology, education and cooperation are the solutions. The food industry is not a part of the problem. We are a very important part of the solution. The food industry is one of the nation’s biggest employers, one of the biggest taxpayers and one of the biggest providers. We will change. We will lead and grow and prosper and we will do it together.
Consulting Services, specializing in food marketing consultant, and owner of Retail Creative marketing of retail beverages can boost sales next few months. The following is an Merchandising: Guide to Increasing Sales Inventory suggestions selection should be a balance between hurt your business significantly. Your space and cash flow. you can afford to offer them in terms of what your customer wants and what you can afford to offer them in terms of space and cash flow. One inventory concept I have always used is called “sticking with the winners.” This means that you should always emphasize products that are proven good sellers. You can’t lose when you promote industry and category leaders. The brands that sell the best are usually supported with excellent POS materials and are nationally advertised. You should also carry and promote other items that have good price/value ratios, are new products, or have attractive packaging.

Promotion Rotation of beverage alcohol is a must for any store owner who cares about the complete satisfaction of his customers. Consumers expect the taste of a product to be the same everywhere they purchase that product and every time they drink that beverage. A customer purchasing a product from your store which turns out to be had can severely and instantly damage your long-standing reputation as a retailer of quality merchandise. If a customer does come back with a problem, handle the situation with extreme care and remedy the cause of the occurrence immediately. Create a written system of handling customer dissatisfaction situations, and make sure you quickly inform your supplier about the bad products and try to get an exchange or a credit on your account. Also, include in your employee training the importance of proper rotation, and teach your staff how to spot bad bottles of wine. Here are some other rotation tips to help make sure your products are always at their freshest:
- Keep all stacks of beer rotated with each delivery and learn to read the pull dates on beer packages from your suppliers.
- Use the FIFO method of rotation (First In, First Out) for all items in your store. Good rotation of your merchandise ensures that your customers are getting the same excellent quality every time they buy.

• Use dated price stickers to help with rotation.

Products
There are new products coming out every month. They are introduced in response to consumer demand or to stimulate added sales in a likely area. New products mean extra investment, but it’s hard to do business without them. Evaluate new products carefully. Try them yourself and with your family. Let your employees sample them. Assess their reactions. Find out how much and what kind of advertising and merchandising support will be given. Also, inquire about distribution and future supply conditions. You can now make a well-informed decision about the new product. If your instincts tell you that this new item is going to be a hit, buy big and promote it heavily. If you’re not too confident but you feel this new product might sell, buy just a case or two and carefully monitor its early sales, and then react accordingly. Make sure you give every new product you buy a good, honest chance to sell. Don’t hide new products on the bottom shelf or in the corner. Put them where your customers will discover them. You might want to create a special section near the checkout just for new items. Put up signs highlighting the area. Have your clerks inform your customers of new products that are arriving soon. Remember, your competitors will also be offering these new products, so keep abreast of their selection decisions. New products can be exciting and mean added profit to your business. Try to look at them as a positive way to increase sales and to meet your customers’ new tastes.

Non-alcoholic section
Set up a small section somewhere in your store especially for non-alcoholic beers, wines and champagnes. Offer a selection consisting of both cans and bottles of domestic and imported beers and wines in all price ranges. Break up some of the six packs, and offer the consumer the option of a single can or bottle purchase as a trial size. Put a large sign above the section boldly proclaiming this area as a non-alcoholic section. Announce this new department in your advertising and in-store promotions. You may legally sample some non-alcoholic products in your store, so why not run a particular brand on special one weekend with a big display and free taste samplings. Make sure you check with the LCC before you actually sample these products to protect yourself. You’d be amazed how unaware most consumers are about the great taste of some non-alcoholic and low-alcoholic draft beer is also now available. Maintain a selection of these products in your cold box, too. You may also want to set up a small section of all the low-alcohol products currently available. America is entering an era of new wave beverage consumption. Influenced by the increasing interest in health and physical fitness, new lifestyles, and the impact of DWI publicity, consumers are experimenting with a wide range of beverage products, including low- and no-alcohol beverages. Many retailers consider it socially responsible to make alcohol-free beverages available to their customers.

How to get rid of ‘dogs’
Try to be creative in getting rid of your “dogs.” Apply the same merchandising techniques you use for fast-selling products. One way is to cross-merchandise the “dog” with a related product. For example, one retailer was overstocked with green Creme de Menthe 500mls. Realizing that this item was not a particularly fast mover, he cleverly decided to put some Creme de Menthe on top of the ice cream cooler with a sign suggesting that his customers try something new: “Ice Cream and Creme de Menthe, A Delicious, Minty Combination.” The sales effect was so spectacular that he now keeps some bottles on top of his ice cream cooler year round.

Another way to get rid of “dogs” is to include them in gift sets or baskets. Put a special “dog” section right by the checkout area or on a shelf right behind the cash register with a sign promoting this “Clearance” center. Inform your clerks of the items you want to delete from your inventory. Write up a clearance list and have them suggest these items to customers. Fill a dump display or floor rack with your clearance items and price them for multiple-bottle selling, such as 3 for $5.

Creative marketing of retail beverages can boost sales

Tom Forkin is a management and marketing consultant, and owner of Retail Consulting Services, specializing in food and beverage store operations. He has just completed a book, Retail Beverage Merchandising: Guide to Increasing Sales and Profits, which will be published in the next few months. The following is an excerpt from the book.

Inventory suggestions
The selection, variety, and depth of your inventory is very important to your sales and profits. Low inventory levels and out-of-stock situations can hurt your business significantly. Your selection should be a balance between what your customer wants and what you can afford to offer them in terms of space and cash flow.

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Pollution control industry offers opportunities for financial growth

By Carl Damian Gill

The environment is getting a great deal of attention these days. Everyone from the President to kids in grade school has something to say. No matter who's talking, two things are agreed upon: 1) More environmental clean-up is needed; 2) this clean-up is going to cost a lot of money.

Today, nearly 25 million dollars per year is spent disposing of non-hazardous commercial and residential waste, and this figure is expected to increase by 15%-20% annually.

It's estimated that cleaning up nuclear waste sites will cost between 170-200 billion dollars. Project that over the next decade and 1.5-5 billion dollars per year will be spent on pollution control. Massive expenditures are being mandated by the environmental crisis and numerous companies specializing in waste management have emerged over the last few years to meet this demand. The tremendous cost associated with environmental clean-up represents a virtually untapped rescue bonanza.

Because of the scope of the problem, the coming environmental mobilization could create the greatest growth industry the world has seen since the ascendency of the U.S. military/industrial complex in the aftermath of World War II.

In the years ahead, Congress may have no choice but to enact sweeping environmental mandates, dramatically changing the way goods and services are produced and used throughout every area of commerce and industry. From toothpaste to transportation, from plastic bands to electric power generation, industries will have to acquire new technologies and processes to clean up their operations. As large as the task of clean-up is here in the United States, it represents only a drop in the global bucket. Eastern and Western Europe are years behind the United States in pollution control efforts and are struggling to catch up. This creates a world market for the already-established American pollution control industry.

Today there are several companies that dominate the waste disposal, air scrubbers and water treatment markets. The following list names just a few:

**Domestic**
- Tyco Labs
- Safely Kleen
- Calgon Carbon
- Zum Industries
- Waste Management

**Foreign**
- Laidlaw, Canada
- Technocell AG
- Norti NV
- Nippon Synth
- Asahi Glass

These companies all demonstrate accelerating earnings and an average growth of no less than 25% per year for the past several years! (For a complete list of Pollution Control Stocks and their vital statistics, call me at the number listed at the end of this article.)

If you are interested in investing in this new growth industry let an expert help you make your buying decisions. A fund or public money manager specializing in pollution control stocks can help you select adequate diversification; and can get you the maximum discounts to buy and sell. Concerning diversification: They will own not only the proven Blue Chip leaders (for stability and income) but also the emerging growth industries in this sector. In addition, they are more likely to know about management changes, law suits or mergers.

In conclusion, I would like to ask: What are you doing now to profit from the current boom in pollution control? Would a potential return of 20% or more a year bring you closer to your retirement goals? Could you have more peace of mind by having a professional management fund compound your growth to realize this return? Call (1-800) 858-4801 for our complimentary reprint on Pollution Control — A Growth Industry.

Carl Damien Gill, a registered representative with First of Michigan, has been in the securities industry since 1983. Gill specializes in retirement planning and professional money management for individuals as well as corporations. Call Gill to learn more about financial planning at (313) 358-3290.
Commitment to renovation helps revitalize Great Scott! chain

Great Scott! Supermarkets, Inc., has been a fixture in the Detroit market for more than 30 years. Since 1985, under the leadership of its current management, the chain has undergone a remarkable revitalization. This is due in part to an extensive renovation, remodeling and remerchandising program which has resulted in an exciting period of growth for the company.

In July 1987, publicly held Allied Supermarkets, Inc., merged with The Vons Companies, Inc. At that time, a group composed of Allied’s top management formed Meadowdale and bought the Great Scott! and Abner Wolf operations.

Great Scott! operates 34 supermarkets. This makes it the third largest supermarket chain in the tri-county area. The average supermarket is 26,000 square feet in size. Great Scott! has four stores under construction, one in Clarkston, one in New Baltimore, one in Harrison Township, and one in Farmington Hills. The new stores planned for the near future will average more than 40,000 square feet.

A recent $30-million capital expenditure program has made Great Scott! one of the most modern chains with remodeled stores employing state-of-the-art equipment and technology to improve customer service and control costs. Great Scott! uses checkout scanner systems and video point-of-sale promotions and demonstrations. “We have tried to and succeeded at being the first with the most new things, like live lobsters and salad bars,” said Joseph Mocnik, executive vice president and chief operating officer.

Employees are as important to the Great Scott! success story as high technology. Retail store managers average more than 25 years of industry experience. Many have recently received special communications training to sharpen their interpersonal skills.

There have also been an expanded selection of products and services. Typically, Great Scott! stocks approximately 22,000 items. The new stores are expected to offer an even larger number of items.

The management team is headed by David K. Page, chairman of the board and chief executive officer and Joseph Mocnik, executive vice president and chief operating officer. Corporate officers include: Desmond Defigeiredo, vice president-information systems; Donald R. Gapp, vice president-retail operations; Larry Rasmussen, vice president-real estate and store development; Lloyd Silberman, vice president-administration and treasurer; Edward Suzina, vice president-wholesale sales and merchandising; and David McQueen, vice president-retail operations.

“We give the customers what they want,” said Mocnik. “I think if you look at the variety of brands and items we have at the stores, you can see why we are so successful. If you want something you’ll find it at our store, from the fanciest olive to the cheapest olive.”

The McColgan family finds success in two companies in the food industry

It is not often that an individual is successfully involved in more than one aspect of the food industry. In 1969, James McColgan Sr. and his brother formed M & B Distributing Company, a wholesale food distributor. One year later, Jim purchased his brother’s interest and became sole owner.

Originally operating out of Flint, M & B expanded to Dallas, Houston, and Atlanta in the early 1980s. The company employs about 200 people. In 1988, McColgan assumed control of the Hamady supermarket chain.

When McColgan started with Hamady, the company was losing $600,000 to $700,000 each month and was in Chapter 11 bankruptcy. In just more than a year after McColgan started at Hamady, the company began making a profit.

“It’s a tremendously exciting industry,” said McColgan. “The businesses are different, but my philosophy is if you run a good company it doesn’t make a difference what the business is.”

McColgan is involved with both M & B Distributing and Hamady but his son James McColgan Jr. runs the wholesale side of the company.

McColgan believes his retail experience gives him a perspective that makes him more sensitive to the needs of his wholesale customers.

“When we are acting as a distributor, we understand the needs of the retailers, what they go through,” said McColgan.

As the wholesale end of it you have to deal with a few people, while in retail you have to deal with a multitude of people. The challenges are different for both and very gratifying.”

In addition to McColgan Jr., other members of the family are involved in the business. Another of McColgan’s sons, Robbie, is vice president of M & B Distributing; his wife, Jane, is secretary; his son Erin is a Hamady supervisor, and his two son-in-laws are managers.

M & B is a full-line distributor and carries in excess of 10,000 items including a complete line of dry groceries, dairy products, and frozen foods. The warehouse stores in excess of 7,000 items.
Abner Wolf introduces a new private label product line

Abner Wolf Distributors, a division of Meadowdale Foods, Inc., announces the introduction of "President's Choice," an innovative new product line of superior quality private label supermarket products now available in Michigan exclusively through Abner Wolf Distributors.

Abner Wolf is one of only five distributors in the entire United States that offer the new President's Choice brand. This new private label line includes premium products from all over the world which sell for less than national brands. Many new products were developed especially for the President's Choice program, and 69% of the line is produced in the United States.

Ed Sudzina, vice president of marketing, says, "On the basis of their superior quality alone, we are anxious to bring these products to our Abner Wolf distribution accounts. The fact that we could price President's Choice products lower than their national brand counterparts confirms our decision. We now have 150 products with the President's Choice logo and have plans for 40 more within the next six months."

Product developers of President's Choice consult with the leading experts in the field in developing value-priced products from pizza to pet foods. More importantly, while President's Choice products are manufactured to strict standards to ensure they're equal to or better than the leading national brand, they are also offered at the lowest possible price.

President's Choice has been developed and marketed by Loblaw Companies, Ltd. The company has been selling President's Choice in Canada for more than five years and is now actively extending distribution to selected retailers in the United States and elsewhere internationally. To further compliment the line Abner Wolf Distributors is also unveiling a multi-faceted new environmental program, called the G-R-E-E-N program.

The G-R-E-E-N program which made its debut March 12 introduces a line of 37 grocery and food products which are designated environmentally friendly or body friendly.

The G-R-E-E-N products are part of the President's Choice private label line. In developing the G-R-E-E-N product line, Loblaw officials consulted with well-known organizations like Pollution Probe, Friends of the Earth and Greenpeace to identify major environmental and health concerns, and in some cases, to develop specific products the groups felt were needed.

As part of the G-R-E-E-N program, which Abner Wolf is undertaking in response to growing consumer awareness of environmental and health issues, they are also offering programs to help recycle packaging materials in an effort to become more environmentally aware and responsible. "The more we learn about landfills, polluted streams and toxic dump sites, the more we realize our obligation to the consumer to take a leadership position in this shared responsibility," said Joseph Mocnik, Meadowdale executive vice president and chief operating officer. "We must point out that this is only a single step toward a cleaner, healthier environment. If G-R-E-E-N products do nothing more than teach us that something can be done — even by individuals — to help improve the planet, they will have made an important contribution."

The President's Choice G-R-E-E-N Environment Friendly line features grocery items that help reduce pollution and preserve the environment through biodegradable products and recyclable materials.

Environment Friendly products include President's Choice G-R-E-E-N disposable diapers that use special fluff pulp which is bleached with hydrogen peroxide rather than chlorine, and require half the number of trees needed to produce conventional disposal diapers. Additionally, the wastes from the hydrogen bleaching process are water and oxygen, rather than the toxic chemicals produced by conventional mills.

ATTEND FMI'S CONVENTION AND PROFIT!

Large store or small, FMI's Supermarket Industry Convention is filled with opportunities and ideas to increase your bottom line. Over 1,000 manufacturers will be present, eager to show you new money-making ideas. You'll see products and services designed to benefit every size operation.

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The Supermarket Industry Convention and Educational Exposition
May 6-9, 1990
Chicago, Illinois USA
Rep. Paul Wartner — From bootstraps to the ballot box

The Speaker gets his phone calls returned! Somebody's ox is gonna' get gored! You don't win lights with 800-pound gorillas!

In Lansing, some things are just accepted as fact. To that list you can add: "If there's an issue involving small business, Paul Wartner is close by!"

It really comes as no surprise that Rep. Paul Wartner justifiably enjoys a reputation as a champion of business in general, and independent business people in particular. The Portage Republican earned the label the hard way, by fighting in committees and on the floor to ensure Michigan continues to be an attractive place to do business.

From his position as Minority Vice-Chair of the Insurance Committee, he consistently raises his voice on behalf of Michigan's business community. He also serves on the Corporations and Finance Committee, and of particular interest to AFD members, he is a respected and vocal member of the Liquor Control Committee.

One word that aptly describes Paul Wartner's approach to politics is "equity." He doesn't believe in giving an individual or industry an unfair advantage—something for nothing. But if people are willing to work and abide by the rough and tumble rules of free enterprise, he'll fight to make sure they have an opportunity to compete. Nothing more — but nothing less.

That sense of fairness was evident during the legislative battle over the unredeemed deposits. The bill was subject to lengthy and frequently rancorous discussion, both in the Liquor Control Committee and on the House floor.

During the public debate, and behind the scenes as well, Paul Wartner tenaciously held the position that some relief for the retailer was long overdue. He prevailed, along with Rep. Pete Weeks (D-Warran), Wartner crafted a compromise that provided retailers with 25 percent of the unclaimed deposits.

His effectiveness in the Legislature can be traced directly to the respect he enjoys from colleagues on both sides of the aisle. When the issue involves equity, the Capitol has learned that Paul Wartner is a formidable opponent.

Wartner benefitted from a strong work ethic instilled early in life. He grew up on a large family farm in Detroit. "With nine kids you didn't have any money, so you did whatever you could to make a buck," he says, recalling those early days. One of his many jobs was that of a Tiger batboy.

His uncle, John Hand — the subject of warm tribute from Detroit News Sports Editor Joe Falls just prior to Hand's death last April — was the clubhouse manager. Wartner's specific tasks quickly dispel the glamorous image that working for a major league team invokes.

"We got six dollars a day," he says with a large grin that spreads easily across his face. "We started at eight o'clock in the morning and got to knock the dirt off hundreds of pair of spikes; then shine those shoes. After that, we had to clean out the clubhouse, and then fill the pop and beer coolers. When the ballplayers came in after their morning workout, we had to cater to them."

While working as a mailman after high school, Wartner was encouraged by a former teacher to attend Michigan State University. He did. And in what was becoming typical Paul Wartner style, gritty determination proved to be the driving force that got him through college. He worked three jobs, obtained student loans and was awarded academic scholarships. "I was appreciative of the free enterprise system and how you can make it on your own," he said. "But I paid back every nickel I borrowed."

A variety of jobs followed college. He worked for General Motors, the Michigan Department of Education and the Portage Schools. In his spare time, Wartner completed a Masters of Business Administration from Michigan State University.

Living in Portage, he now has his own successful real estate and bookkeeping business. But something was missing.

"My name recognition in the community was high," he says. "I was President of the Chamber of Commerce and the Rotary Club." He decided to try politics, and for the right reason: he could help more people.

Wartner says the most rewarding aspect of being a legislator is helping people navigate through governmental red tape. His broad experience has proved invaluable in providing that assistance. "My tax background enables me to really help my constituents. For my lower-income senior citizens, I prepare their tax returns myself, free of charge."

He also sets aside time to teach government to children, preferring the younger set. "They have a little bit of knowledge and want to expand it," he said. "They're interested in learning and it's fun teaching them."

Paul Wartner didn't set out to court favor with AFD. But his voting record, strong support for the free enterprise system and willingness to let fairness be his voting guide, makes him one of AFD's best friends in Lansing.

What you can do about workers' comp costs

Controlling workers' compensation costs must be a priority for all convenience store employers. Consider this checklist:

Your employees

Maintain an effective safety program.
Research and analyze injury trends.
Get injured workers back to work quickly.

Classification and claims

Change rate classes for some employees (some insurers may work with you to classify certain occupations at lower rates than others.)
Pay small claims yourself.
Ask for premium discount if you believe your company is safer than the industry average.
Top Michigan liquor buyers are announced

Associated Food Dealers presents the top 30 independent package liquor store buyers from the Michigan Liquor Control Commission during 1989. The chart (right) excludes large chain operations and highlights independent retailer purchases made last year.

For the record, Meijer's store in Royal Oak had purchases of $1,176,147, which were the highest in Michigan last year. Meijer's store in Northville followed with purchases of $1,152,493 and the Taylor location bought $828,535.

The biggest buyer by county was Wayne with about $50 million. Oakland with about $45 million and Macomb with about $40 million were also strong performers.

The top liquor store buyers

1. Meijer's Lumberville
2. Bote's, Birmingham
3. Sherwood's, Livonia
4. Cloverleaf Market, Southfield
5. Maryland Beverage, Detroit
6. Grodt Beer Store, Erie
7. Nanci Corp., Livonia
8. Tradewinds Liquor, Detroit
9. Wash's Party Store, Port Huron
10. Beverage Warehouse, Beverly Hills
11. Merchant of Vine, Troy
12. Glen's Market, Grosse Pointe Park
13. Crane's Party Shop, Detroit
14. Bud's Liquor, Southgate
15. Blue Parti Party, Ann Arbor
16. Bacchus Wines & Spirits, Kalamazoo
17. Casino Party Store, Detroit
18. Ager Party Store, Grosse Pointe
19. House of Liquor, Detroit
20. Happy Four party Store, Detroit
21. Alton's, Birmingham
22. Big Top Market, Detroit
23. Liquor & Company, Detroit
24. Parkway Party Center, Mt. Clemens
25. Wood's Party Store, Grosse Plt. Woods
26. Red Wagon Shoppe, Rochester Hills
27. Kenwood Market, Detroit
29. Towd Market, Detroit
30. Cox's Beer Store, Temperance

Coca-Cola promotion offers saved money

Coca-Cola will introduce its "Magic Summer '90" prize giveaway promotion from mid-May through August offering $100 million prizes. The prizes will be given away in Coca-Cola Classic cans.

Cash awards will go as high as $200, but higher cash prizes will be given through a voucher system.

Prize-winning cans will not contain any soda. The winning cans has specially bonded tops that hold the prize and a water-filled section with the can.

The special cans were made at a secret location and took more than two years and development. They look and feel like any other Coca-Cola Classic can.

More than 750,000 cans will be sold individually or in the multi-pack system. Another 120 million cans with surprise stickers will be distributed at more than 40,000 participating restaurants and stores.

Your Risk is our Command

Employee Benefits • Workers Compensation • General Liability • Property

Wherever you are exposed to risk and liabilities, call on the company with the commanding presence in the industry: CMRC, the people who manage risk creatively.

NEW LIQUOR SHELF PRICE TAG SYSTEM

Receive a Liquor Shelf Price Tag for every listed item in both the Michigan Liquor Control Commissions' LIQUOR PRICE LIST and SPECIAL ORDER PRICE LIST starting with an effective date of April 29, 1990 along with all quarterly price/change updates for a year. Each non-tear plastic coated tag contains the Michigan order code number, the brand description, volume of liquor, and the price. The price tags come 20 per sheet in 2 binders and follow the same sequence of order as listed in the Michigan Liquor Control Commissions Price Books.

Some of the benefits the system offers: 1.) Customers see a look of uniformity and organization. 2.) The uniform single unit non-tear tag construction means no falling off of plastic numbers or dealing with broken numbers. 3.) The easy to use tags help eliminate mis-priced shelf rows and potential violations. 4.) The State Order Number on each tag makes for easy re-order and inventory control. 5.) Empty rows of liquor are now easy to determine what goes back into a particular row. 6.) Having correct price/change updates in easy to use sheet tag form reduces time and errors.

Cost for a years subscription is $135.00 per store. Cost for a second year of price/change updates is $100.00 Call or write:

SAXON, INC.
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FOOD & BEVERAGE REPORT MAY 1990 — 11
Attend 1991 Trade Show

The 1991 Trade Show will be at the Fairlane Manor, Dearborn, on Tuesday, April 16. It's never too early to reserve your booth! For information call AFC's Trade Show Department at (313) 557-9600.

The following companies were a part of the Associated Food Dealers very successful Trade Show at Fairlane Manor on March 27. Thank you for participating in the 1990 Trade Exposition “Profit for the ‘90s.”

Abner Wolfe
Acme Food Brokerage
All American Cash Register
All Star Foods
Amato Foods
American Sound & Video
Anheuser-Busch
Archer-S menuItem
Aldre Bakers
Blue Cross Blue Shield of Michigan
Brehm Bucker Sales
Bureau of State Lottery
Cadillac Coffee
Central Alarm Signal
Checkpoint Systems
Coca-Cola Bottling Co. of Detroit
Continental Baking
J Lewis Cooper
Cooks Brewing Company
Country Home Creations
Creative Risk Management
Crosset Company
DCI Food Equipment
Detroit Edison
Detroit Popcorn
Faygo
Frankehouser Brewery
Frito Lay
General Liquor
Gourmet International
Great Lakes Data Systems
Hiram Walker
Hobart
Paul Inman Associates
Jay's Food
Karl Nat Products
Kowalski Sausage
Lipan Foods
London's Farm Dairy
Melody Distributing Company
Merchant Cash Register
Merrill Lynch
Michigan Bell Telephone Company
Michigan Cash Register
Michigan Liquor Control Comm.
Michigan National Bank
Midwest Butcher & Deli
Miller Brewing Company
Minnesota Bar Supply
MMI Distributing
Mucky Duck Mustard
Nicklas Distributors
North Pointe Insurance
Ons Spunkmeyer Cookies
Pepsi Cola
Piefer Company
Philip Morris USA
Principle
RM Gilligan
Royal Crown Cola
Scot Lad Foods
Seven Up
Stark & Company
Sterling Shores
Stolor Publication
Sunshine Biscuit
Supermarket Development Corp
Swift Frzech
The House of Seagram
Tom Davis & Sons Dairy
Tony's Pizza Service
U.S.A. Food & Nutrition Services
Ultra Lite
Winston Sales & Service

COOKING ELECTRICALLY IS LESS COSTLY.

SO UNLESS YOU HAVE MONEY TO BURN...

...Consider Electricity. It's efficient by design. More of the heat energy goes directly to the product. There's less maintenance. Cleanup is easier. And replacement costs are lower. When you know all the facts—from fryers to broilers—it's wise to electricize.

Detroit Edison
A good part of your life.

The hall was filled with a variety of aromas, as several exhibitors cooked their specialties for sampling.

Several exhibitors decorated their booths in a festive fashion.
imes, raffles and prizes were highlights at many of the booths at the show.

Attendees enjoyed tasting a variety of foods.

exhibitors demonstrated their products and equipment to enthusiastic retailers.

Retailers enjoyed the many question and answer seminars.

1990 AFD Trade Show
Attendees and exhibitors agree: Fairlane Manor show a success

The following are some thoughts of attendees and exhibitors about the 1990 Associated Food Dealers Annual Trade Show:

"We introduced our new GT 6000 P.O.S Scanning Systems. It was the first introduction anywhere in the state of Michigan. We had lots of interest and many encouraging and positive compliments. It was a good show that was well attended, and we are planning to be there next year." — Thomas Haydu, Hobart Corporation

"Good show, better than last year's. Good to see the faces of the store owners we deal with, especially in a non-business atmosphere where we can give them more attention. We will definitely be in next year's show." — John Wojniker, Pepsi-Cola

"Enjoyed the show, got good leads, will participate next year. Heard good response from the retailers, lots of people returning to get more samples." — Joe Amato, Amato Foods

"We exhibited in the show with the objective of presenting our new "president's choice" label. We got a lot of publicity and consider our participation a success." — Len Werner, Abner Wolfe

"I thought it was a wonderful show, very crowded. It was fantastic exposure for us, being a specialty product. I think it stretched our credibility by being in the show." — Michelle Marshall, Mucky Duck

"Great show, new ideas, such as computerized cash registers, direct wiring of daily deposits to the bank. One of the better shows. Good location and good attendance by dealers and members at large. Looking forward to next year's show." — R.D. Martynaik, Ray's Prime Meats

"Very good show, good booth representation, especially liked the security and equipment products. Enjoyed the drawings and prizes. Fine location." — Larry Shaw, Pontiac I.G.A.

"On a scale of 1 to 10, I would give this show a 10." — Kenneth Atchou, McK's Wine Shoppe
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UP TO $500,
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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.

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A good part of your life.
Be sure you know limitations of your fire insurance coverage

'Endorsements' may give the extra protection you need

Three elements of basic fire insurance policies seem to cause frequent problems. One such element comes under the heading of "property not covered." A second element deals with endorsements available that supplement coverage. And a third element deals with the proper way to handle "improvements and betterments."

Property not covered

Many individuals have the erroneous impression that everything they own is automatically covered under basic fire insurance policy. Although not considered exclusions, there is a section of the fire policy which deals with "property not covered."

The basic fire policy does not cover animals, aircraft, watercraft (including motors, equipment and accessories), to name just a few.

Most of the above-mentioned property is more properly insured under a separate insurance contract.

Also, under the heading of "property not covered" is the cost of excavations, grading or filling; foundations of buildings, machinery, boilers or engines whose foundations are below the surface of the ground; underground pilings, piers, pipes, flues and drains; and pilings which are below low watermark. Again, most of this excluded property can be picked up by endorsement.

Endorsements

There are certain endorsements available that can be used to supplement your basic fire policy if they are needed.

- Sprinkler leakage — If you have sprinklers in your building you may want sprinkler leakage coverage. The damage caused by water from a sprinkler system that has been triggered by fire is covered by the basic fire policy; however, accidental leakage not associated with a fire or certain other allied perils is not covered.

- Building code consequential coverage — Many municipalities say that if a portion of a building is destroyed by a fire, certain areas in the remaining portions of the building have to be upgraded at the time that the destroyed section is rebuilt. It is possible to endorse the basic fire policy to cover this additional expense with a building code consequential coverage endorsement.

- Inflation guard endorsement — This endorsement automatically increases the value on your property during the course of the year. Normally you would not increase these values until renewal time.

- Demolition coverage — Some municipalities have a rule that if the structures in certain areas are destroyed by as much as 25% or 50%, then the balance of the structure has to be demolished and rebuilt from the beginning. Your insurance will cover the demolition and debris removal of that portion of your building which was destroyed by fire; but will not extend to the portion of your building which was not destroyed by fire.

- Glass breakage — Most property policies cover glass only if it is glass building brick. For just about any other type of glass, a separate endorsement is necessary.

- Broad named insured clause — The purpose of this clause is to automatically pick up all subsidiaries of your company even though those subsidiaries may not be named on the property policy.

- Reporting form — The essential feature of any reporting form is that an insured with property that fluctuates in value will be protected at all times and will pay a premium based on the values actually at risk — provided that values are reported correctly and promptly and a sufficient limit of insurance is maintained to cover the highest value at any time.

Again, most of the above-mentioned property is more properly insured under a separate insurance contract.

In other words, if the insured lives up to the policy requirements, he or she will have complete and automatic coverage, will avoid the dangers of both underinsurance and overinsurance on the property, and will be spared the necessity of increasing (often with possible short rate cancellation penalties) to values move up and down.

Improvements and betterments

You may have invested a great sum of money in improvements and betterments as an owner or as a tenant. If you own the building, these improvements and betterments should properly be covered as a "building" item. (Since your "building" fire rate is cheaper than your "contents" fire rate, it behooves you to make certain that your improvements and betterments are covered at all. Strictly speaking, the improvements and betterments are part of the building and not "contents." Even though the building belongs to your landlord, you may find that you have no right as a tenant to collect for your loss to improvements and betterments following a fire.)
Spartan Stores announces two promotions

Spartan Stores, Inc. announces two promotions within the organization.

Doug Domine has become grocery purchasing manager, assuming responsibility for grocery, frozen, and dairy areas. Domine replaces Carl Christenson who retired after 30 years with Spartan Stores. The position of controlled brands manager, previously held by Domine, has now been filled by Joe McKie. McKie will oversee the sales, marketing, quality assurance and promotion of Spartan brand products. Domine joined Spartan Stores, Inc. in 1981 and brought with him a considerable degree of supermarket experience. His background includes employment with Eberhard Foods, Allied Supermarkets in Detroit and retail work with Great Scott! Markets. Prior to his current position of grocery purchasing manager, Domine has held positions with Spartan Stores as a grocery buyer, retail account merchandiser, controlled brands marketing specialist and controlled brands manager.

McKie has been an associate of Spartan Stores, Inc. for nearly four years and has achieved rapid career growth since that time. Starting as a private label merchandiser, he progressed to account merchandiser and then to private label merchandising manager. His 15 years of retail experience and association with the Spartan brand label will contribute greatly to his new position as controlled brands manager.

Spartan Stores, Inc. is a retailer-owned cooperative wholesaler serving 500 independent members throughout Michigan, Indiana and Ohio.

Soft drink association appoints president

William E. Lobenherz, formerly with the law firm of Dykema Gossett, has been appointed President and Chief Executive Officer of the Michigan Soft Drink Association, a Lansing-based trade association representing soft drink manufacturers in the state.

Archway announces corporate promotions

Archway Cookies, Inc., announces the promotions of Eugene McKay III, and Thomas Olin Jr. to the National Corporate Office in Battle Creek, Michigan. Prior to joining Archway, McKay was associated with Michigan National Corporation where he served as electronic services product manager.

Since November of 1987 Thomas Olin Jr. has been associated with the Archway Cookies, Inc., bakery in Boone, Iowa, where he was sales manager. Before joining Archway, Olin was employed by Presto Products, Inc., of Appleton, Wis., as corporate product manager.

FMI requests permission to investigate Unimax

FMI has written to Chairwoman Janet Stieger of the Federal Trade Commission (FTC) requesting the FTC to take immediate steps to protect consumers from the deceptive practices being employed by Unimax, Ill., an Illinois corporation.

Unimax is marketing a program called "The Smart Shoppers Club," which offers consumers who sign up by paying a membership fee, an opportunity to pay less for all bottles containing soft drinks, beer and wine coolers and a two-cent handling fee.

Rep. Henry still has plans to attach his measure, H.R. 586, to legislation reauthorizing the Resource Conservation and Recovery Act (RCRA). Based on RCRA reauthorization hearings held last summer, at which Rep. Henry testified for his bill, the federal government's role in solid waste management will clearly be expanded. Congress appears to be committed to a comprehensive national waste management strategy. RCRA reauthorization will likely take place under H.R. 3735, a comprehensive solid waste act mandating that states achieve within four years a recycling rate of 25% of all waste generated annually.

Administration makes food stamp proposals

High ranking officials of the Department of Agriculture (USDA) have visited FMI to discuss possible legislative proposals they are considering to reduce fraud and abuse in the food stamp program. FMI strongly objected to two of these proposals. The first is to prohibit firms that are primarily wholesalers from accepting food stamps in retail stores they own. The second calls for a biannual reauthorization of retailers to obtain current data on authorized firms, which is to be funded by a small annual fee assessed to the retailers. USDA also wishes to obtain the Social Security number of every store manager of authorized stores.

Study: Firm market power has no effect on prices

After more than eight years, the U.S. Department of Agriculture's Economic Research Service (ERS) has released its study of retail food prices.

On April 12, 1981, USDA had announced it would examine the reasons for retail price differences between cities, and between inner city and suburban stores in the same city. The December 1989 study, which appeared in print, found that supermarket size and sales volume, occupancy costs, store services, and warehouse stores contributed to firm price differences within cities.

ERS used data from seven randomly selected cities and collected prices from 616 supermarkets in the early 1980s. Market growth, market rivalry, and market power were accounted for firm price differences between cities. There was no evidence that firm market power — the ability to unilaterally raise prices — had a significant effect on supermarket prices. The study found that leading firms in a market, ranked according to sales shares, had very different pricing patterns, with no apparent relationship to four-firm market concentration, or to firm market share.

Copies of the study $6 plus market Prices and Price Differences: City, Firm and Store-Level Determinants, are available for $8 from ERS/NASS, P.O. Box 1608, Rockville, MD 20849–1608 or may be ordered by telephone at (1-800) 999–6779. Ask for publication number TB-1776.
PRODUCTS

Lunch will never be the same again

Boring lunches are a thing of the past with the announcement by Oscar Mayer of the national roll-out of their new product line, "Lunchables."

In test markets for two years in Seattle, Denver, Phoenix, and Cleveland, Lunchables lunch combinations have met with resounding endorsement from consumers, leading to this early national roll-out.

Lunchables is a line of convenient, ready-to-eat lunches, made up of combinations of cold cuts, cheese and crackers. They come in Ham/Swiss, Turkey/Cheddar, Bologna/American, and Salami/Mozzarella. A deluxe menu includes Ham/Turkey, Chicken/Beef, Turkey/Chicken, and Beef/Ham.

Lunchables range in size from 4 1/2 to 5 1/2 ounces each. For the nutrition-conscious, they range from 330-460 calories each. Each Lunchables comes complete with a napkin and the deluxe variety also has a condiment sauce and a mini water.

Packaged in Oscar Mayer's distinctive yellow and red colors, Lunchables can be found in the refrigerated section of your local supermarket and are priced from $1.49 to $1.99. For more information, call (608) 241-3316.

RC Cola extends family of graphics to Cherry RC

Royal Crown Cola Co. has introduced a new package for its Cherry RC Cola brand to complete RC's family of graphics. The new Cherry RC package features the sweeping lettering style characteristic of the flagship RC Cola and Diet RC Cola containers.

A new label — on both 12-ounce cans and 2-liter bottles — features the words "Cherry RC Cola" in script-style lettering, over a cherry red background, broken by white horizontal pinstripes.

The prominent RC trademark on the new package will "draw consumer attention at the point of purchase," said Royal Crown Creative Services Director K. Mallory.

"Now, with RC Cola and Diet RC Cola, the new Cherry RC graphics will provide higher shelf impact and a billboard effect for the trademark," he added.

A cherry coupler on the lower half of the package gives the new label a unique visual charm.

Cherry RC, a carbonated cherry-flavored cola, was introduced in 1985.

Royal Crown markets its RC Cola, Diet RC, Diet Ritz Flavors, and Cherry RC through 263 franchisers and distributors in the U.S. and foreign countries.

It's the Real Thing ... only it's caffeine free

Caffeine Free Coca-Cola Classic. The caffeine-free cola segment is the fastest growing segment in soft drinks. The Coca-Cola Company is expanding in this area, first with Caffeine Free Diet Coke and now with Caffeine Free Coca-Cola Classic.

The sharp gold and red packaging of Caffeine Free Coca-Cola Classic is an added benefit for retailers since it stands out so well on the shelf — increasing awareness and prompting impulse sales.

Caffeine Free Coca-Cola Classic adds strength and visibility to one of the most recognized trademarks in the world.

Supermarket Development Corp. expands service

Supermarket Development Corporation, a Detroit-based equipment sales and service organization announces its service department has expanded operations to Northern Michigan.

Service technicians with a minimum of 10 years experience each will be based in Saginaw and Roscommon to assist with equipment problems.

Supermarket Development Corporation can service the following:

- TEC scales and printers
- Antoon Bakery Printers
- Exact (Franklin Electronic) wrappers/ladders/scales
- Butcher Boy-Biro-Hobart saws, grinders, slicers, rubbers
- Berkel
- Heat Seal
- Ovens and fryers

Supermarket Development Corporation has become a fast-growing service agency in the Detroit area. Current customers include such accounts as Farmer Jack, A&P, Great Scott!, Kroger, Hamady Bros., Vegan Food Centers, Savony, Shopping Center Markets, Bloomfield IGA, and Pontiac IGA.

For service, equipment quotes, or more information, call (1-800) 882-9174.

Saxon offers new liquor shelf price tag system

Saxon, Inc. has introduced a new Liquor Shelf Price Tag System. The system provides a Liquor Shelf Price Tag for every listed item in Michigan Liquor Control Commission's Liquor Price List and Special Order Price List.

Each price tag contains the Michigan order code number, the brand description, volume of liquor, and the price. The non-tear, plastic-coated tags come 20 per sheet in two binders and follow the same sequence of order as listed in the Michigan Liquor Control Commission's Price Books.

Saxon's Liquor Shelf Price Tag System is an annual service that provides in addition to the April 29, 1990 price books all quarterly price changes for a year. The price change updates are sent to subscribers prior to the July, October and January effective change dates.

Saxon's Liquor Shelf Price Tag System gives the benefits of the system:

- Consumer sees a look of uniformity and organization
- Uniform single-unit, non-tear tag construction means plastic numbers won't fall off and numbers won't break
- Easy-to-use tags help eliminate mispriced shelf rows and potential violations
- State Order Number on each and every tag makes for easy reorder and inventory control
- Cost for a year's subscription is $135 per store. Cost for a second year of price change updates is $100. For more information, call (313) 398-2000 or (1-800) 727-1976.

LEGAL BRIEFS

• Continued from page 16

Garbage backhauling bill reported by House

The House Energy and Commerce Committee has approved compromise legislation (H.R. 3386) regarding the hauling of garbage and chemicals in food trucks, tankers and rail cars.

The bill requires the Secretary of Transportation to list non-food products that would pose an unnecessary threat to health. These products would not be allowed to be hauled in vehicles carrying food.

The bill states explicitly that the transportation by food trucks of corrugated cardboard, pallets, beverage containers and other food packaging shall not be prohibited. The legislation is now cleared for full House action.

Similar bills are pending in the Senate - S. 1904, Gore (D-TN) and S. 1751, Gorton (R-WA).

FDA proposes rules for health claims for food

The Food and Drug Administration has published a proposal for strict new rules on health claims that can be made on food packages. Health claims will be allowed in certain instances, under the proposal, but a company wishing to make them must first submit its proposed messages for agency review and support its petition with properly supported scientific evidence that the claim is valid.


• Continued from page 11

Lottery prize highlights for fiscal year 1989

Daily games — Nearly $248 million was shared by the holders of more than 1.7 million winning tickets.

Instant games — Some $91.6 million was won by 11.2 million ticket holders. The largest number of winners received smaller prizes in these games where the odds are most favorable. A significant number of larger prizes were also awarded.

Zinger — Nearly 400,000 winners shared prizes totaling $134 million after the debut of this game in March. Zinger has the most favorable odds of all non-scratch-off lottery games.

Lotto — In addition to $58 jackpot winners who shared more than $100 million, 668,000 ticket holders won $90.1 million in other prizes ranging from $48 to $4,502.

FOOD & BEVERAGE REPORT. MAY 1990 — 17
The USDA is experimenting using electronic benefits transfer cards to replace the current paper food stamp coupons.

Food stamps through electronic benefits transfer

By Birge Watkins
U.S. Dept. of Agriculture

The new technology of electronic funds transfer (EFT) is rapping at the door of the food marketing industry. Many food stores are beginning to experiment with the use of credit cards, debit cards and other high-tech electronic alternatives to cash or checks. In some parts of the country, commercial EFT using Point of Sale (POS) terminals is commonplace. In other areas, a few merchants are experiencing EFT/POS thanks to participating in an electronic version of the food stamp program. Food retailers in Michigan are embarking on a new venture in EFT/POS that has the potential to perform a variety of private and public functions including service to food stamp customers.

The federal government has been interested in EFT technology for a long time, although the private sector has taken the lead in research and development. One of the most promising uses of EFT is the delivery of benefits in federal assistance programs, and perhaps the most actively interested federal agency has been the Department of Agriculture’s Food and Nutrition Service (FNS), which administers the Food Stamp Program.

In the food stamp area, electronic funds transfers takes on a slightly different name: electronic benefits transfer, or EBT. However the principle remains the same. Funds are moved from one account to another without each of food stamps ever changing hands.

The Food Stamp Program is a natural candidate for EFT/POS technology. It provides more than $1.1 billion in benefits to more than 19 million people a month. This requires two-and-a-half-billion pieces of paper a year — and that’s just food stamp coupons. Not all is the paperwork involved in the allotment and issuance of benefits. The accounting is enormously complex. FNS must keep tabs on food stamps issued to recipients, food stamps redeemed at food stores, food stamps cashed in at banks, and food stamps returned by banks to the Federal Reserve.

The Food Stamp Program has been around a long time, and has become a fixture in American life and business. It replaced the old system of direct food distribution because our national leaders wanted low-income people to have a choice in the food they buy, and wanted their purchasing power to contribute to the health of the economy.

Since then, food stamps have become an important percentage of sales for many food retailers. As individuals, food stamp users have low incomes, but as a group their benefits are substantial and all of it is earmarked specifically for the food marketing industry. With that kind of economic clout, services to food stamp users should be a high priority to food retailers.

EFT/POS technology using EBT offers many advantages to food stores, — some more obvious than others. Labor costs are reduced, paperwork is reduced, transaction time decreases, and efficiency and convenience improve and customer relations are enhanced. In addition to substantial costs savings for retailers, FNS is seeing evidence of increased food stamp revenues. The primary reason is that with EBT food stamp benefits are less likely to be diverted to illegal activities. Benefits are being spent in food stores not on other things in other places. With the cost of handling food stamp coupons going up and the cost of EBT going down, it is clear which alternative shows the greatest potential benefit to food retailers in the long run.

From a government standpoint much of the administration of the food stamp program is simplified and costs are expected to be reduced over the long-term.

There are also great advantages to food stamp customers — security, money management ability, and convenience.

FNS has already come far with EBT technology, and is now moving into a new generation of demonstration projects. We feel the new system shows enough promise that we expect to be working with EBT for a long time. We will be working with retailers and others to set standards and hope to agree on principles and priorities that will guide the development of this new technology in years to come. For example, the Electronic Funds Transfer Association has already established an inter-industry working group on standards for EBT, and we expect to benefit from their efforts.

Under an EBT system, food stamp users apply for their benefits in the usual way, by filling out a form at their food stamp office. Once their level of benefits is determined, an account is established in their name and they are issued a plastic card similar to a bank card or a credit card. They also choose their own personal identification number (PIN) to use in conjunction with the card. Training recipients on use of the card is one of the most important steps in the process.

From there on, the procedure is familiar to anyone who has ever used a bank card or a credit card. In the grocery line, the food stamp customer’s card is run through an on-line electronic reader, they enter their PIN, and money from their food stamp account is transferred to the governor’s account. Accounting is all done electronically and counting and handling of coupons and forms is eliminated.

FNS began its first experiment in EBT in 1984 in Reading, Penn. We found out that use of electronic technology was feasible for issuing food stamp benefits, and that everyone — food stamp users, merchants, bankers, and government administrators and accountants — valued and appreciated the new technology:

* Food stamp users didn’t have to worry about their benefits being lost or stolen, and they were more comfortable using their plastic cards to pay for their groceries. They no longer had to go to the food stamp office to get their benefits.

* See EBT, page 21

18 — FOOD & BEVERAGE REPORT, MAY 1990

Division expands policy on ready-to-eat foods

The marketplace for ready-to-eat foods continues to expand and change. To better accommodate these changes and following resolutions of various national interpretations, the Food Division has updated its policy by other than weight or volume:

* All food items sold for immediate consumption on the premises.
* Items sold for immediate consumption off the premises if they are:
  a) Ready-to-eat, take-out meals composed of several elements. The meals may include meat, fish, or poultry.
  b) Sandwiches when sold over-the-counter on the premises where produced and not intended for resale.
  c) Single-servings of beverages, soups, frozen yogurts, ice creams, and other frozen desserts dispensed at the time of sale and sold by designation of the cup size (e.g., large, medium, small) provided either the fluid volume or the actual size of the cup is clearly displayed prior to purchase.
  d) Ready-to-eat pieces of chicken and fish provided they are cooked on site, displayed for customer viewing, and packaged after selection by the purchaser.

State to reject returns of instant game tickets

After April 30, the Lottery will no longer accept "returned unsold" instant game tickets for credit. This policy applies to both full and partial books of tickets.

The final redemption date has been removed from the ticket back starting with the Michigan Baseball Game. Tickets may be sold until your last ticket is gone. (Tic Tac Cash remains a current game and will continue to be available to order.)

As with Michigan Baseball, the Lottery will give you a two-week notice that a new game may be ordered. This notice will not apply to Fame & Fortune, however. When it runs out of one ticket, it will ship the new one.

The Lottery has not made any changes to your Lottery line of credit — it still supplies the operating capital. If you have any questions, please call your regional office.

COMING EVENTS

May 6-9: FMI's Supermarket Industry Convention, Chicago. For more information, call (202) 452-8444.

May 6: The Michigan Liquor Control Commission will hold a public hearing at 11 a.m. at the Lincoln Park Office of the Commission, 2251 Dix Hwy., to consider proposed amendments to the LCC's Wine Rules.
Student program to increase job readiness for young Detroiters

In early 1987, the Detroit Renaissance Foundation, with support from the Mayor, began to address the need to do something about conditions in Detroit. Its mission was to create "action plans" to deal with the problems in each of these areas. Early in the planning stage, it became evident that the problems were interwoven; improved education and training of both youth and adults was viewed as critical in solving problems of crime and of economic development.

The Strategic Plan Report was issued through the efforts of the Foundation in November of 1987. Work began immediately on implementing the 47 recommended action plans. The Detroit Strategic Plan Jobs Project emerged as the response to three of the recommendations: 1) to increase employment opportunities for high school age youth, 2) to expand the usage of adult education, and 3) to smooth the entry of chronically unemployed or underemployed young adults into the mainstream labor market.

The basic goal of the project is to increase the number of young Detroiters who are productive members of the economy. The project recognizes that one of barriers to achieving this goal is the mismatch between the skill demands of the market and the job skills of young people.

The project sponsor, the Greater Detroit Chamber of Commerce, and the Detroit business community, believe that job-ready candidates will get good jobs.

There are four basic tasks: 1) define basic job readiness, 2) clearly communicate that definition to all education and training providers, 3) establish a clearing house which links job-ready candidates with job openings, and 4) develop a system for creating a steady stream of job orders to the clearing house.

The first task is to clearly define job-readiness for the 1990s. That task has already been started by the Detroit Compact, which holds the standards as decreed by the Strategic Plan Report. The potential for the pool of job seekers who lack some necessary skill to the appropriate education or training provider. In approaching this task, the project, in its earliest stages, concluded that "creation" of a new clearing house was not needed if an existing one could be reshaped to the task. The joint venture with the Michigan Department of Labor (MESC) and the Michigan Employment Security Commission (MESC) was the first step in that direction.

The final task is to deliver jobs to the clearing house. That task is probably the most important. The existence of a pool of jobs available only to candidates who have met the employer-set definition of job-readiness creates the "market" for the other changes the project seeks. The pool of jobs linked to the definition will be the force which reshapes the providers of education and training. By creating a clearly defined and channeled "demand" for "job-ready" candidates, the project intends to increase the "supply" and to reform the suppliers.

The potential for the pool of job orders is what drew the state

---

Detroit Strategic Plan
Jobs Program
Job Pledge Form

Company Name: ________________________________
Address: ______________________________________
Contact Person: ________________________________
Title: __________________________________________
Contact Phone Number: __________________________

We pledge the following number of jobs to job-ready students from the Detroit Compact:

- Full-time jobs
- Summer jobs for college-bound students
- Summer jobs for 16-17 year olds

(Authorizing Signature)

Please return this form to Greater Detroit Alliance of Business
600 W. Lafayette Blvd
Detroit, MI 48226

A Greater Detroit Alliance of Business representative will call on you to follow up on your pledge. Meanwhile, if you have any questions, please contact Marvin L. Brown, executive director of the Alliance, at (313) 564-4002.

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- MEMBER ASSOCIATED FOOD DEALERS
Study shows why food prices vary between cities and neighborhoods

By Robert O. Aders
President, Food Marketing Institute

Early in the 1970s, 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 282 communities in 28 states, representing 616 supermarkets, representing 321 supermarket companies. All supermarket departments were represented in the study, including fresh meat and produce. Prices of individual items were recorded instore 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.

While no single study can, and for all, be said to be the final word on this subject, this one seems to come the closest of 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 are 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 cost, 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 that do not.

Other interesting conclusions drawn by the USDA from the study include 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.

Another finding indicates that, in high-growth areas, 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.

This study sums up the findings by observing that the basic competitive environment facing food retailing firms does not change rapidly from year to year, a reaffirmation of a conclusion made in the 1966 study by the National Commission of Food Marketing.

It points out, however, that the growth of the price-orientated supermarkets, such as the warehouse and supermarket stores, have heightened price competition 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 competition. The study also confirms that there is relative ease of entry in the supermarket industry.

Niche 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 to set prices higher than costs justify and expect to be in business long.

Supermarkets are always competing, 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.

What are your legal requirements governing the hiring of minors?

There have been a number of questions regarding the legal requirements governing the employment of minors. You can get more information from the U.S. Department of Labor, Bureau of Employment Standards, Employment Standards Administration, Wage and Hour Division. The Michigan Department of Labor, Bureau of Employment Standards, also maintains files on this subject.

The Michigan law even specifies the times for meal and rest periods and that work time records be kept in or about the work premises.

Can a work permit be revoked?

Yes, there specific rules for the number of days/hours which minors are permitted to work. There are rules for the number of days/hours which can be worked by minors under the age of 16. The Michigan law even specifies the times for meals and rest periods and that work time records be kept in or about the work premises.

Can a minor handles cash?

A minor shall not be employed in an occupation regulated by the Youth Employment Standard Act until the person proposing to employ a minor obtains from the minor and keeps on file, at the place of employment, a copy of the work permit or a temporary permit.

Who issues the work permit?

The permit shall be issued by the issuing officer of the school district in the which the minor resides. A copy of the work permit shall be placed in the minor's permanent school file as long as the minor is employed.

Can a work permit be revoked?

Yes, factors such as poor school attendance, decline in performance in school and a violation of federal or state laws result in the revocation of the work permit.

Can a work permit be used as evidence of age?

Yes, a work permit shall be conclusive evidence of the age of the minor.

Can a work permit be used as evidence of age?

Yes, a work permit shall be conclusive evidence of the age of the minor.

Are there any exemptions to the legal requirements for high school graduates and GED holders?

Yes, the law specifies exemptions for minors 16 and 17 years old.

What happens if a company does not comply with the requirements?

The Michigan Department of Labor enforces this act and will assist in the prosecution for violations of this law; they do not have the authority to enter and inspect any facility where a minor may be employed. Depending on what section of the law was violated, it could result in a misdemeanor and/or felony charge. It is very important to note this can mean imprisonment and should not be viewed as an infraction of a Department of Labor standard which usually generates a citation and/or fine.

Are there special provisions for workers' compensation benefits?

Yes, if a minor is injured during the course of employment and the minor receives workers' compensation benefits, those benefits will be doubled if a proper work permit is not secured prior to employment.
EBT

• From page 18

Grocers didn't have to count, sort, and bundle food stamps and take them to the bank. The accounting work was done for them instantly at the time their benefit was deposited in their checking account at the time the purchase was made. The accounting work was simplified and bundle food stamps and take them to the bank. The accounting work was done for them instantly at the time their benefit was deposited in their checking account.

The system also eliminated cash change in food stamp transactions, another headache for retailers.

• Bankers and federal accountants also liked automatic accounting and not having to handle food stamp coupons.

• Substituting EBT for paper food stamps reduces opportunities for fraud and abuse, eliminated printing, handling, transporting and security concerns. Finally, since food stamps are destroyed after use, it eliminated destruction costs.

There was, of course, a downside. It cost more to issue food stamp benefits in Reading's EBT project than it did to issue them using the conventional system. One reason it was so expensive was that the Reading computer system was built from the ground up to be used only for issuing food stamp benefits.

Our next goal in Reading is to cut costs. We can do that by piggybacking on existing commercial equipment, by using the electronic cards to issue more than one kind of government benefit, and through economies of scale from a larger population base. Reading is already working toward that goal, and has reduced its costs dramatically by integrating the EBT computer system with other state computer functions.

A new project that combines benefit programs began operating by November in Baltimore. Some 5,000 households use EBT cards at more than 160 stores to get food stamp benefits. They use the same cards at automatic teller machines to draw benefits from the federal Aid to Families with Dependent Children program, and from the state Child Support Enforcement program. By sharing equipment with other government benefit programs, and by using commercial equipment already in place, the Baltimore project should operate relatively inexpensively.

Though we are making progress, electronic systems still cost more to operate than the old system of paper coupons. So another generation of EBT pilot projects is in the works, with the goal of reducing costs and improving operations still further. Systems in Albuquerque, N.M., and Minneapolis are due to begin operating this year.

Other states are also eager to utilize this technology. We currently have under review proposals from New Jersey and Iowa, along with a request from Pennsylvania to expand the Reading project. Colorado, Georgia, Texas, Mississippi, Utah, Oklahoma, and South Carolina have expressed an interest in EBT. Maine, New Hampshire and Vermont are considering a joint project.

FNS is exploring various approaches to EBT and hopes to test them in the months and years ahead. One very promising approach is to piggyback EBT on existing commercial EBT/POS systems. Food retailers in many states are considering the deployment of POS terminals to better serve their credit and debit card customers. Once a substantial percentage of food retailers in an area have a system up and running, the addition of EBT is a fairly simple process.

The farm bill currently under consideration on Capitol Hill encourages new approaches to EBT systems. FNS included proposal that would make it easier for states to conduct demonstration projects, to tailor projects to their own special needs, and to expedite testing of demonstration systems that are now in the works. The bill also recommends allowing states by April 1992 to undertake their own projects, making use of knowledge gained through existing efforts, provided they can assure that their projects will cost no more than current insurance systems.

Where are we going with this? Will EBT eventually supplant the paper food stamps? The answer right now is probably. It may be that there will always be some need for paper food stamps in areas where EBT technology is not available. While EBT faces many challenges, it also shows great promise and growing acceptance as an alternative to food stamp coupons. The potential to lower costs and increase revenues for food retailers is particularly exciting.

We are very optimistic that EBT will ultimately be a great asset to the Food Stamp Program. In this regard, we look forward to working with Michigan food dealers in the years ahead.

Program

• From page 19

government into the joint venture. The job pledge of the Detroit Compact is a major force in motivating the students and in attracting the pace for and the direction of school reform.

As noted above, the project did not desire to reinvent the wheel. Project leadership recognized early that the stated mission of the MESC Job Service was to be a clearing house. When the Chamber approached the state with a modest request for assistance, the state, through the Labor Department, responded with a proposal for a three-year joint venture designed to reshape the Job Service in Detroit and to accomplish the underlying mission of the project.

The joint venture agreement was signed by the state and the Chamber in September of 1989. It committed the state to reshaping the Job Service offices in Detroit into models with the assistance of the business community. The state also became an active partner in the project's efforts to increase the number of job-ready candidates and to their successful placement into jobs.

The link between the project and the Compact has already been described. The Compact's reform efforts, those which the project seeks to parallel in the adult training market, are driven in large part by the pledge of jobs to graduates who meet the definition of "job-readiness." Business was able to accomplish much with the "pledge." Now it must actually deliver the jobs.

In June of 1990, the one Compact high school will produce approximately 125 job-ready graduates — graduates who have fully met all the requirements. The high school will also produce some 200-250 sophomores and juniors who are "on-target" for meeting the standards. The business community has pledged to provide full-time jobs for job-ready graduates (summer jobs for the job-ready graduates who are college-ready and college bound) and summer jobs for the "on-target" students. The estimated job needs can be summarized as:

- 75-100 full-time jobs
- 25-50 summer jobs for the college bound
- 700-250 summer jobs for 16 and 17 year olds

The initial solicitation campaign will seek 200 full-time job pledges (twice the needed number to provide some options for the graduates and the employers). The campaign will also seek 300 summer job slots.

The campaign is not designed to be bushy; it will not be trying to sell marginal job candidates. It will be marketing some of the best graduates of the Detroit Public Schools, candidates who will be certified job ready in accordance with business-defined criteria.

The campaign will be executed by teams organized by industry. Retailers will talk to retailers; manufacturers will talk to manufacturers.

Phase II is designed to follow using the same industry-lead concept. This phase, however, is not designed as a one-time push: rather, it is intended to become a regular part of the employer community's job recruitment efforts.

The job orders phase will be pooled to increase the ability of employers as a group to communicate their job requirements and to get education and training providers to deliver according to those specifications.

AFD staff

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Executive Director
Paul Inman & Associates
250 Park Avenue
(1-800) 314-66-66

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FOOD & BEVERAGE REPORT, MAY 1990 — 21
LICOR LICENCE VIOLATIONS

Licensee: Thomas E. McNeil dba Chip Dog Party Store 2260 St. Clair Ave. Detroit, MI 48214
Charge: (1) Allow the consumption of alcoholic liquor on the licensed premises. (2) On or about April 21, 1989, obtain a license in its name for the use and benefit of another, Ornelas dba, whose name does not appear on the license. (3) From February of 1989 to the present time, failed to maintain records sufficient to determine ownership of the licensed business and to whom the profits or losses of the business accrue.
Hearing held: Dec. 11, 1989, Lansing
Comm. order: (1 & 2) dismissed
Comm. order: $300 fine due March 5, 1990

Licensee: Ralph E. Schulte dba The Loating Zone 5157 S. Telegraph Dearborn Heights, MI 48127
Charge: One Ralph E. Schulte was allowed to be on the licensed premises in excess of the number of persons to which the license was granted.
Hearing held: Sept. 6, 1989, Lansing
Appeal order: $300 fine due March 5, 1990
Comm. order: (1 & 2) dismissed

Licensee: Open Pantry Food Marts of Michigan, Inc. dba His N Her 2025 S. Custer and 540 N. Telegraph Monroe, MI 48120
Charge: (1) Sell, rent, lease or transfer its license or an interest in the license to Farr View, Ltd., without prior approval of the Michigan Liquor Control Commission. (2) A person, one Frank Sterda, who had not then attained the age of 21 years, was permitted to be on the licensed premises.
Hearing held: Oct. 4, 1989, Jackson
Comm. order: Suspension as of May 1, 1990, waived, if proper license assumptions full proprietary control to the commission, or if transferred to person(s) or corporation approved by MLCC.

Charge: Sell, furnish or give away alcoholic liquor to a person, one Thomas Robert Jeffery, who had not then attained the age of 21 years.
Hearing held: Acknowledged
Comm. order: $500 fine due March 19, 1990

Licensee: Barbara J. Drudi and Thomas G. Drudi dba Continental Food Mart 6060 Miller Swartz Creek, MI 48473
Charge: (1) On or about February of 1989, sell or transfer its license or an interest in the license to DrudDel, Inc., without the prior approval of the Michigan Liquor Control Commission. (2) On or about April 21, 1989, obtain a license in its name for the use and benefit of another, Ornelas dba, whose name does not appear on the license. (3) From February of 1989 to the present time, failed to maintain records sufficient to determine ownership of the licensed business and to whom the profits or losses of the business accrue.
Hearing held: Dec. 7, 1989, Lansing
Comm. order: (1 & 2) $150 fine on each count; and suspension as of June 1, 1990, will be waived if proper license assumes full proprietary control to the commission, or if transferred to person(s) or corporation approved by MLCC. (3) Dismissed.

Licensee: Robert D. Baily dba Harry's Food & Spirits 10205 West St. Clairsville, MI 48212
Hearing held: Aug. 1, 1989, Detroit
Comm. order: $350 fine on each count due March 5, 1990, and/or Oct. 13, 1989. Transfer in the profits or losses of the business.

Licensee: Foxx, Inc. dba O'Tays 2802 S. 11th St. Joseph, MI 49085
Charge: Sell, furnishing or give away alcoholic liquor to a person, one Jeffrey Schadler, who had not then attained the age of 21 years.
Hearing held: Mar. 8, 1990, Grand Rapids
Comm. order: $200 fine due March 5, 1990

Licensee: Sami Zia Gago, without the stockholder Farouk S. Jajo to issue stock or transfer its license or an interest in the licensed business to Gateway Foods, Inc., a Wisconsin corporation and/or Campioni Enterprises, Inc., a corporation, without prior approval of MLCC. (2) On or about April 19, 1989, obliges licensees in its name for the use and benefit of another person, one Gateway Foods, Inc., a Wisconsin corporation and/or Campioni Enterprises, Inc., a corporation, which does not appear on the license. (3) Sell, furnish or give away alcoholic liquor to a person, one Gateway Foods, Inc., a Wisconsin corporation and/or Campioni Enterprises, Inc., a corporation, who is not a person, and/or is not a Wisconsin corporation.
Hearing held: Acknowledged
Comm. order: (1 & 4) $200 fine on each count due March 12, 1990, and/or (2, 3 & Dismissed

Licensee: F.J. Mohar, Ltd. dba Mohar's I.G.A. 202 Tin Ortonon, MI 49653
Charge: (1) On or about Feb. 28, 1989, sell or transfer its license or an interest in the license to Gateway Foods, Inc., a Wisconsin corporation and/or Campioni Enterprises, Inc., a corporation, without prior approval of the Michigan Liquor Control Commission. (2) On or about April 19, 1989, obliges licensees in its name for the use and benefit of another person, one Gateway Foods, Inc., a Wisconsin corporation and/or Campioni Enterprises, Inc., a corporation, which does not appear on the license. (3) Sell, furnish or give away alcoholic liquor to a person, one Jeffrey Schadler, who had not then attained the age of 21 years.
Hearing held: Acknowledged
Comm. order: $200 fine due March 26, 1990

Licensee: Cerv Investments, Inc. dba Maria's Italian Bakery 3344 S. Grove Ypsilanti, MI 48197
Charge: Sell, furnish or give away alcoholic liquor to a person, one Mary Ann B. Renfroe Jr., who had not then attained the age of 21 years.
Hearing held: Acknowledged
Comm. order: $200 fine due March 26, 1990

Licensee: Dennis Leo Brunelle dba Wine World International 1150 W. Maple Birmingham, MI 48014
Hearing held: Acknowledged
Comm. order: $200 fine due March 12, 1990

Licensee: B.R. Babbie dba Bottoms Up 1271 Holton Muskegon, MI 49445
Charge: (1) Permit its premises to be occupied by persons other than itself or its working bona fide employees, to wit: Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, between the hours of 2 a.m. and 7 a.m. (2) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, during the hours of 2:30 a.m. and 7 a.m. (3) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis.
Hearing held: Accepted
Comm. order: $200 fine due March 5, 1990

Licensee: Charles Roy Gates Sarah Fay Gate Kay-Bond & Co. 431 East Congress Detroit, MI 48226
Charge: (1) Sell, furnish or give away alcoholic liquor to a person, one Laura Kimberly Barada, whose name does not appear on the license. (2) A person, one Laura Kimberly Waterman, who had not then attained the age of 21 years.
Hearing held: Accepted
Comm. order: $200 fine due March 5, 1990

Licensee: Francena Iversen dba F & S Market 18514 Ryan Detroit, MI 48204
Charge: Sell, furnish or give away alcoholic liquor to a person, one Frank J. Broucher Jr., who had not then attained the age of 21 years.
Hearing held: Acknowledged
Comm. order: $300 fine on each count due March 26, 1990

Licensee: Cerv Investments, Inc. dba Maria's Italian Bakery 3344 S. Grove Ypsilanti, MI 48197
Charge: Sell, furnish or give away alcoholic liquor to a person, one Mary Ann B. Renfroe Jr., who had not then attained the age of 21 years.
Hearing held: Acknowledged
Comm. order: $150 fine on each count due March 26, 1990

Licensee: L & L Wine & Liquor Corp. 6414 S. Victory International 1510 W. Maple Troy, MI 48084
Charge: On or about May 4, 1989, gave aid and assistance to a person, one Harry C. Renfroe, manager of Bottles and Basket Shoppe, Inc.
Hearing held: Accepted
Comm. order: $100 fine due March 26, 1990

Licensee: Dennis Leo Brunelle dba Bottoms Up 1271 Holton Muskegon, MI 49445
Charge: (1) Permit its premises to be occupied by persons other than itself or its working bona fide employees, to wit: Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, during the hours of 2 a.m. and 7 a.m. (2) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, during the hours of 2:30 a.m. and 7 a.m. (3) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis.
Hearing held: Accepted
Comm. order: $200 fine due March 5, 1990

Licensee: B.R. Babbie dba Bottoms Up 1271 Holton Muskegon, MI 49445
Charge: (1) Permit its premises to be occupied by persons other than itself or its working bona fide employees, to wit: Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, during the hours of 2 a.m. and 7 a.m. (2) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis, during the hours of 2:30 a.m. and 7 a.m. (3) Permit the consumption of alcoholic liquor upon the licensed premises by one Michael Christopher Chiester and/or Marc Galbreath and/or Brian Jeffrey Davis.
Hearing held: Accepted
Comm. order: $200 fine due March 5, 1990
The Pfeister Company has been servicing the Michigan market since 1918 with a dedication to "National Brands." Our long term philosophy has been...and still remains...dedicated to our manufacturers and retailers alike.

We've made a long-term commitment to the Associated Food Dealers of Michigan, so please review this back page each month for messages, thematic ideas and other opportunities.

PFEISTER'S "SUMMER BARBECUE & PICNIC" SUPPLIES
MEMORIAL DAY & SUMMER ARE AT HAND — STOCK UP NOW WITH.

**GROCERY**
- Dole Pure & Light Juices
- Dole Pineapple Juice Blends
- Sundance Juice Sparklers
- You Hoo Chocolate Drink
- Hi-C Drinks
- Minute Maid Lemonade
- Welch Orchard Blended Juices
- Bush's Baked Beans
- Dole Mandarin Oranges
- Dole Pineapple
- Dole Tropical Fruit Salad
- Henri's Salad Dressing
- Star Kist Tuna
- Weight Watchers Mayo Salad Dressing
- Vlasic Pickles, Olives, Peppers, & Relishes
- Open Pit BBQ Sauces
- Adolph's Meat Tenderizers & Marinades
- Chinet Paper Plates
- Glad Wrap
- Wet Ones Towelettes

**PERISHABLE**
- Nestle Novelties
- Dole Novelties
- Weight Watchers Novelties
- Eskimo Pie
- Vroman Novelties
- Welch's Grape Juice Drink
- Green Giant Corn on Cob
- Jeno's Pizza Rolls
- Wilson Hams
- Wilson Hot Dogs
- Kaukauna Cheese
- Vlasic Deli Dills

**HBA/GM**
- Vaseline Intensive Care
- suntan Lotion
- Fuji Film
- Fuji Video