



ASSOCIATED FOOD DEALERS OF MICHIGAN

and its affiliate:
PACKAGE LIQUOR DEALERS ASSOCIATION

FOOD & BEVERAGE REPORT

VOL. 4, NO. 2

An official publication of the Associated Food Dealers of Michigan
and its affiliate, Package Liquor Dealers Association

FEBRUARY 1993

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Crystal Ball ~ promises to be a sparkling evening ~

Mark your calendar, for the evening of the year! The 1993 AFD Trade Dinner is coming up soon. Called "The Crystal Ball," the event will certainly be a night full of dining, dancing and socializing.

On February 19, Penna's of Sterling Heights will be trans-

formed into a "Sparkle Hall" for this spectacular event. The evening kicks off at 5:45 p.m. with cocktails and hors d'oeuvres.



A jazz trio entertains throughout the cocktail hour and dinner. Five caricaturists and a photographer will also be on hand

from 7:30 p.m. until 12:30 a.m. to capture your likeness as a souvenir of the evening.

The five-course dinner promises to be a culinary delight, featuring a beef barley soup followed by spinach salad. Fettuccine Alfredo comes next as the entree and a sumptuous dish of filet mignon and stuffed chicken is the main course. Ice cream sundaes top off the meal.

Then at 9:00 p.m. popular '50s and '60s band, Steve King and the Dittilies, will make you want to grab your sweetheart and relive the sock-hop days as they take the stage rocking and rolling your favorite hits until 12:30 a.m.

In addition, prizes galore, including the lovely "crystal" centerpieces, will be given away throughout the evening. For this special event, formal attire is preferred.

The AFD Crystal Ball is sponsored by Anheuser-Busch Wholesalers, Carillon Importers, Coca-Cola, Faygo, Frito-Lay, General Wine Company, Paddington Corporation, Pepsi-Cola, the Pfeister Company, Prince Macaroni, Seven-Up, and Universal Marketing.

Tickets are \$650 for a table of ten or \$150 per couple. For more information, call the AFD offices at (313) 557-9600. Don't miss the gala event of the year! □



LEGISLATIVE UPDATE

Cigarette Floor Stocks Tax

As part of the 1990 tax bill, the federal excise tax on cigarettes increased by 4 cents to 24 cents per pack as of January 1, 1993. The Bureau of Alcohol, Tobacco and Firearms (ATF), the agency responsible for collecting this tax, requires that retailers pay a one-time floor stocks tax. The floor stocks tax rate for cigarettes is the difference between the old tax rate and

the new tax rate; in this case 4 cents. In order to comply, retailers must inventory their cigarettes as of January 1, 1993. The tax must be paid by June 30, 1993, but companies with less than 150 cartons in stock are exempt from the tax. ATF has indicated that retailers should have received a tax package by December 15, 1992. □

White House Announces Nutrition Labeling Changes

Foods regulated by the Food and Drug Administration (FDA) will be required to provide consistent, scientifically based, nutrition labels under new Health and Human Services (HHS) rules announced December 2; processed foods regulated by the U.S. Department of Agriculture will bear the same nutrition label. The new labels could appear on some foods by mid-1993. They will be required under the final regulations in May 1994. In one

key change, the nutrition panel on the label will have a new, more complete format. The panel will include not only nutrient contents for the specific food product, but also information on the relationship of the ingredients to an average daily caloric intake. A nationwide education campaign will be launched to help acquaint consumers with the new label provisions and assist them in using the information to full advantage. - FMI

More Legislative Update, Page 22

Food Stamps: The Potential For Disaster

By James Bellanca, Jr.,
AFD Legal Counsel

The Food Stamp program administered by the United States Department of Agriculture has been one of the most effective means of delivering food to the needy ever devised by government. AFD is proud of its history with the Department of Agriculture. The program currently in effect was tested in Michigan, with the cooperation of AFD, more than two decades ago.

Due to abuses in the program, however, by recipients, the employees of retailers and some retailers themselves, drastic measures are being taken, which could affect the livelihood of many retailers.

AFD has devoted a substantial portion of this issue to food stamps and the adverse effect violation of the rules has on a retailer. In order to comprehend the scope of the problem one must understand that the current Food Stamp program is funded and administered by the federal government under rules and regulations issued by the congress in Washington, DC. Since these rules apply nationwide, they address both the problems of

the urban inner-city retailer and the problems of the rural retailer.

The WIC program is basically funded by the federal government, but administered by the state government under rules and regulations which address the specific needs of the state. While both programs are federally subsidized, they are vastly different in their administration. As you know from prior issues,

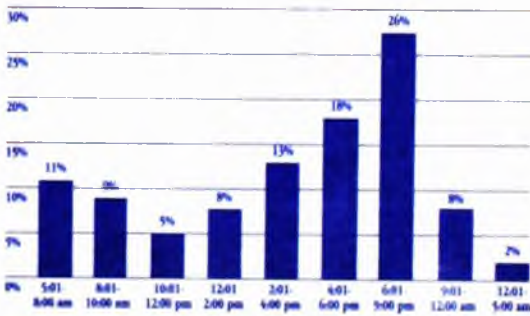
See *Food Stamps*, Page 34
Also see related articles beginning page 33.

TV 2 to Air Food Sanitation Exposé

We have reason to believe that WJBK, TV 2 News (CBS in Detroit) is developing a series on food sanitation in grocery stores. This story will probably be similar to the Food Lion piece that ran on the national news program, Prime Time Live.

Be prepared! Read Your Chairman's Message on Page 3 and also "When A Reporter Calls" on page 18.

Time of Day Customers Frequent Convenience Stores



See Ask AFD, page 14.

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CHAIRMAN'S REPORT

Don't Let "Prime Time Live" Happen to You

By Frank Arcori, AFD Chairman

On Thursday, November 5th, and again on November 12th, ABC's Prime Time Live aired a program that focused on supermarkets' in-store handling practices. Prime Time Live covered issues such as in-store sanitation and freshness dating that were very negative for the food industry. We have reason to believe that WJBK TV2 in Detroit, will run a series on the same subject in late February.



Television programs like these raise awareness and consciousness of consumers and create negative feelings towards their supermarkets. In order to ease your customers' worries and hopefully turn a negative story into a positive learning experience, here are some suggestions that we hope each of our members will take:

- Alert store personnel to be extra diligent about in-store sanitation, handling procedures, stock rotation, and the quality and appearance of all fresh foods.
- Be prepared to answer customer questions about your company's policies and procedures on sanitation, food handling,

freshness dating and stock rotation.

- Alert store personnel to your company's policies and procedures regarding the handling of news media or anyone wanting to film or interview in your stores. (This should be directed to top management. - See What To Do When A Reporter Calls, page 18.)

Let's use this unfortunate scenario Prime Time Live so vividly portrayed to provide a checklist for sanitation procedures and practices and proper dating and freshness codes. In addition, provide effective communication to employees and associates so the integrity and consumer confidence can remain at a high level for our entire Michigan food industry.

See You at the "Crystal Ball"

On a happier note, plans are set for the AFD's annual trade dinner, the "Crystal Ball," February 19 at Penna's of Sterling Heights. This is the premier event of the year for the retail food industry and shouldn't be missed.

This wonderful evening wouldn't be possible without our sponsors. I would like to give an advance thanks for their generous donations to: Anheuser-Busch Wholesalers, Carillon Importers, Coca-Cola, Faygo, Frito-Lay, General Wine Company, Paddington Corporation, Pepsi-Cola, the Pfeister Company, Prince Macaroni, Seven-Up and Universal Marketing. □

Calendar

February 19	"Crystal Ball" 77th Annual AFD Trade Dinner, Penna's Sterling Hts., (313) 557-9600
April 12 & 13	AFD 1993 Trade Show, Hyatt Regency, Dearborn, (313) 557-9600
Feb. 28-March 3	Distribution Conference, designed for vice presidents and directors of distribution, warehousing, traffic and transportation, Orlando, FLA
March 21-23	FMI/GMA Environmental Affairs Conference, Stouffer Mayflower Hotel, Washington, DC
April 4-9	FMI Professional Management Course, Hillsdale, MI (202) 452-8444
April 18 - 20	Executive Frozen Food Conference, sponsored by the National Frozen food Association, Woodlands Conference Center and Resort, Houston, Texas
May 9-12	1993 U.S. Food Export Show, sponsored by the National Association of State Departments of Agriculture FMI Supermarket Industry Convention and Educational Exposition, McCormick Place, Chicago, IL

Statement of Ownership

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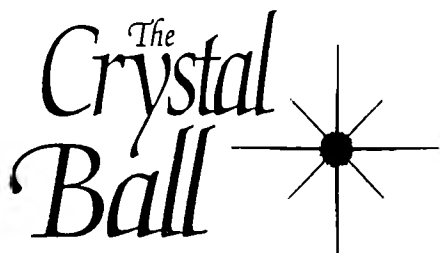
The Grocery Zone

By David Coverly



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The Staff and Board of Directors of Associated Food Dealers and the Food & Beverage Report extend a special thanks to this month's advertisers. These companies continue to support AFD and use its publication to display their products and services to the Retail Food Trade in Michigan.

February is Canned Food Month

Promote Cans To Increase Sales!

Canned Food Month, the national promotion created just six years ago, has come into its own. Participation continues to increase each year as more companies experience the reward of record sales and consumer enthusiasm. Make

no mistake about it—Canned Food Month has become an industry force to be reckoned with!

An Opportunity

Not only is Canned Food Month an opportunity for you to sell more canned foods, it's also an opportunity to tout their many benefits—nutrition, quality, variety, convenience, value and recyclability. The environmental benefits of the steel food can are tremendous—and scarcely known. Canned Food Month presents a timely opportunity to educate consumers about these important characteristics.

Whether you're a manufacturer, broker, retailer or wholesaler, Canned Food Month has a common goal that ultimately means profits.

Manufacturers/brokers can lend their support to Canned Food Month and facilitate increased case movement with trade incentives, sales contests, coupons, company and cooperative newspaper advertising. They can also encourage the development of community steel can recycling programs.

Retailers/wholesalers can draw more consumers into their stores by tying-in through cooperative advertising, consumer sweepstakes, point-of-sale displays, product sampling and consumer recycling and cooking education programs.

The objectives of Canned Food Month promotions are simple: Increase customer awareness and in-store traffic, generate industry excitement and sell more canned foods!

The Recycling Message

This is the age of the environment; more specifically, the age of recycling. And no product lends itself better or more easily to recycling than the steel food can.

Since consumers are growing increasingly concerned about the environmental impact of the products they buy, touting the recyclability of the food can is likely to

generate even more interest for the category and your promotion. Incorporate several of the following recycling facts into your promotional materials, and help inform your customers about the benefits of environmentally friendly canned foods! Or, help establish a recycling drop-off center and set February for the launch, to really give your promotion impact. The possibilities are endless!

- ✦ More than 92 percent of all food cans, commonly referred to as "tin" cans, are made of steel, and steel is 100 percent recyclable. Additionally, approximately four percent of carbonated beverage and beer cans are composed of steel.
- ✦ The Steel Can Recycling institute estimates that the average American discards over 500 food cans annually.
- ✦ All steel food and beverage cans are 100 percent recyclable, including bimetal cans—those with steel bodies and aluminum ends.
- ✦ In 1990, the national recycling rate for steel food cans was documented at 25.6 percent and is rising rapidly as new recycling programs are started nationwide.
- ✦ The steel industry is committed to recycling all of the steel cans produced.




Discover the goodness of canned foods!

*See Canned Food Month
page 32.*



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Meet Freshman Legislator Candace Curtis

Plans to build Michigan's Infrastructure Top Her List of Priorities

by Virginia Bennett

When Democratic Representative Candace Curtis takes her seat in the Michigan House of Representatives she will be one of nine newly-elected women; and one of 27 new representatives in all.

Although these 27 freshmen representatives will find themselves in a new situation, they may be able to hit the ground running since the partisan deadlock in the House creates new rules even for seasoned legislators.

Partisan deadlock means that the November elections created an even number of Republicans and Democrats in the House of Representatives.

This left the new legislature with a difficult task—developing a system to share House control. In an unprecedented move, Michigan's House of Representatives decided to alternate control on a monthly basis. One month it will be Speaker Paul Hillegeons, a Republican, in charge and the following month the speaker will be Curtis Hertel, a Democrat. Committee memberships will be divided evenly and chairmanships will rotate each month between parties, in a pattern opposite the speaker rotation.



Democrat Candace Curtis, Freshman Legislator from the 51st District.

The House staff will be equally divided, as will the chamber budget of more than \$45 million.

For Representative Curtis, the power-sharing plan may be an additional hurdle to leap but she is committed to the real work that has to take precedence. Committee assignments weren't made during the first session on January 12, possibly as a result of confusion caused by trying to cope with the new plan. However, Curtis is hopeful that she will be placed on the Transportation and Judiciary Committees.

As she views her new job now, Curtis' first two priorities are solving the problems of property tax reform and auto-insurance reform. Furthermore, Michigan's infrastructure is an area in which Curtis hopes to work during her term. She believes the state has available land mass but numerous areas have no easy access to air, rail and highways. Many of our roads and bridges were built during the WPA (Works Progress Administration) projects of the 1930s.

According to Curtis, growth is dependent upon bringing new business into Michigan. A plan to improve our infrastructure would create immediate jobs and make Michigan more attractive to businesses that are looking to relocate.

"The possibility of receiving federal funding for transportation improvements necessitates having a plan in place," says Curtis. Careful spending of these funds could be very beneficial to Michigan." Curtis adds that Michigan congressman Bob Carr chairs the U. S. Transportation Committee, which she feels can be asset for our state.

Curtis was born and raised in Grand Blanc. Her father has owned his own excavating firm for thirty years. She presently lives in Swartz Creek in the newly redrawn 51st District. After graduating from Michigan State University in 1982 with a communications degree, she worked in the county court system until 1986 when she was elected Genesee County Commissioner.

While busy with the responsibilities of being a wife and mother, Candace Curtis (or Candy as she is commonly called) has demonstrated a strong dedication to public service. She helped establish a safe shelter for battered women and their children, through the Fenton Area Resource and Referral Network. This organization also provides clothing and assistance to the elderly and to disadvantaged children. In addition, Curtis is active in programs to help young people get off drugs and alcohol.

Candy Curtis looks forward to the challenges faced by the State House of Representatives and is eager to work with the new 55-55 split. She is hopeful that the new plan to share power in the House will develop a stronger relationship between the two parties so that our representatives can cut through red tape and get to the work at hand. □

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FAYGO

Wholesale Company Services Independent Supermarkets

On June 24, 1991, Midwest Wholesale Food Inc. was founded to supply Michigan's independent supermarkets. In just 1 1/2 years, the company has grown to become a major competitor in the industry.

Midwest's home office and 165,000-square-foot warehouse facility is located at 3301 South Dort Highway in Flint. Owned by Michael George, Melody Foods Inc. and other George family members and associates,

Midwest's convenient mid-Michigan distribution center operates on a 24-hour basis.

The company purchases and distributes over 10,000 items including dry groceries, candy and spices, cigarettes and tobacco products, health and beauty care products, and store supplies. Another warehouse, located two miles north of Midwest's home office, is equipped with the necessary refrigeration to store and dis-

tribute a complete line of frozen food and dairy products, including juice, cheese, margarine, and baking and pasta mixes.

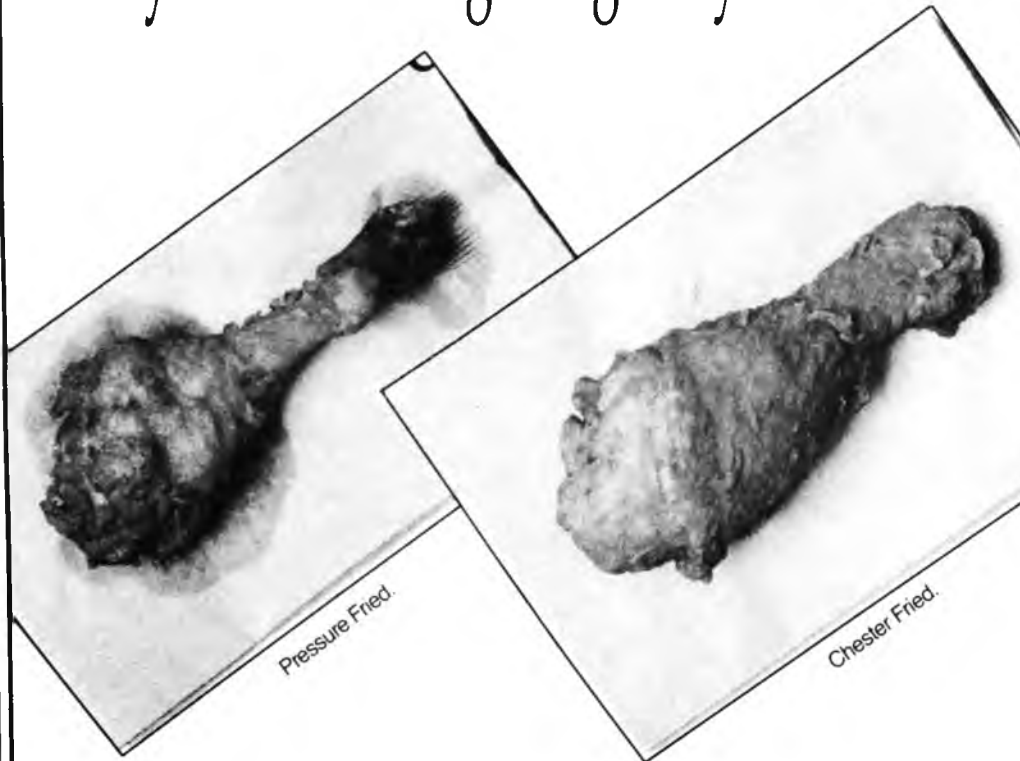
According to Roy Konieczny, vice president and chief operating officer, Midwest Wholesale Foods Inc. offers its full supply of items under a cost-plus

program. "We basically sell products for the same price we pay for them," Konieczny stated. A "competitive" fee for distribution and delivery is then charged to the cus-

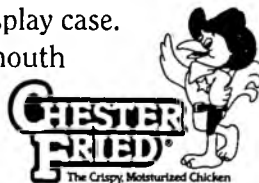


Roy Konieczny, vice president and chief operating officer of Midwest Wholesale Food Inc.

Are you still selling the greasy kids stuff?



Go ahead. Try a piece of Chester Fried chicken. It's the non-greasy chicken that's crisp on the outside, moist and tender on the inside – and it stays that way for over four hours in your display case. Put your money where your mouth is, because the profit picture behind Chester Fried is just as appetizing as the chicken.



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tomers. There are no other charges. "It's kept as simple as possible," Konieczny adds.

Midwest publishes a bulletin to inform its customers of special events and promotions offered by manufacturers. This allows retailers the opportunity to merchandise and promote items of their choosing.

Another service offered by Midwest is a reclamation center. Dented, damaged or outdated products are returned to Midwest by the retailer who then receives credit for the items. Midwest then sends the products to the Genesee County Community Action Agency which distributes the damaged goods to financially deprived citizens.

Midwest also offers a controlled label program under the product name of "Real Value." Orders are placed electronically and case labels are used for warehouse order selection and also to furnish retail price information. With this system, orders can be delivered in as little as 12 hours from the time of store placement.

The wholesale company services a total of 361 customers in Michigan including such areas as Saginaw and Port Huron, with the bulk of its business in the Detroit market area. Some of its customers include Danny's Foods, Hollywood Markets, Shopping Center Markets and a variety of large and small independent supermarkets.

Konieczny says that Midwest's goal for the new year is to increase its customer base therefore increasing sales, and he believes it can be accomplished through a more competitive pricing system. "1993 will be a year wherein retailers will have to cut costs to survive," says Konieczny. "I believe Midwest can help them accomplish that." □

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Hiram Walker & Sons, Inc. 1992

Six Sins of Service

You know what drives customers crazy...and then off to the competition? According to Karl Lbrecth, in his book *America's Service* (published by Cow Jones-Irwin, Homewood, IL), there are six sins of service to be aware of in one-to-one contact with customers:

• **Apathy:** An I-don't-care attitude on the part of the customer contact person. Comedian George Carlin describes that as DILLIGAD, "Do I Look Like I Give A Damn?"

• **Brush-off:** Trying to get rid of customers by brushing off their needs or problems; trying to "slam dunk" customers with some standard procedure that doesn't solve the problem. You know — the this-isn't-my-department approach.

• **Condescension:** Treating customers with a patronizing attitude.

• **Robotism:** "Thank-you-have-a-nice-day...NEXT."

Every customer gets the same program with the same motions and slogans: there is no warmth or individuality. A variant of this is the robot who wears a permanent smile — but you can tell nobody's home upstairs.

• **Rule book:** Putting the organizational rules above customer satisfaction, with no exceptions or use of common sense. Any customer problem with more than one moving part confounds the system.

• **Runaround:** "Sorry you'll have to call/see so-and-so. We don't handle that here."

Business Tips

Satisfying the Customer

Producing a quality product and satisfying your customers' needs can work hand-in-hand. A few tips on how to accomplish that task are:

- Practice good listening skills
- Develop impeccable timing.
- Concentrate on conversation quality — and the result should be customer loyalty and satisfaction.

Recycling Facts

The beverage industry is Michigan's premier recycling industry. One hundred percent of soft drink containers are recyclable and 95 to 98 percent are actually recycled. The net cost to the soft drink companies to implement this statewide, industry-financed recycling program for Michigan citi-

zens exceeds \$20 million annually.

Just as important as its outstanding record of recycling, the soft drink industry has made significant efforts to reduce the amount of raw materials used in beverage containers. Since 1984, the average weight of glass bottles has been reduced by 25 percent, alu-

minum cans by 11 percent, and plastic containers by 29 percent.

Additionally, a significant portion of recycled materials are used in soft drink containers. The average recycled content for soft drink containers is 52 percent in aluminum cans, 30 percent in glass, and 25 percent in those test markets which are using recycled plastic. The plastic container connectors used by the industry are also both recyclable and degradable. □

Tip of the Month

Don't include your home phone number next time you have business cards printed. Instead, hand write it when giving a new customer your business card, and tell the person not to hesitate to call you at home. This will make the customer feel special. □



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RETAIL PROFILE

Riverfront Marketplace Debuts to Rave Reviews

by Michele MacWilliams, editor

The first thing that strikes you upon entering the store is the floor. Large, glossy black and gold vinyl tiles cover it in a checkerboard fashion. Upon closer examination you see an occasional small turquoise tile that was added to break up the pattern. Black, gold and turquoise floor? The combination sounds strange, but oddly enough it works to create a warm, yet up-

scale atmosphere.

Called Riverfront Marketplace, the 5,000-square-foot store is located within the Riverfront Apartments in Downtown Detroit. The apartments overlook the Detroit River and are considered to be one of Detroit's premier addresses.

Recently re-designed by Victor Saroki and Associates Architects P.C., the store is chocked full of

specialty items, fine wines and prepared foods. Murals of fruits and vegetables, a table and chairs with wine, a colorful flower vendor and a comical urban street scene are painted on the walls, above shelves stocked with everything from breakfast cereal and Pringles to imported olive oils and caviar.



Riverfront Apartment along the Detroit River

All four murals are painted in different styles but were actually created by the same local artist. They were designed specifically to reflect the upscale merchandise carried by Riverfront Marketplace.

Bernadette George recently purchased the store, which was formerly operated by Bormans.

Riverfront Marketplace was strictly a convenience store under the prior owner. When George took over, she closed the doors for two months to totally remodel.

The new Riverfront Marketplace carries a comprehensive product mix of items that the upscale apartment dwellers demand. Imported wine and cheese, a "designer" deli, fresh, exotic flowers and a complete line of prepared foods are the type of items that the on-the-go residents request. In addition they also want staples such as milk, soft drinks, snack food and bread; so the market must stock them all.

Opened since November 16 after the extensive remodeling project, George says that the response by their customers has been overwhelmingly positive. She adds that there are still numerous improvements to be completed, but all in due time.

During the remodeling process, an exterior door was added for

easy access by car. A sign and awning for the new entrance are not yet in place.

Since opening, the product mix has evolved considerably and will continue to change as the store matures. Gift baskets and other decorative items will eventually be added to give the store a warm, "full" look.

"We fill three sheets of product requests from our customers each week," says George. Since November, the store has added about 1,500 items that were not available under its previous management.

George is pleased with her new store and particularly happy with the location. "We feel very safe here, since the entire Riverfront Apartments is a gated and guarded community," says George. "Our location also gives a built-in customer base."

George adds that the store hours of operation are manageable too. Riverfront Marketplace is open from 10:00 a.m. to 9:00 p.m., which is considerably less than the hours of most convenience stores and supermarkets in the Detroit area.

A new look, good product mix and customers that are grateful for the store improvements all add up to a successful start for Riverfront Marketplace. □



A Flower Vendor Mural in Riverfront Marketplace

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Riverfront Marketplace's Deli Manager Doris Harris (left) and Assistant Store Manager Anne Horan.

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ASK AFD

Q.

When is the most popular time to shop at a convenience store?

A.

The time of day at which people shop convenience stores shows remarkable consistency over all demographic groups with a few exceptions. The most popular time to shop is between the hours of 6:01 p.m. and 9:00 p.m. with the period 4:01 p.m. to 6:00 p.m. running a close second.

Teenagers, with school hours a major factor, tend to do their shopping after school. Over 50 percent of their shopping occasions occur in the 2:01 p.m. to 6:00 p.m. period, and they seldom shop after 9:00 p.m. The survey also

indicated that shoppers in Canada do little shopping before noon as only 15.6 percent of shoppers from that region do their convenience store shopping during that period. (Their shopping is concentrated in the hours after 4:00 p.m.) Older shoppers, those over 65, indicated that they did little shopping in the late evening or night hours, and women avoided the hours from midnight to 8:00 a.m.

Frequent shoppers (more than 20 shopping trips in the last 30 days) are much more likely to shop between 5:01 a.m. and 8:00 a.m., with their second visit coming in late afternoon.

Shoppers with incomes between \$30,000 and \$49,999 tend to do more buying between the hours of 5:01 a.m. and 8:00 a.m. than other income groups - presumably on their way to work. □

LETTERS

Dear AFD

In our crime-ridden, sin-sick world we need Prayer. It is our only hope for survival during this chaotic time.

As an act of gratitude, after sales, or services, urge the merchants to use the Hand in Prayer Logo: say, "Take Care and Say A Prayer."

Prayer changes things, people, conditions and communities. Take care and Say A Prayer,

Reverend Major C. Brown

Dear Associated Food Dealers of Michigan:

I would like to thank Mark and the Associated Food Dealers for donating 100 Turkeys and soft drinks on Tuesday, November 24, 1992.

Thanks for being so thoughtful for remembering those needy families during the Thanksgiving Holiday. The Bible teaches us in Philippians 4:6a "Be careful for nothing; but in everything by prayer and supplication with thanksgiving."

Thanks, once again.

Sincerely,

Donna Adkins, Secretary
Rev. Obie Mathews, Pastor
of Christ Cornerstone
Missionary Baptist Church

Methods to Obtain Accurate Work References

Today it's very difficult for an employer to obtain a reference on a job applicant, especially since most employers are playing it safe and will only confirm dates of employment and salary figures.

To fully check out a job applicant and obtain more information on job references, an employer might consider the following suggestions:

1. Ask job applicants to sign a release form that states former employers may be called and that the applicant promises not to sue if the employers provide reference information.

2. Mail a form to each of the references and ask them to answer certain questions in writing. The form should state that the applicant has

signed a release allowing the reference to provide the requested information and include it with the mailing.

3. At the very least, an employer should verify the applicant's education and dates of enrollment by calling schools that the applicant lists on the resumes or application form.

4. If the job involves driving, an employer has the right to review the motor vehicle department records to see if the applicant has a history of accidents, moving violations or citations for driving while intoxicated.

5. If you don't make some attempt, you could be sued for negligent hiring if the applicant had a violent history and harms someone while in the employ of the company. □

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Ashby's Sterling Ice Cream Wins Two National Ribbons

The National Ice Cream & Yogurt Retailers Association recently presented Ashby's Sterling Ice Cream with two national ribbons of excellence. The presentation was made at the annual convention in Baltimore, Maryland.

Ashby's Sterling received the ribbons for their Vanilla Bean and Chocolate ice cream. Many national ice cream and yogurt manufacturers compete every year for the ribbons which represent "The Award of Excellence."

Ashby's Sterling Ice Cream Company's corporate offices are in Oak Park, Michigan. The company manufactures over 40 flavors of premium ice cream which can be found in many national restaurant chains and ice cream parlors throughout the eastern part of the United States. In 1991, the company introduced the product for the retail market in half gallons.

For further information, contact Gary M. Davis at (313) 399-6970. □



The Party Pack

People go nuts at parties. That's why the Peanut Factory made the Party Pack. The Party Pack gives your customers a large, economical bag of party favorites, from 3 lbs. of Salted Peanuts to 2 lbs. of Jumbo Cashews to 3 lbs. of Party Mix; ten choices in all. And all are great for warehouse clubs or mass merchan-

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Whizard Prepguard Gloves feature a brightly colored green cuff that lets your supervisors know with a glance when employees are wearing their hand protection. They also feature a white palm and fingers to ensure that workers are always wearing clean gloves.

Prepguard Gloves are available in five prewashed and preshrunk sizes to ensure a proper fit. They are also color coded by size to simplify reissuance.

For more information about Whizard Protective Wear, contact: BETTCHER Industries, Inc., P.O. Box 336, Vermilion, OH 44089. Phone: (216) 965-4422. FAX: (216) 965-4900. □

Pierre Introduces Four New Microwaveable Breakfast Sandwiches

They're big, delicious 5.5 oz+ sandwiches served on a buttermilk biscuit.

Pierre Frozen Foods introduces their Jumbo Blue Ribbon™ Biscuits, four new microwaveable breakfast sandwiches. These big hearty sandwiches are made with real buttermilk biscuits piled high with premium quality meats, real eggs and cheese.

Every Pierre sandwich has a guaranteed 14-day shelf life under refrigeration with attractive four-color labeling that clearly shows off the products.

The new Pierre Sandwiches in-

clude Canadian Style Bacon, Egg & Cheese on Biscuit; Country-Fried Steak on Biscuit; Sausage Patty and Cheese on Biscuit; and Bacon, Egg, Cheese on Biscuit.

For more information, contact:

Pierre Frozen Foods, 9990 Princeton Road, Cincinnati, OH 45246. Telephone: (513) 874-8741 or toll free 1-800-543-1604.

Pierre Frozen Foods produces a

full line of wrapped sandwiches and precooked meats for food service, vending, convenience store, mobile catering and other consumer markets. □



Frankenmuth Introduces 5-Liter Can

After several years of study, Frankenmuth Brewery introduced a 5-liter can. It is the first American brewer that offers a fully decorated can printed on litho. Thus far, only imported beers from Europe were available in a fully printed can.

Frankenmuth Pilsener, which was first introduced in 1988 in bottles and kegs, now comes in this attractive 1.3 gallon version. Dark blue, maroon and

silver are the dominant colors.

The composition of the can's exterior look was a cooperative effort by Lori Wightman of Top Dog Design and Tark Heine of the Frankenmuth Brewery.

"We know of no 5-liter can on the American market with such striking and

appealing features" said Tark Heine, director of special projects. □



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What To Do When A Reporter Calls



One of your employees answers the phone and calls to you: "It's a reporter and he wants to ask you some questions." What do you do? Ignore the call? Have a subordinate answer it? Say you're on another line?

Calls from reporters need not bring business to a halt or cause sleepless nights. A few simple guidelines will help you deal with the media and, perhaps, turn neutral or negative stories into positive accounts:

- Quickly accept or return a reporter's call; but don't immediately offer answers or attempt to explain your actions or positions.
- Interview the interviewer. Find out all you can about the story. What is the story about and what is its scope? Who else is the reporter talking to? What documents has the reporter seen? How do you fit in the story? What information does the reporter want from you? What is the deadline? Agree with the reporter on a time to call back.
- Decide whether you are the best person to respond. Is someone else closer to the issue? If so, direct the reporter to that source.
- Assemble the dates for the reporter in a logical form. Then put yourself in the reporter's shoes. Ask yourself what additional questions the reporter might ask. The journalist will appreciate anything you can do to anticipate questions.
- Develop points you want to make. What initiatives have you taken? What have you done to make things better? Be prepared to offer and support two or three key points you want to get across.
- Call the reporter at or before the agreed time and provide the data you've gathered. If it includes complex, numerical or statistical data, offer to fax it. Provide a couple of good, brief quotes.
- Avoid "not available" or "no comment." "Officials of XYZ Store were not available. . ." or ". . . did not return repeated calls. . ." may be viewed by readers as admissions of guilt. There is no law that says you must answer a reporter's question. But if you can't answer because of personnel, legal, proprietary or other considerations, explain that to the reporter.
- Expect anything you say to a reporter to appear in print.
- Do not expect the reporter to become your best friend. Reporters are trained and paid to be professional and skeptical and to ask tough questions. Popularity contests are for politicians. And don't expect to be permitted to review or edit the story before publication. Most reporters and editors simply don't do that.
- As you read the story, remember that it is intended to be a balanced account, representing the major elements. If you like a story, call or write the reporter and say so. (Reporters have egos, too.) Conversely, if there is an important issue of fact, discuss that with the reporter before you call the editor or write to "demand" a correction.
- Above all, never lie to a reporter. If you've made a mistake, admit it and shift the focus to what you're now doing to correct the problem and prevent future problems. It is better to take a small hit resulting in a one-day story, than to lie about it and have to deal with a seven-day (or more) story.

Good reporters develop contacts and sources who are newsworthy and dependable. A reporter's success depends upon his or her ability to develop these sources and to be accurate, fair and balanced.

You can enhance your own chances of positive coverage by working with the reporter toward those ends. □

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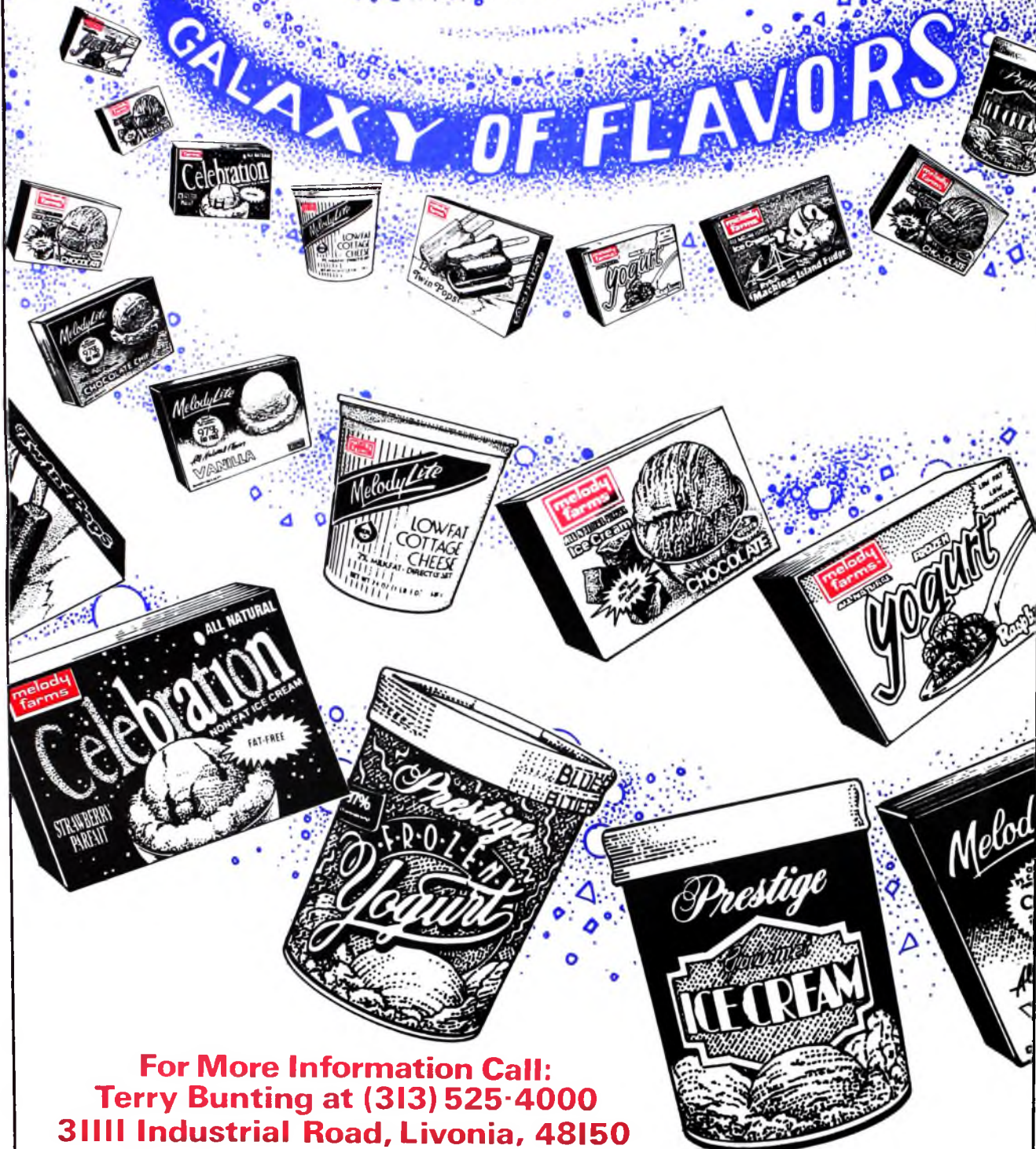
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NEWS FLASH

Selling loose cigarettes is now illegal!

Before closing in 1992, Michigan's legislature passed a law prohibiting the sale of loose cigarettes. The bill, Number 5225, was enacted to prohibit the selling, giving or furnishing of tobacco products to minors.

Section 2a (1) is of particular interest to retailers. It reads: "a person who sells tobacco products at retail shall not sell a cigarette separately from its package." The only exception to this rule is a tobacco retail specialty store.

Any retailer who violates this law and sells loose cigarettes is guilty of a misdemeanor punishable by a fine of up to \$500 for each offense. It is your responsibility to abide by this law. Be sure to notify all employees—Don't sell loose cigarettes. — *M. MacWilliams*

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AFD On The Scene



AFD staff gathers at Meriwethers in Southfield to wish a fond farewell to Jim Larges, office manager. Jim took the controller position with the accounting firm of Zaske, Sarafa and Associate. Good luck Jim!

Is Your Phone Etiquette What It Should Be?

Do you know how your people answer the telephone when a customer calls in?

The treatment a customer gets over the phone is just as important as face-to-face treatment; in some respects, more so. At least in the face-to-face situation, the customer is in the store and probably will buy something. If a telephoning customer is not handled properly, he/she just won't bother coming to the store.

We've never favored, and certainly don't recommend "sneak around management," but for constructive purposes, it wouldn't hurt to have someone your people wouldn't recognize telephone your store(s) and give you a report on how they were handled.

Your local telephone company can provide you with a training session on telephone etiquette—it takes just a few minutes—and it might be well worth a store meeting; at least among those who answer the phone.

When one of your people answers the store phone, he/she is your store!

Legislative Update

New Civil Penalties For Wage Law Violations

Employers who "repeatedly or willfully" violate wage and hour laws can now be assessed civil penalties of up to \$1,000. The Department of Labor (DOL) can assess the new penalties and is authorized to apply them in pending cases that involve violations that took place after November 17, 1989. That is the day that President Bush signed the new penalties into law.

Previously, employers cited by DOL for violations of the minimum wage or overtime requirements of the Fair Labor Standards Act were liable only for back pay. Only in cases where employers had not made a good faith effort to

comply with the law could DOL assess damages. Damages can only be equal to the amount of the back pay owed.

Importantly, the new rules also set forth a stricter definition for "repeated violations." DOL now defines repeated violations as the second violation of any wage and hour law and all violations thereafter. Additionally, employers operating multiple stores can be held liable for repeated violations even when infractions occur at different stores, according to DOL. Willful violations are those where the employer either knew he was in violation of the law or showed reckless disregard for the law. — NACS

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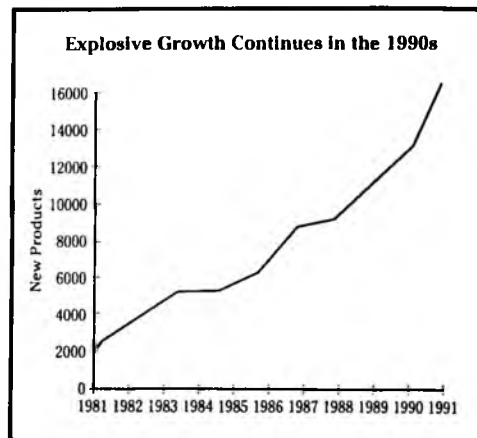
New Product Introductions Soar 22 percent in 1991—Pace Slows in First Five Months of 1992

Product variety is one of the hallmarks of the supermarket. A wide and changing array of items gives consumers the choices to suit their individual health and lifestyle needs.

New products have exploded in the past decade as companies strive to suit consumers' increasingly diverse tastes and lifestyles. In 1991, a record 16,143 new food and non-food products were introduced to retailers and wholesalers

by manufacturers—an increase of 22 percent over 1990.

The pace slowed to 4.6 percent growth from January through May 1992, compared with the same period in 1991, according to *New Product News*. For the first five months of 1992, 6,407 new items were introduced—up from 6,125 for the same period in 1991. Categories with strong growth included processed meat and poultry (up 27 percent), health and beauty care



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(28 percent) and breakfast cereals (48 percent). Decreases were reported for some items, such as candy/gum/snacks and condiments, which experienced strong growth in previous years.

Though the pace has slowed in 1992, the explosion in new products is still profound. Consider this statistic: More than 62,000 new products were introduced from 1987 through 1991—more than four and a half times the total for 1977 through 1981.

The year-to-year escalation in new products is reflected in the number of items now carried by a typical U.S. supermarket. Since 1981, the number has more than doubled—from 14,145 to 30,000 in 1991.

Only about 10 percent of the items are truly new—that is, never available before. The other 90 percent are extensions of existing product lines, and the greatest number are new flavors.

Not all of the new products are introduced nationally to supermarkets. Only 30 percent to 40 percent of the new products in 1991 appeared in every individual market.

The majority of new products are featured in supermarkets rather than health food and specialty gourmet stores. About 75 percent are sold through supermarkets; 13 percent, health food outlets; and 7 percent, specialty gourmet stores.

In a review of new products over the past 25 years, *New Product News* noted that virtually every new item has had taste, convenience and nutrition as its basic selling argument. Today's consumers still consider taste and nutrition the most important factors when selecting food, while price and convenience have gained importance, especially for those who are tight on time and money. □

CROWD PLEASERS



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- Sample your products to new clients
- Make new business contacts
- Exhibit NEW! products
- Develop new relationships
- Demonstrate products and services
- Present your products to the media
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- Increase your bottom line

April 12, 1993 • 6 p.m. - 9 p.m.

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Hyatt Regency Dearborn

FOR MORE INFORMATION

or to obtain a contract and exhibitor's manual, call:

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PEOPLE

Plane Crash Takes Life of Douglas Mowat

London's Farm Dairy of Port Huron, MI announces with great sorrow the tragic death of its president, Douglas H. Mowat, and his son Andy Mowat, in a private plane crash, Sunday, January 3, 1993.



A well known and much beloved figure in the dairy industry, Mr. Mowat served in key management positions at London's since 1958. He was on the boards of several industry organizations and also served on the Board of Directors of Mercy Hospital, Port Huron and the Marysville City Council.

Also killed in the same crash was Mr. John Church of Lapeer who was Mr. Mowat's father-in-law. The AFD's thoughts are with Mr. Mowat's wife, Nancy Mowat, and the entire family during this time of great tragedy. We grieve with her the passing of her loved ones. □

Bernéa Food Service Announces Promotions

A reorganization of the sales department at Bernéa Food Service, Otsego, has resulted in four promotions.

John F. LaLonde, formerly sales manager, is the new vice-president of sales. Tim Andrus is



LaLonde

the assistant sales manager, while Jill Bonnell was promoted to marketing manager. Jerry Kreuger was promoted to route manager.



Andrus

Bernéa Food Service distributes Michigan Brand Cottage Cheese, Yoplait Yogurt and more than 300 other refrigerated and frozen food products directly to 3,800 regional food retail locations. The reorga-

nization finalizes creation of a sales force that will take a more involved role with each account.

Previously, product orders were, for the most part, taken over the telephone and delivered by the company's route drivers. The sales and service team provided support.



Bonnell



Kreuger

Under its new pre-sell system, however, Bernéa's sales force will call on each account in person, taking orders and offering assistance to optimize product selection, store sets, promotions and overall category management. □

Meet Mary Cooper

We are happy to welcome Mary Cooper to the staff of the AFD. Mary has taken on the position of office manager. We're happy to have you aboard Mary! □



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Wish**



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OF MICHIGAN**

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A Successful 77th Trade Dinner**



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Where Did Roseanne Go Wrong?

By Raymond L. Harshman
Michigan District Director
U.S. Small Business Administration

On a recent episode of ABC's popular Roseanne show, Roseanne Conner, her sister, and a friend applied for a business start-up loan for a restaurant from the U.S. Small Business Administration. Unlike more than 26,000 applicants in the past year, Roseanne was turned down.

Roseanne walked into the SBA with little more than a recipe for "loose meat sandwiches," meager experience, no business plan, and no management background; yet she expected to walk out with a barrel of cash. It's little wonder that the SBA loan officer, who must also protect the taxpayers' interests, considered her to be a bad risk.

Where did Roseanne go wrong?

First, she didn't understand the program. The SBA's 7(a) loan guarantee program for business loans is the government's most responsible and respected tool for economic development and job creation.

With a direct and guaranteed

business loan portfolio of about \$22.5 billion SBA is the largest single financial backer of U.S. businesses today. In fact, SBA's business loan portfolio is nearly twice as large as the nation's next biggest commercial lender, Citibank.

In fiscal year 1992, SBA approved business loan guarantees amounting to nearly \$5.5 billion, up about 35 percent from fiscal year 1991. About 98 percent of the SBA's fiscal year 1992 business credit program consisted of capital extended by commercial lenders and guaranteed by SBA. The SBA program is first and foremost a loan guarantee program. The actual loans are made by commercial lenders. If borrowers meet SBA's loan standards, SBA can guarantee up to 90 percent of the loan, up to \$750,000.

Before applying for a loan, Roseanne should have prepared a realistic business plan and documented her financial resources and expectations, including appraisals of collateral and cash flow forecasts.

She could have received some pointers or even free one-on-one help putting all that together by calling a

Small Business Development Center or the local Service Corps of Retired Executives (SCORE). If she had access to a computer with a modem, Roseanne could contact SBA On-Line, a national electronic bulletin board through which she could get all kinds of information about SBA loan programs, financial management services, publications, training and much more.

She next should have visited a commercial lender. Maybe Roseanne could have qualified for a loan right there, and her "Lunch Box Cafe" would have been off and running. If the lender turned her down, or was willing to certify that it would reject her application without a guarantee, Roseanne then could have asked the bank about an SBA guarantee.

The reason SBA can guarantee a loan that doesn't meet bank standards is that SBA focuses more on ability to repay the loan, on cash flow, rather than on collateral. Plus, SBA guaranteed loans are generally longer maturity loans, so the monthly payments are lower and the cash flow needed to support those payments can be lower. The average SBA loan approved in Michigan is about \$275,000; the average term is about seven years. The maximum loan term is 25 years.

SBA looks for management ability and experience in the field, a feasible business plan; an adequate personal financial stake by the owner, and the ability to repay the loan from projected cash flow and profits.

Roseanne Conner met almost none of these requirements, and it's too bad that she might not be able to qualify for an SBA guarantee. We'll never know, though, because she never tried to get a bank to finance the loan, and without that, SBA can't commit to a guarantee.

But at least the story had a happy ending. Roseanne found another source of capital—her mother. And we'll just have to wait and see whether the scriptwriters over at ABC will give her business the success she is striving for. Perhaps they will have her take advantage of the many counseling and training resources that the SBA has available.

Meanwhile, SBA will continue to evaluate and approve credit guarantees for entrepreneurs who can come in with a good, well-developed idea and the commitment to turn that idea into commercial success.

Do you have a question about a small business? Call the SBA at (313) 226-6075. □

The First Hundred Days—Employer-Employee Issues

By Harry Sullivan, Senior Vice President and General Counsel
Food Marketing Institute

The first hundred days of a new president's administration achieved special significance during the first term of Franklin D. Roosevelt back in 1933. Just about all the "New Deal" legislation passed in that period of time.

While a review of other first terms since then would not measure up in significance to Roosevelt's 100 days, the media and political pundits still consider this period as a measure of the effectiveness of the president the country is getting. The rationale is that during these first weeks in office there is a honeymoon in progress between the Congress, the president and the public. A new administration creates a certain amount of excitement, those who voted for the new president are strongly behind the leader, and the Congress has seen the vote totals and knows where current political power lies. The theory is that the time for the new administration to act is now!

With the "first 100 days" in mind, we can expect President Bill Clinton to push much of his legislative program hard during this early part of his administration. The Democratic party has seen many of its legislative initiatives stymied for 12 years, because of

the threat of a presidential veto and the lack of votes to override it. With this barrier not likely to be in the way, now, the question is which bills will be pushed first.

At this point, one cannot predict priority, but it is almost certain that the following employer-employee issues will be high on the legislative agenda. The description of these bills is, for the most part, based on the legislation introduced in the last Congress, and the new versions may vary from that described.

(1) The Striker Replacement bill will overturn some 50 years of labor law by preventing employers from hiring permanent replacement workers in the event of an economic strike. This would destroy the balance which has existed for employers and employees when a strike occurs. It would lead to a greatly increased number of strikes. This legislation has been at the top of organized labor's agenda for several years, but labor has not succeeded in getting it enacted.

(2) Reform of the Occupational Safety and Health Act would create new obligations for employers, new empowerment rights for employees, and greatly expanded authorities for OSHA. The legislation would require joint labor-management committees.

a new "complaint bureau" at OSHA and heavy fines on employers, among other things. Under certain circumstances, OSHA could shut down a business, or a department, until violations cited are rectified. The legislation was developed following a disastrous fire at a poultry processing plant but, as written, would apply to all employers with eleven or more employees.

(3) Electronic Surveillance in the Workplace would prohibit employers from using any type of electronic surveillance or monitoring of employees without giving an employee or job applicant prior notification. As drafted, the legislation could cover telephones, computer equipment, in-store closed circuit television equipment, point-of-sale equipment, video cameras and other technology capable of recording or collecting information. As written, the legislation would prohibit an employer from using electronic data as the sole basis of job evaluation or for disciplinary purposes.

(4) Family and Medical Leave Act would mandate the employers provide unpaid leave for employees upon the birth or adoption of a child or upon the serious illness of a family member. This bill passed the last Congress but President Bush's veto of it was sustained. Under the bill, employers would have to continue insurance benefits for employees taking such leave, and provide employment

to them when the leave period is up, in a comparable job to that which they had when the leave period was taken. (FMI believes family leave is a worthwhile benefit for employees, but it should be negotiated between employer and employee. When the government mandates a specific benefit, the employers' flexibility to provide other, in some cases more needed, benefits is compromised.) This is likely to be one of the first bills out of the box with early enactment expected.

(5) Prodded by organized labor, legislation will be sponsored calling for an increase in the minimum wage, including possible indexing of the wage.

Universal health care insurance will receive early consideration but the issue is so complex and so costly to the economy that the enactment of it is considered months or even years away. While it won't be enacted during the first hundred days, some versions of health care reform will likely be enacted in Calendar 93.

These are some of the major employer-employee issues which will impact our industry, and which we will be hearing much more about as the new Congress gets down to work. We have dealt with these issues in the past, but this time both Houses of Congress and the Administration are all part of the same political party. It is going to be a challenging "First Hundred Days." □

WINES—A Recent Review

According to just about every wine critic in the U.S., 1992 was an extraordinary year. The wine industry was rocked by dramatic economic changes as well as new consumer trends. The three biggest news items were:

Value. In 1992 the consumer watchword became value. Bottles of \$30 Cabernet, which were flying off the shelves a year or two ago, are now gathering dust. Customers demanded quality wines at \$6 to \$12—and the wineries that

obliged them can call 1992 a marketing success.

Consolidation. 1992 was the year the American tradition of family-owned wineries fell by the wayside as mom and pop sold out to big brother and “consolidation” became the industry buzzword. Big marketing companies are amassing powerful winery portfolios, strong producers are gobbling up weak ones, and other formerly independent wineries are banding together in “marketing groups.”

For a while, this should bring

prices down because of streamlined marketing and winemaking procedures. But for the longer term, that may not be the case. According to Bon Appetit magazine, the U.S. market is in danger of being dominated by a few giant companies. The outcome of that scenario can only mean higher prices and diminished selection.

New Blends. The Chardonnay and Cabernet Sauvignon juggernaut has ground to a halt. Con-



sumers turned to such varieties as Sauvignon Blanc, Merlot, Zinfandel (yes, the red kind), Syrah, Pinot Noir and Sangiovese—all wines that offer flavor variety and reasonable prices.

In addition, new creative blends (for instance, mixtures of Sauvignon Blanc and Muscat, Sémillon and Chardonnay, or Syrah and Zinfandel) started attracting serious attention from wine lovers who, perhaps, had simply grown tired of the same old thing. ☞

Nonalcoholic “Beers”

In 1992 nonalcoholic brews began to be taken seriously by beer marketers who—until dramatic sales increases told them otherwise—had been treating these beverages as a novelty item or a soon-to-be-forgotten fad. Helped by massive advertising budgets from the three largest brewers, the biggest domestic nonalcoholic brews—Sharp's, O'Doul's and Cutter—joined the mainstream. ☐

What Does An Accident Cost?

Administrative and other indirect costs, as well as the direct losses, must be considered when evaluating the cost of an accident. The following partial list of direct and indirect costs should be calculated when determining accident costs:

- Direct payments to employees, customers, others
- Administrative and legal counsel expenses
- Increased workers' compensation premiums
- Death benefits for survivors
- Disability payment (short and long term)
- Decreased productivity and overtime costs
- Medical services and health care premiums
- Regulatory intervention

(FDA, OSHA, EPA)



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CRIME ALERT

Have You Declared War on Shrink?



During the last few years, our industry has changed dramatically. It seems that the "easy eighties" have been left far behind and we've been thrust into the "no-nonsense nineties."

Competition has escalated from fierce to ferocious. The workforce, while increasing in quantity, has decreased in quality.

Strategies That Work

Each of us can add at least a dozen more business distress signals to the list of woes, but that isn't what gets the job done.

Getting the job done under today's challenging conditions requires two basic steps:

1. To aggressively pursue every element of potential profit growth, and
2. To aggressively inspect our entire system for every possible element of profit loss.

Nothing will help you achieve Number 1, more than Number 2.

But one thing we know for sure - "searching" and "talking" won't make shrink go away. Making shrink go away requires a serious attitude adjustment on the part of everyone who is involved with the profit process. Someone in a visible leadership position has to declare war. . . taking profit enhancement through shrink reduction very personally and very seriously.

The amount of profit dollars lost to unknown shrink last year rose 11 percent. . . employee theft and shoplifting combined to account for over 78 percent of that loss.

The losses from cashiers' dishonesty are staggering, but they pale in comparison to the amounts stolen by management.

While most employees are conscientious about their regular assigned responsibilities, most are apathetic about shrink. There's a reason for this: We, as managers, don't keep shrink "visible" to them - not as high on their priority list

as it should be. In fact, in many instances, we don't include shrink control as a specific item in their job description.

The result of this inattention is like a giant leak in the store's operational process, siphoning more and more profit from each store's bottom line.

In order to stop this giant leak and protect your hard-earned profits, we must let all our employees know that shrink control is their job responsibility. Then - and this is most important - we must "inspect" what we "expect."

How to Lead the Way to More Profit

What makes a shrink prevention program successful? The greatest shrink control procedure written - introduced with enthusiasm and supported by training - will, all too often, lose steam after six months or a year.

So, what makes a good program work? What gives a good program staying power? It boils down to the application of three fundamental business management tools.

Visible Leadership

This causes action and creates enthusiasm to reinforce the importance of shrink prevention.

Organized Management Systems

This vital element shows commitment and paves the way for efficient, sustained implementation of the project.

Clear Communication

This core part of any successful program assures that all employees, supervisors and managers have the same understanding of the goals.

Finally, with a formal plan designed to "inspect" for on-going compliance by applying the above three management tools, most well-conceived shrink prevention programs will exceed our expecta-

tions. But without 100 percent dedication to auditing the entire process, chances of success really go down.

Shooting Down the Major Excuses

If *Visible Leadership*, *An Organized Management System* and *Clear Communication* can create the action, commitment and understanding we need. Why do we as owners and operators do so little to declare "WAR ON SHRINK?"

It's clearly not because we don't realize how much shrink costs us. And, it's certainly not because we're naive enough to think that shrink is not a significant problem in our store(s).

Why Then?

Well, according to most of the operators, they question if the expense is worth the results. And too often operators don't "believe" shrink is controllable.

However, consider this:

- A Shrink Prevention Program need not be expensive.
- The results are virtually immediate. A measurable improvement in profit is usually seen within the first 90 days of an aggressively implemented shrink prevention program.
- A properly designed and executed shrink prevention program will act as a catalyst for overall performance improvement. As employees become more involved, the program benefits extend into all phases of their work and can literally create more positive attitudes.

Looking ahead, it becomes clear that our industry's success stories will be written about today's leaders who return to the basics - the leaders who apply the no-nonsense fundamentals on which their business was originally founded. Yes, the leaders who know how to compete. . . how to hire, train and keep the best associates...how to satisfy customers...and, how to protect profits by waging an all-out "WAR ON SHRINK." □

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Slips and Falls

More than half of customer injuries sustained in supermarkets are due to slips and falls, according to the 1991 FMI report of customer and employee accident experience in the supermarket indus-

try. Studies show that, on the average, about 25 percent of all slip and fall incidents occur at the front end, including the store's entrance exit and check-out areas. The produce area also accounts for about 25 percent and 10 percent of such accidents occur in the parking lot. □

What's Happening At The Michigan Lottery?

By Michigan Lottery Commissioner, Jerry R. Crandall

Lottery Retailers Reap Rewards of Promoting Lottery Products

I'd like to say "hats off" to a couple of Lottery retailers who have taken the initiative to increase their Lottery sales—it's paying off for them.



Crandall

"It's amazing what promotions can do," says Linda Jarbo of Miller Food Center in Flint. The positive results from their first promotion led to four different promotions at the same time and a 90 percent increase in instant ticket sales. Their investment paid off and qualified them for an on-line terminal. The Jarbos continue to promote Lottery products—their philosophy: "You've got to show the customers that playing the Lottery is fun, exciting and worthwhile." Moreover, for the Miller Food Center, selling Lottery games is profitable!

Fasik Yono, owner of Neils Party Store in Westland, has been a Lottery

retailer since 1983. Judy Brown, Lottery telemarketing representative, reports an astounding 94 percent increase in instant ticket sales over last fiscal year for Yono. What are Yono's secrets?

- Variety of instant games
- Point-of-sale displays
- Second-chance drawings for various prizes
- Personal contact with customers and promotion winners
- Posting pictures in the store to share with customers □

Two New Instant Games

In February, the Michigan Lottery will introduce two new instant games, "Quick Change" and "Bonus Play," at nearly 9,000 Michigan Lottery retailers statewide.

Lottery instant game players will get a chance to make "fast cash" with the new game "Quick Change," which goes on sale February 8 and offers a top prize of \$500. The ticket has a bright red covering and a picture of coins piled up in high stacks. When the player scratches off the latex covering, the instant ticket will reveal

five coins. If the five coins add up to \$1 or more, the player wins the amount shown in the prize box.

"Bonus Play," which goes on sale February 22, offers players the chance at a \$2,500 top prize. Lottery retailers are sure to get the attention of players with this colorful ticket—it's decked in orange and white stripes with the bold letters "Bonus Play" in deep purple on the front. To win at this new game, a player must match three like dollar amounts to win that amount. Players also get an extra chance to win in "Bonus Play" by uncovering the amount shown in the "bonus" box. If the bonus amount matches any two of the other dollar amounts, the player wins that amount. □

"Cash 5" Game is Big Hit with Players – More Than 100 Win Top Prize

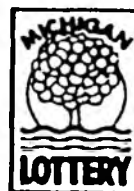
Last month the Michigan Lottery set an important milestone in the "Cash 5" game. More than 100 players have already each won the \$100,000 "Cash 5" top prize, and over a half-million players have won cash prizes for matching three and

four numbers since the game began last March.

We're excited to already have more than 100 top prize winners in the "Cash 5" game. In addition, more than 550,000 players have won cash prizes for matching three and four numbers. A total of more than \$26.6 million has been won by players, and one lucky player has even won the "Cash 5" top prize twice since the game began. A 65-year-old golf pro from Roseville won the \$100,000 top prize twice, both times with an Easy Pick ticket.

"Cash 5," which went on sale March 15, 1992, offers players a substantial top prize and a pay off for matching three and four numbers. To play "Cash 5," players select five numbers from a field of 39, or use the Easy Pick feature where the computer terminal randomly picks five of 39 numbers for the player. The Lottery randomly draws five numbers and players win the top cash prize of \$100,000 for matching all five numbers, \$350 for matching four numbers and \$20 for matching three numbers. "Cash 5" drawings are held on Tuesday and Fridays each week during the regularly scheduled Lottery drawings. Tickets are on sale at nearly 5,000 Lottery retailers statewide. □

MICHIGAN LOTTERY



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<small>For information on how to become a Michigan Lottery retailing agent, please contact the Bureau of State Lottery, 100 East Michigan, Room 2000, Lansing, MI 48906. Or Call (517) 326-6889.</small>	

Plus, when you sell the games of the Michigan Lottery, you receive a 6% commission on every ticket you sell, and a 2% commission on every winning ticket you redeem up to \$600.

"Can" You Believe

Facts & Figures from the Canned Food Information Council

- More than 21 billion cans of food are produced each year in the United States.
- More than 700 canning plants across America fill as many as a million cans a day with fresh food from the nation's harvest.
- Canning plants run around-the-clock during harvest time to preserve foods as fast as they are picked.
- Less than six hours pass before most produce is commercially canned after being picked from the field.
- The average shelf life of a typical canned product is 18-24 months.
- According to Selling Areas-Marketing, Inc. (SAMI) 1988 data, the top-ten selling canned foods (in order) are: soup, tuna, pasta, pork & beans, corn, green beans, tomatoes, evaporated condensed milk, tomato sauce and canned peaches.
- More than 1,500 food products are packaged in cans.
- More than 40 different varieties of beans are canned, including lupini, romano and yelloweye beans.
- More than 75 different juice drinks and nectars are canned, including elderberry, fig, guayaba, guava, mango and pomegranate juices.
- More than a dozen kinds of beef are canned, including chopped, corned and barbecued beef and beef burgers.
- At least 130 different vegetable products and mixtures are canned, from artichokes and asparagus to turnips and zucchini.
- Almost 85% of all tomatoes harvested in the U.S. each year are canned.
- 70% of the snap beans harvested for processing in the U.S. each year are canned.
- 80% of the peaches harvested for processing in the U.S. are canned.
- Canned foods account for 12 percent of grocery sales nationwide.
- Americans consume approximately 150 pounds of canned foods per person each year.
- Americans buy 57 million gallons of canned soup in the month of January.
- Fifty-four million pounds of cranberry sauce are consumed each Thanksgiving.
- Approximately 600 million cans of cling peaches are sold each year.
- The majority of food cans are made of steel, and steel is 100 percent recyclable.
- The Steel Can Recycling Institute estimates that the average American discards over 500 food cans annually.
- All steel food and beverage cans are 100 percent recyclable, including bimetal cans—those with steel bodies and aluminum ends.
- The national recycling rate for steel food and beverage cans has been documented at 15 percent, and is rising rapidly as new recycling programs are started nationwide.
- Most steel products contain an average recycled content of at least 25 percent, with some products containing 100 percent recycled content. Steel products, from food and beverage cans to automobiles, are recycled over and over... and over again.
- Fruit cocktail was invented in 1925 by Dr. William Vere Cruess, former chairman of the University of California's food technology department. Today, 300 million cans of canned fruit cocktail are sold every year.
- The first food canned in the United States was oysters.
- A discovery by Louis Pasteur, the famous scientist, explained the canning process.
- "Canning" was invented in France during Napoleon's reign.
- Seattle, Washington is known as Cannery City.
- Ketchikan, Alaska is the canned salmon capitol of the world.
- Each year 2,396,790 cans become "Just Married" car decorations. (This estimate is based on the calculation that 1/3 of all newly married couples decorate their cars with approximately three cans per car. According to the National Center For Health Statistics, there are approximately 2,421,000 marriages each year.) □

Canned Food Month

From page 4.

- Most steel products contain an average recycled content of at least 25 percent, with some products containing 100 percent recycled content. Steel products, from food and beverage cans to automobiles, are recycled over and over... and over again.

For more information regarding recycling and the programs available nationwide for steel can recycling, contact the Steel Can Recycling Institute, 680 Anderson Drive, Pittsburgh, PA 15220, 1-800-876-SCRI.

The Marketing Picture

Canned Food month is part of a year-round, comprehensive canned food marketing program sponsored by the Canned Food Information Council (CFIC). The CFIC is a not-for-profit organization supported by annual contributions from members and suppliers of the canning, can manufacturing and steel industries.

Established in 1984, the purpose of CFIC is to promote the benefits of canned foods to consumers, media and the industry; correct mis-

conceptions and serve as a resource for nutrition data, research findings, product information and other industry issues.

The Canned Food information Council's national publicity and marketing efforts reinforce the positive image of canned foods. Recipes, cookbooks and media coverage show consumers how to

take advantage of the variety, nutrition and convenience of foods packaged in cans.

Since 1984, the CFIC has reached hundreds of millions of

consumers with positive messages about the nutrition, value and most recently, the environmental aspects of canned foods. By participating in Canned Food Month, you will help communicate these benefits to a key audience—your customers. And the CFIC supports your Canned Food Month efforts with aggressive public relations culminating in February.

For more information on how you can support this highly successful industry effort, contact the Canned Food Information Council, 500 N. Michigan Ave., Suite 200, Chicago, IL 60611. □



Characteristics of Good Managers

Management consultant Nancy Austin lists the following characteristics of excellent managers:

- They are terrific learners
- They are constantly improving themselves
- They know every detail of their organization
- They are out of their office at least 50% of the day — management by wandering around
- They make their employees believe in them — the only way to make employees follow your leadership is to make them believe in you
- They have a passionate hatred for bureaucracy — get rid of those insane, useless rules that no longer apply to your business
- They pay attention to their employees, they listen
- They have a passion for their product or service
- They writhe in agony over mistakes or flaws in their product or service
- They lead by example, by back-breaking, hard work

Food Stamp Trafficking Act

By Annette M. Jurkiewicz
Assistant Attorney General,
Criminal Division

The Department of Agriculture's single largest program, the Food Stamp Program, was created to improve the level of nutrition among low-income households. Food stamps provide benefits to over twenty-three million people (about 800,000 low-income Michigan families currently participate in the program). By law food stamps can only be used to purchase food in grocery stores which are authorized by the U.S. Department of Agriculture. However, some food stamps are diverted to other uses through sale or barter. This type of criminal element thwarts the purpose of the program and its benefits.

Michigan enacted its own food stamp trafficking act in 1989, MCL 750.300a; MSA 28.511(1)(b), which makes it a felony to illegally possess or purchase food stamps over \$1,000, punishable by up to five years in

prison and/or a \$10,000 fine. Illegal possession under \$1,000 is a misdemeanor punishable by 90 days in jail and/or a \$700 fine. The federal food stamp law Title 7, United States Code § 2024(b)1, makes it a felony to possess or purchase food stamps over \$100.

Food stamp trafficking involves the illegal purchase or possession of food stamps either by individuals or store owners. Illegal trafficking of food stamps has long been a major problem. In an effort to deal with criminals who use food stamp coupons to destroy the program, several federal and state agencies joined forces, in March of 1991, to form the Michigan Food Stamp Task Force. Agencies that comprised the Task Force included the U.S. Department of Agriculture Office of Inspector General, the Michigan Department of Social Services Office of Inspector General, the U.S. Department of Secret Service, the U.S. Department of Agriculture Food and Nutrition Service, the Michigan De-

partment of State Police and the Michigan Department of Attorney General.

Trafficking occurs whenever a person or food store knowingly uses, transfers, acquires, alters, purchases, possesses or transports food stamps or coupons other than as authorized by the Food Stamp Act of 1977, Title 7 United States code § 2011 to 1030. Food stamp trafficking generally occurs when the recipient sells his/her coupons at a discount rate to a middle person who then in turn sells the stamps to a food store, usually from .75 or .80 on the dollar. The federal government redeems coupons at face value for cash. In Michigan, the Food Stamp Fraud Task Force investigates suspected persons engaging in food stamp trafficking. Based on intelligence information, surveillance and information supplied by various agencies, investigators will approach stores and suspected street dealers offering to sell coupons. Coupons have become a secondary

form of currency used in other illegal activities on the streets such as drugs and gambling. Once an investigation is completed by the Task Force, the Michigan Attorney General's office handles the prosecution. A convicted felony offender may receive up to five years in prison and/or a fine up to \$10,000. Attorney General Frank J. Kelley believes that prosecution of food stamp traffickers will deter street dealers and store owners and will send a clear message that this type of fraud will not be tolerated.

To date, the Task Force has investigated and/or prosecuted approximately 80 of such cases, which involve convictions of conspiracy and illegal possession or purchasing of food stamps. In continuing its efforts to apprehend and prosecute food stamp trafficking offenders, the Task Force hopes that its efforts will serve as a notice that Michigan will not tolerate the theft of resources made available to the truly needy. □

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Food Stamp Fraud

by Geneva Halliday
and Elizabeth Wallace Fleming
Assistant U.S. Attorneys
for the Eastern District of Michigan

Last year, sixty-five grocery stores were permanently disqualified from participation in the food stamp program in the Detroit Metro area for discounting food stamps. Another twenty-four disqualifications are pending at various stages of the administrative and judicial appeal process.

The office of the United States Attorney places a high degree of importance on these cases because the unlawful discounting of food stamps works as a fraud on the taxpayers and undermines the purposes of the food stamp program which is to provide food and nutrition for individuals deemed to be in need of such assistance by the legislature. In addition, it opens up the food stamp program to an increasing use of its coupons for alcohol, drugs, firearms, and other unauthorized purchases. Food stamps are not simply an alternative currency but may be used only

for the intended purpose, which is to purchase food.

The U.S. Department of Agriculture conducts undercover investigations of stores authorized to accept food stamps. If the investigation reveals that a store has violated the Food Stamp Act such as exchanging food stamps for cash, even if only on one occasion, the administrative process is started to disqualify that store from being allowed to accept food stamps. The clerk or owner who actually discounted the food stamps may also be prosecuted criminally (see Food Stamp Trafficking Act, page 33).

The store will be first be notified by a letter from the Department of Agriculture, Food and Nutrition Service (FNS), that the store is being considered for disqualification. The store will be given an opportunity to reply to the charges. The FNS will then take the store's response into consideration along with information from the investigation, in determining whether the store should be

disqualified. The store owner also has a right to request a monetary penalty in lieu of disqualification, provided that certain criteria are met (see Buying food stamps can cost you your license and livelihood, page 36). The officer-in-charge of the FNS makes the decision as to whether a money penalty can be considered in lieu of a permanent disqualification.

Next, the officer-in-charge's decision is sent to the store owner. The decision letter informs the owner that he or she has a right to appeal the decision to the Department of Agriculture's Administrative Review Branch. If the store appeals, it is permitted to continue to accept food stamps pending the administrative review. In the administrative review, all of the information from both sides is sent to an administrative review officer, who makes the final administrative determination as to whether the store should be disqualified or whether a monetary penalty should be imposed. The Review Officer will send a copy of his decision to the store owner. This is the final decision of the United States Department of Agriculture.

The owner will then have thirty

days from the day the letter is received to appeal this decision by filing a lawsuit in Federal District Court. At this point, the Office of the United States Attorney, where we are assistant U.S. attorneys, will become involved, defending the final decision of the Department of Agriculture.

The disqualification of the store will go into effect thirty days from the date of receipt of the letter from the Review Officer, unless a stay or an injunction is received from the Judge assigned to the case in Federal Court. Our office will vigorously oppose all requests from store owners for stays of the disqualification. In almost all cases, a request for a stay of the disqualification will not be granted by the Court and the store will not be able to accept food stamps while the case is pending in Federal Court. Our office opposes these stays because the store has already been found, through the administrative review process, to have violated the law, and we do not want to give the store any further opportunity to continue to violate the law.

See Food Stamp Fraud,

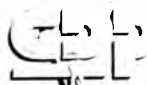
Page 35



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Food Stamps

From Page 1

AFD has been very active in working with the State Department of Public Health in the administration of the WIC Program and has been successful in providing necessary information to the state administrators about the problems experienced by the inner-city grocer and the Michigan retailer in general as it relates to the WIC Program. Certain proposed rules have been rethought and certain existing rules have been amended in the light of the involvement of AFD.

This is a much more difficult process when all the rules are generated in Washington, DC for administration in the 50 states and territories of the United States of America. AFD Chairman Frank Arcori and Executive Director Joe Sarafa met with U.S. officials in Washington along with grocers from all over the country to voice our objections to these rules.

The two programs do have some things in common however. Current regulations provide that disqualification from the Food Stamp program may automatically disqualify a retailer from participating in the WIC Program and vice versa. The harshness of this penalty is accentuated by

the fact that the owner/retailer is held responsible for the acts of his employees, even if the employees are acting contrary to his instruction and/or are participating in a private scheme to defraud the retailer and the government authorities. Said another way, if a cashier in your store buys food stamps at a discount from a neighbor and runs those food stamps through your cash register, you the retailer, are held accountable for that action and may lose your Food Stamp and WIC licenses and/or be charged criminally.

In order to avoid disqualification and/or criminal charges, all retailers must have a program in place for training for all employees concerning both the WIC Program and the Food Stamp programs. This training must be updated regularly, signs should be posted and each cashier should be monitored very closely to determine whether abuses are occurring in spite of the training.

Even with a properly documented training program, the store may continue to be held liable for civil penalties, but may be able to avoid disqualification as the ultimate penalty. The civil penalties for food stamp abuses are very severe and usually range in excess of \$10,000 and as high as \$40,000.□

Food Stamp Fraud, From Page 34

If a lawsuit is filed on behalf of a store, a trial will be held before a judge and not a jury. There is no right to a jury trial when an agency of the United States is sued.

The only issue that the judge will consider and decide during the trial is whether the store violated the Food Stamp Act. The burden is on the store to prove to the judge that the violation that is alleged to have occurred at the store, never, in fact, took place. At trial,

the government usually will call the investigators who supervised the investigation as well as the undercover people who went into the store and sold their food stamps or used their food stamps to buy ineligible items.

The store owners must be aware that they are responsible for the actions of their clerks. This is obviously a very heavy burden on the owners, but necessary to assure compliance with the Food Stamp Act. If store owners were not strictly responsible for the actions of their clerks, the store owners would be able to have only their

clerks engage in the illegal acts and if caught, claim that they personally did not violate the law.

The judge cannot review the penalty imposed by the Department of Agriculture. The judge cannot decide to reduce the period of disqualification or to change the disqualification to a monetary penalty. If the judge finds that one violation of the law occurred, the penalty imposed by the Department of Agriculture will be upheld. By law, any instance of trafficking or discounting food stamps for cash will result in the store being permanently disqualified from

being able to accept food stamps. A store will be disqualified for five years from the food stamp program for selling ineligible items such as cigarettes and alcoholic beverages, if it had been previously warned that violations might be occurring. A store will be disqualified for six months to three years if it is the store's first offense and the store did not exchange items such as the cigarettes and alcoholic beverages for food stamps. A store that has twice before been sanctioned for selling ineligible items will be permanently disqualified.

The U.S. Attorney, through assistants, like us, could settle a case for a lesser penalty. However, we have a policy against settling any of the food stamp disqualification appeals absent of some special circumstances that make it in the interest of justice to settle. We will not settle a case simply to get rid of it, or because we are busy and have many other cases. This policy was instituted when about ten years ago, this office was receiving a high percentage of appeals from the Department of Agriculture's administrative decisions. It was determined that store owners were routinely appealing hoping that this office would settle for a reduced penalty. Presently, only about twenty percent of all disqualifications in the Detroit Metro area are appealed to Federal Court.

If you should be disqualified from the food stamp program, you should know that this office very seldom will settle a case and we have an almost 100% success rate at trial. However, if you believe that the violation in fact did not occur, you probably should appeal.

Besides being disqualified from being able to accept food stamps, there are additional sanctions that may be imposed on those stores and owners who violate the food stamp law.

Acquiring, possessing and presenting illegally obtained food stamps for redemption is also a violation of the False Claims Act, a federal statute found at Title 31, United States code, Section 3729 and forward. The False Claims Act is a civil statute. This means that the penalties are financial. For each false claim, that is, for each illegally obtained food stamp coupon presented for redemption, the United States is entitled to recover triple the face value of the stamps together with a penalty of

See Food Stamp Fraud,
Page 36

For information about
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The card that counts.



Buying food stamps can cost you your license and livelihood

by Michele MacWilliams, editor

Did you know that you could lose your food stamp license if one of your employees buys food stamps for cash? You may not even be aware that the sale is happening and you still can lose your license. The Department of Agriculture notifies you by certified mail and you have some time to respond, but the Agriculture Department has control over whether you keep or lose your license.

As many urban stores well know, food stamp sales are the core of many retail food operations. Losing the opportunity to sell to those who use the commodity could very easily close down a store. In addition, the Department of Agriculture can refer cases for criminal prosecution, which could mean jail time or additional fines.

Don't take the chance of losing everything you've worked so hard

to build. By following a few simple guidelines you can protect your business.

According to J. Younce, officer in charge for the Detroit field office for the Department of Agriculture, as long as you follow a few precautionary steps the worst that can ever happen to you is a monetary penalty. Penalties can be stiff—up to \$40,000. But in most cases, paying a fine is better than losing the store's main source of income.

First, never buy or sell food stamps yourself. If an owner or partner is caught trafficking, the penalty is loss of license. Period.

Second, make sure your employees know that you will not tolerate the buying or selling of food stamps by anyone.

Younce says that if one of your employees is caught, there is a

good chance that you can keep your license and just pay a fine if you: 1) Ask for the monetary penalty in writing, 2) can show that no owners or managers were involved in the trafficking, 3) have a written and dated company policy to deal with the subject of food stamp trafficking, 4) have a current, documented and dated training program which all employees must sign.

Younce adds that complying may sound difficult, but all you need to do is state in writing, in your employee handbook or simply on a piece of paper, how food stamps should be treated. Make sure to say that the employee

should never buy or sell food stamps. Have each employee sign and date a copy of the statement and keep it on file. Younce adds that it is a good idea to have all employees read and sign the statement each year and all new employees should sign one when hired.

It is easy to comply with food stamp laws and could be devastating if you don't. If you have questions, call your local field office. Taking action now could save a lot of time, money and grief. Waiting until someone in your store makes a mistake could cost you your livelihood. □

Food Stamp Fraud,

From Page 35

from \$5,000 to \$10,000 per stamp.

These damages can be recovered from any person who participated in the process which resulted in the claim. This includes employees who perform discounting, store owners who know about or disregard discounting activities, and even stores who redeem stamps on behalf of stores who are not authorized to accept food stamps. Additionally, the False Claims Act allows an action against a store owner who acts in deliberate ignorance or reckless disregard of unlawful food stamp trafficking. No proof of specific intent or actual knowledge is required.

This is an example situation: Suppose, over a period of time, undercover police officers discounted a total of \$445 in food stamps at the Stop and Suds, a fictitious party store in Detroit owned by John Smith. Suppose, also, that John Smith has told his employees not to discount stamps and has never actually seen discounting, but he does know that his food stamp redemption totals exceed his food sales every month. The United States may lawfully sue John Smith under the False Claims Act for triple damages, or \$1,335. These same violations at the Stop and Suds resulted in the discounting of 59 individual stamps. Thus, the United States may sue John Smith for penalties of \$10,000 per stamp. When added to the triple damages, John Smith's liability comes to a whopping \$591,335. Furthermore, only penalties in ex-

cess of \$5,000 per claim are discretionary—once the number of false claims is proved at trial, the court must impose damages of at least \$5,000 per wrongfully redeemed stamp. Therefore, if the government proves the 59 violations at trial the court must enter a judgment against John Smith d/b/a the Stop and Suds for at least \$296,335 (triple damages plus \$5,000 per stamp).

False Claims Act civil suits can be taken in addition to administrative penalties, and in many cases may be taken in addition to criminal prosecution under state and/or federal laws. Thus, in the above example it is possible that the Stop and Suds could be administratively disqualified, the employees who conducted the discounting could be criminally prosecuted, and the owner could be civilly sued under the False Claims Act.

An earlier portion of this article discussed settlement of civil lawsuits. This office maintains the ability to settle False Claims Act actions for less than the total amount of the claim, and has offered settlements during the start up phase of these new False Claims Act programs. Nonetheless, it is important to note that even cases that settle are usually settled by judgment against the store and owner. These judgments almost always appear on credit or business reports. Thus, even a consent judgment resulting from settlement may be detrimental to John Smith's future ability to obtain credit to finance his business operations. □

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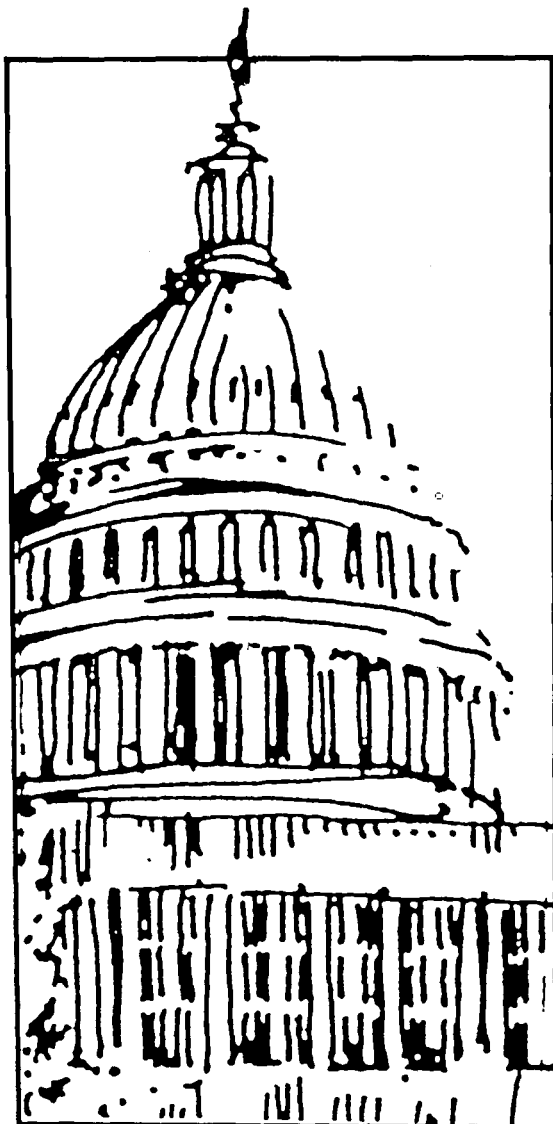
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Dissatisfaction Can Lose You Valued Customers

Did you know that stores lose 68 percent of their customers because of discourteous or indifferent treatment?

It's true. In fact, about 13 percent of all unhappy customers tell 20 or more people, according to a study by the Technical Assistance Research Programs Institute. Obviously then, good customer relations is crucial to your success as a retailer. To improve yours, try the following:

- **Create** a service culture. Be obsessed with service.
- **Hire** "people" people. Technically, skilled doesn't necessarily mean "people" skilled. Always remember that outgoing, courteous, friendly applicants make for outgoing, courteous, friendly employees.
- **Provide** an orientation program that stresses service. Make sure employees know from their first day on the job that service to customers is the top priority.
- **Offer** training that defines good service and teaches employees how to deliver it. Allow employees to participate in defining service and let them feel that they "own" the customer. Play various roles that demonstrate service situations.
- **Lead** by example. Spend time with customers. Let employees see you in a service role.
- **Use** oral and written communication to reinforce the message of service. Talk about service in memos, newsletters, meetings and bulletin boards.
- **Cut** red tape to give employees the freedom to serve. Teach them to resolve complaints and give them the power to do it on the spot.
- **Give** employees a chance to offer their ideas about improving service. Create service suggestion programs.
- **Plan** performance objectives with employees aimed at measuring service behavior.
- **Conduct** regular employee evaluations to praise the way they are meeting service standards or explain how they are not achieving expected service levels.
- **Discipline** employees when you see them passing up an opportunity to serve.
- **Reward** service when it happens. The more you reward good behavior, the more likely it is to happen again and again.

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Mount one at each entrance to your
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Make sure your customers see it as
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YOU know your employees are willing
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Attention Students, it's time to apply for an AFD College Scholarship.

The Associated Food Dealers of Michigan is proud to offer college scholarships to qualifying Michigan students.

Twenty-four students will receive \$500 non-renewable awards for the 1993/94 academic year. Applications are accepted from January 15 to March 31 and all applicants are notified by May 1, 1993.

Scholarship Award Specifications

The AFD awards scholarships in two categories: merit and minority. Those eligible to apply for a merit scholarship must be high school seniors or college freshmen, sophomores or juniors. They must also be

an AFD-employed member or their parents must be employed by an AFD member.

Minority Scholarship eligibility is open to high school seniors, college freshmen, sophomores, or juniors. Preferential consideration is given to those applicants with an AFD membership affiliation, though membership is not required. The objective of this program is to assist minority students in pursuing a college education. Eligibility for this financial grant is based on ethnic background as well as academic merit.

To receive an application from AFD, fill out the following form. Good Luck!

AFD FOOD AND BEVERAGE SCHOLARSHIPS

Please send me an application form. I am
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- ☐ A high school senior
- ☐ A college student
- ☐ An employee of an AFD member company
- ☐ One of my parents is an employee of an AFD member company
- ☐ Neither I or my parents are an employee of an AFD member company

NAME: _____

HOME ADDRESS: _____

CITY: _____

STATE, ZIP: _____

AFD Member Company: _____

AFD Employee: _____

Please clip this form and mail it to: AFD Scholarship Program, 18470 West 10 Mile Road, Southfield, MI 48075.

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Central Distributors	946-6250
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Powers Dist.	682-2010
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Seven-Up of Detroit	937-3500
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Denha General Brokers	776-1610
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Golden Dental	573-8118
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Erica's Import Haus	(616) 942-1450
Gibraltar National Corporation	491-3500
Ludington News Company, Inc.	925-7600

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Follmer, Rudzewicz & Co., CPA	355-1040
Goh's Inventory Service	353-5033
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Merrill Lynch	656-4320
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Pappas Cutlery Grinding	965-3872
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Travelers Express Co.	(800) 328-5678
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Whitley's Concessions	278-5207

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STORE SUPPLIES/EQUIPMENT:

Belmont Paper & Bag Company	491-6550
Bollin Label Systems	(800) 882-5104
Brehm Broaster Sales	(517) 427-5858
DCI Food Equipment	369-1666
Hobart Corporation	697-7060
MMI Distributing	582-4400
Market Mechanical Services	680-0580
Michigan Bale Tie Company	925-1196
Midwest Butcher & Deli Supply	689-2255
Refrigeration Engineering, Inc.	(616) 453-2441
Statewide Food Equipment Dist.	393-8144
TRM Copy Centers	(503) 231-0230

WHOLESALE/FOOD

DISTRIBUTORS:

Bremer Sugar	(616) 772-9100
Cabana Foods	834-0800
Capistar, Inc.	(517) 699-3605
Capital Distributors	369-2137
Central Foods	933-2600
Detroit Warehouse Co.	491-1500
EBY-Brown Co.	(800) 532-9276
Eppo Foods, Inc.	857-4040
Family Packing Distributors	644-5353
Foodland Distributors	523-2100
Garden Foods	584-2800
Gourmet International, Inc.	(800) 875-5557
Great Lakes Home Food Service	(517) 835-6785
H & O Distributors	493-0011
I & K Distributing	491-5930
J & J Wholesale Dist.	795-4770
J.F. Walker	(517) 787-9880
Jerusalem Foods	595-8505
Kehe Food Distributors	(800) 888-4681
Kramer Food Company	585-8141
Lipari Foods	469-0131
Lauren Kachigian Distributing	843-2898
Maxwell Foods, Inc.	923-9000
McInerney-Miller Bros.	833-8660
Metropolitan Grocery	741-4000
Midwest Wholesale Foods	744-2200
Miesel/Sysco Food Service	397-7990
Mucky Duck Mustard Co.	683-5750
Norquick Distributing Co.	522-1000
Northwest Food Co. of Michigan	368-2500
Rich Plan of Michigan	293-0900
Sackett Ranch	(517) 762-5049
Scot Lad Foods, Inc.	(419) 228-3141
Sherwood Food Distributors	366-3100
State Wholesale Grocers	567-7654
Stephenson & Stephenson	(906) 293-3851
Spartan Stores, Inc.	455-1400
Super Food Services	(517) 777-1891
Superior Fast Foods, Inc.	296-7118
Tony's Pizza Service	(800) 247-1533
Value Wholesale	862-6900
Weeks Food Corp.	727-3535
Ypsilanti Food Co-op	483-1520

ASSOCIATES:

American Synergistics	427-4444
Basket Case	831-4438
Bureau of State Lottery	(517) 335-5600
Business Dining Serv.	489-1900
Club Cars	459-8390
Herman Rubin Sales Co.	354-6433
Livemore-Davison Florist	352-0081
Minnich's Boats & Motors	748-3400
Power House Gym	865-0111
Wileden & Assoc.	588-2358

The area code is 313 for above listings unless otherwise indicated.

If you are not listed or need to change your listing, contact Mary Cooper at AFD at 557-9600.

THE PFEISTER CO. WELCOMES JEROME FOODS...

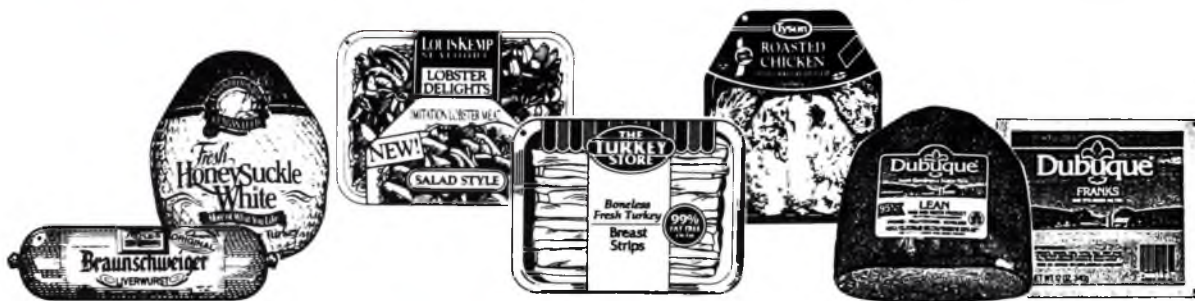


... TO OUR FAMILY OF FINE MEAT PRODUCTS !

YOUR PFEISTER MEAT REPRESENTATIVES...

***PAT CHAPS - BUSINESS UNIT MANAGER
JOHN KIMBALL - EASTERN MICHIGAN SALES
PAUL HENDRIKSEN - WESTERN MICHIGAN SALES
TIM MC DONALD - TOLEDO SALES***

***... WILL CONTINUE THEIR HANDS ON SERVICE ON ALL
OF THESE PFEISTER PRODUCTS !***



***THE
Pfeister
COMPANY***

DETROIT
36300 SCHOOLCRAFT
LIVONIA, MI 48150
(313) 591-1900
CINCINNATI
3860 HAUCK RD
CINCINNATI, OH 45251
(573) 563-4444

SAGINAW
3159 CHRISTY WAY
SAGINAW, MI 48603
(517) 793-8100
COLUMBUS
6264 SUNBURY RD
COLUMBUS, OH 43081
(614) 899-1331

GRAND RAPIDS
3663 BROADMOOR SE
GRAND RAPIDS MI 49512
(616) 949-7210
TOLEDO
6433 MONROE STREET
TOLEDO, OH 43560
(419) 882-1616