Looking Back at November Election Results Gives Us Insight into Michigan’s Legislative Future.

by Karoub & Associates

Many are referring to it simply as “the week that was.”

It began innocently enough with a presidential election on Tuesday, November 5. Early that evening it became apparent that Arkansas Governor Bill Clinton would handily defeat incumbent President George Bush. Democrats were doing well across the country and appeared well on the way to maintaining their convincing margin in both Houses of Congress.

As election tallies continued to roll in, Michigan House Republicans began to pick up seats. The next morning it was semi-official: Republicans had captured control of the House by the slim margin of 56-54. Researchers quickly informed that for the first time since 1968 the House would have a Republican plurality. Moreover, it meant that the Governor’s Office, the Senate and House would all be under Republican control.

. . . or so it seemed.

Two days later a transcription error was discovered, calling into question election results in the 29th House District. Preliminary reports indicated incumbent Dennis Olshove (D-Warren) was defeated by 48 votes: a recount gave Olshove the victory by 12 votes.

As of this writing, the House is deadlocked in a 55-55 tie.

Additionally, Michigan voters decided the fate of four ballot issues, approving one and denying three. Approved was a proposal specifying term limitations for both Michigan’s congressional delegation and state legislative seats. Rejected were two property tax proposals and an auto insurance premium rollback.

In a closed caucus, Republicans retained Representative Paul Hillegonde (R-Holland) as their leader and elected Representative Richard Bandstra (R-Grand Rapids) to replace departing floor leader Representative Don Van Singel (R-Grant).

LEGISLATIVE UPDATE

Regulations discussed for biotech-related foods

Last summer, the U.S. Food and Drug Administration published its policy for regulating the safety of new varieties of foods, including those produced through biotechnology. FDA says food products — not the method by which those products are developed — will be reviewed under existing laws.

FDA spokesperson Brad Stone says the rule of thumb in food safety and new technologies is whether the basic characteristics of a food are changed. He says the FDA recognizes the processes as safe if they fall within established criteria and that potential safety becomes an issue only if the new product contains a trait it traditionally would not have, such as allergens.

IRS Final Regulations On Employment Taxes

The Internal Revenue Service (IRS) has issued regulations regarding the deposit of federal employment taxes. The final regulations are effective January 1, 1993. The regulations treat an employer in one of two ways — as either a monthly depositor or a semi-weekly depositor — depending upon how much money they have paid in employment taxes during a 12-month look-back period beginning on July 1 of the previous year. All new employers will be monthly depositors. Employers who report $50,000 or less will deposit monthly. Employers who report more than $50,000 during the look-back period will deposit semi-weekly. For paydays occurring on Wednesday, Thursday or Friday, the deposit will be due the following Wednesday. For all other paydays, the deposit will be on the following Friday.

FOOD & BEVERAGE REPORT

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Consumers Stock Up
Ask AFD

AFD Turkey Drive participants pose for the camera before handing out gifts of turkeys and soft drinks.

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What Shoppers Did Most to Save Money in 1992

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EXECUTIVE DIRECTOR’S REPORT

Ten Predictions for 1993

By Joseph D. Sarafa, Executive Director

Here it is, 1993, and with the new year comes my wishes for health and prosperity for all AFD members.

As we move forward, I’ve looked into the food industry crystal ball to see what the new year has in store for us. Here are my ten predictions for 1993:

1. Food prices decline. Adjusted for inflation, food costs will actually go down in 1993. This is in part due to increased competition at both the wholesale and retail level as well as an over supply of several food commodities.

2. Coupons. Double coupons, up to 50¢, will continue in 1993. However, we won’t see as much double couponing as higher levels as we saw in 1992. The cost of double couponing last year was as much as three percent of their gross volume. Red is not a pretty color when it’s on your bottom line.

3. Convenience stores. From 1960 to 1990 the number of convenience stores in Michigan steadily increased. 1991 and 1992 saw a decrease in store count of about 2.3%. You can expect fewer convenience stores in 1993 as well.

4. Fast foods. Just a few short years ago fast foods in the supermarket and convenience store industry were relatively novel. Today, these fast foods are essential to the retailer and will continue to become more popular in 1993.

5. Part-time workers. The food industry will employ more people in 1993 than in 1992 due largely to an anticipated turnaround in the economy. The vast majority of those workers will be part-timers, usually between the ages of 25 and 54. The average age of employees will continue to rise.

6. New products. New product introductions in 1993 will be down. Stores are simply running out of room. Efficiency must rule. New product shelf space will be reduced and manufacturers will stress greater productivity from their current lines and line extensions rather than introduce expensive original products, over 90% of which will Fail in the first two years.

7. Technology. Scanners will increase in the supermarket industry at a faster pace as the cost of implementing this high technology product will be substantially decreased. Other gimmicks, like cashierless cash registers, calculators on shopping carts and TVs at the check-out, will also experience some growth in 1993.

8. Information. Consumers hungry for information will get their wish. Manufacturers and grocers are working together to greatly increase the amount and improve the kind of information consumers get at both the point of sale and on the label.

9. Food scares. 1993 will be no different than the past few years. Some consumers advocacy group will find something wrong with something we eat and the news media will gobble it up. Most often we will find out a few months later that the information and data were flawed.

10. Certain items will cost you more in 1993. Tobacco and alcoholic beverages will cost more in 1993 mostly as a result of hidden federal and state taxes.

Statement of Ownership

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AFD works closely with the following associations:

-- NACS, National Association of Convenience Stores
-- NAGWA, National Association of Grocers
-- FDA, Food & Drug Administration
-- FIOE, Food Industry Organization of Eastern States
-- NBD & W, National Bottle & Container Industry

The Grocery Zone

By David Coverly

No Thank You... Do You Have Anything In A Nice Suede...?
Busy Representative Dobb Begins Second Term

Representative Barbara J. Dobb (R) of Commerce Township knows the meaning of success. Along with owning and operating Barbara J. Dobb C.P.A., P.C. in West Bloomfield, she was elected to the Michigan House of Representatives in November of 1990. Her district includes Commerce Township, Wolverine Lake Village, West Bloomfield Township, Orchard Lake Village City and Keego Harbor, all in Oakland County.

Dobb realized her interest in politics through the Lakes Area Chamber of Commerce in which she has been active for over ten years serving as director, treasurer, president elect and president. She is also a member of the West Bloomfield Chamber of Commerce and has served on the Walled Lake Schools Citizen Finance Committee. In 1989, Dobb received the Outstanding Citizen of the Year award from the Lakes Area Chamber of Commerce.

Dobb serves in the House as a member of the Campaign Finance Reform Task Force and was appointed to the following committees: Taxation; Senior Citizens and Retirement; Liquor Control; and Civil Rights, Constitution and Women’s Issues.

One of Dobb’s main concerns is the property tax. “The property tax is the most unfair tax and has no relationship to a person’s ability to pay,” she stated. Dobb wants to see the school system funded on a tax system that is much more equitable to a person’s ability to pay. “A person’s income tax goes down if they lose their job, but the property taxes continue to increase. People who lose their jobs should not lose their homes too,” she adds.

When Dobb begins her second term in January, she will continue to be active in the privatization of liquor sales while serving on the Liquor Control Committee. She believes that the state has “no business being in the liquor business” and is concerned about privatizing the industry because it has been regulated for so long. She would like to implement a program that will not jeopardize small businesses and party stores.

Dobb also believes the state must produce a better business climate in Michigan by changing “unfair” policies such as the Single Business Tax, the Inheritance Tax and unemployment insurance. “My position on the taxation committee is very important to me.”

Being a state representative and operating her accounting firm, Dobb estimates she works over 300 hours a month. She says the accounting practice is her connection with the real world. Dobb is convinced that understanding both politics and business in Michigan is important and would like to see more people in Lansing who will understand both areas.

In the Lakes Area, Dobb is very active in the educational community. In 1988, when Dobb was president of the Chamber of Commerce, she began a program called “Partnerships for Education” which she claims is “one of the most successful programs we’ve ever done.” The program, which now includes 17 partnerships, allows local businesses to adopt classrooms from area schools and the students then have the opportunity to visit the business and learn “on the job.”

Dobb earned her Bachelor of Accountancy degree in 1978, and a Masters in Taxation in 1984, both from Walsh College. She is now a member of the Walsh College Alumni Association and the Walsh College Presidents Advisory Council. In 1991, Dobb received the Walsh College Distinguished Alumni Award and also received the Oakland Community College Meritorious Alumni Award in 1992.

Other associations that Dobb is affiliated with include the Republican Women of West Oakland Club, Republican Committee of Oakland County 400 Club, Republican National Committee, Bloomfield Republican Women’s Club, Republican Women’s Forum, Michigan Republican Party, National Women’s Political Caucus, West Bloomfield Optimist Club, American Institute of Certified Public Accountants and the Michigan Association of Certified Public Accountants.

Although Dobb’s agenda is always full, she’s looking forward to the new year and her second term in office.

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CHECK-HANDLING TIPS

The following are check-handling tips for store employees:

1. Make sure the face of the check is completely filled in;
2. Only accept checks dated the day they are presented;
3. If the check is not signed in a clerk’s presence, have the customer re-sign it;
4. Demand photo identification, and driver’s license and social security numbers;
5. Make sure the signature on the check is the same as the name that’s printed on the check;
6. Make sure the written dollar amount matches the number dollar amount;
7. Check for perforations on the edge of the check if the check is not in a check book (scanned checks typically lack perforation on any side);
8. Require an imprinted address and phone number on all checks (no counter checks);
9. Make the clerk note his/her initials on the check;
10. If the check number is low, be extra careful (more checks bounce on new accounts than on old ones);
11. Do not accept two-party checks;
12. Refuse a check made out to another store; and
13. Warn employees not to be intimidated into cashing a check. Honest customers will not be indignant and most likely respect a business-like approach.
Doing It Better
Having trouble perfecting the art of delegation? It’s one of the most important managerial skills you can develop, so try following these four rules:

Delegate the whole task.
Don’t divide it up between more than one person. Give the job to one individual and don’t try to take it back, change it, or re-delegate it without a good reason.

Delegate authority.
Give your employee the authority needed to make decisions and complete the job. Hoarding power will only make the experience frustrating and more time consuming for your subordinate.

Put it in writing.
Record objectives, instructions, expectations and desired results. This makes the entire process clearer for everyone involved.

Review results.
When the job is done, hold an evaluation session with the employee. Focus on results, not methods. If the job wasn’t completed satisfactorily, find out what happened and if you could have made your instructions and expectations clearer.

Spartan Stores Stock Products That Help The Homeless

This October, Spartan Stores, based in Grand Rapids, began offering SHARE™ microwave popcorn and plastic bags to its more than 500 independently owned stores in Michigan, Indiana and Ohio announced John W. Barfield, president of SHARE Products, Inc. headquartered in Ypsilanti.

These are products with a difference. In carrying the SHARE line, Spartan will make it possible for consumers to help charitable organizations that provide food, shelter and medical care to homeless Americans. More than 50 percent of SHARE Products’ profits will be contributed to the United Way of Michigan and the Salvation Army for distribution to these organizations. To underscore the purpose of his company, Barfield has chosen a homeless person he calls Amy to be the national symbol of SHARE Products.

The mission of SHARE Products is simple: to sell the finest household products at competitive prices through established retail stores and supermarkets as a way to help homeless and hungry people. “Imagine a corporation with over three million homeless people as its shareholders...who paid absolutely nothing for their shares of stock yet receive more than 50 percent of its earnings as an annual dividend...and whose president receives no salary or benefits,” Barfield said. “If you can imagine this, you’ll have a pretty good idea of what SHARE Products is all about.”

Barfield has also recruited Charles Cook of The Cook Company to represent SHARE Products in the Grand Rapids market and serve the Meijer and Spartan Store accounts. “We think consumers will appreciate that their purchases will go to benefit homeless people in their local area,” Cook said.

SHARE gourmet microwave popcorn is available in both butter flavor and light flavor; the suggested retail price (which may vary from store to store) for each is $1.99. Two kinds of plastic bags will be stocked: tall kitchen bags, which retail for $2.29 for a box of 36; and 30-gallon trash bags, which sell for $2.89 for a 24-count box. SHARE Products will be stocked alongside national brands in the popcorn and plastic bag sections of Spartan and Meijer stores. Other major retailers such as K-Mart, Wal-Mart, Safeway, F&M have expressed interest in carrying the products, said Aaron Barfield, SHARE vice president, adding that the company plans to distribute its products nationwide within a year.
Small Pharmacy Succeeds in Big Suburb

Twenty years ago, when they first took over the store, B & B was the only pharmacy in the area. Now, within a one-mile radius of the store, there are eight. Even with a good deal of competition, Ziadeh believes B & B has an advantage over the drugstore chains. “Instead of both of us hiring another pharmacist, we went into business together to help each other out. We have complete trust in each other.” Although 50 percent of B & B Pharmacy’s clientele comes from people who are coming or going to work, Ziadeh believes that when I-96 opened over 15 years ago, it was detrimental to the business.

Ziadeh likes having a close relationship with his local customers, who make up the other 50 percent of B & B’s clientele. He says it is enjoyable to meet and talk to people. He allows some of his good customers to buy on store credit. “One of our customers owes us quite a bit of money but we know that she is in an unfortunate situation and we have to be understanding,” Ziadeh states.

Ziadeh says that the pharmaceutical business is constantly changing, but the pharmacists are always well informed because of new information they receive every month.

Honesty, understanding and dependability are the reasons Ziadeh believes his customers have complete confidence in B & B Pharmacy and is the key to their success.

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Ask AFD

Q. I am confused about new regulations regarding credit cards. I understand that I can no longer record the number on checks that I cash. Is this true?

A. There are new procedures and regulations to protect card users from exposure to fraud. If you are not aware of these updates, call the card authorization center for current information.

- Merchants can no longer require personal information such as a phone number or address, as a condition of credit card sale.
- Merchants cannot ask customers to sign an agreement authorizing charges to their credit card if a check is returned for insufficient funds.
- Although customers may be asked to present a credit card as a sign of credit worthiness when writing a check, the merchant may record only the type of card, the issuer and the expiration date, but not the card number itself.

These regulations have been made to protect credit card users from fraud. For your information: when using cards yourself, you should always be careful.

Would you give a stranger the keys to your home and all of your possessions? Of course not! For the same reasons, don’t open the doors to your credit by inadvertently giving your card account number to a criminal.

Be Cautious of telephone sales.

As fraudulent telemarketing expands, be wary about giving your credit card account number to telephone salespeople unless you know they represent legitimate companies. Fraudulent telemarketers often charge your account number for amounts larger than you authorized or for items you never receive.

Protect your cards.

Don’t give your card to others who may not be as careful with its use as you are. Never leave your purse or wallet unattended and always keep your cards hidden from plain sight.
Just For The Taste Of It.

No other diet soft drink delivers the real cola taste of one-calorie diet Coke: The real one.
The Michigan Lottery springs into 1993 with great momentum following our best sales year on record and a very successful 20th anniversary year. Through the hard work and dedication of our Lottery retailers and staff, Lottery sales soared to nearly $1.22 billion in 1992—the best ever in our 20-year history. As we enter the Lottery’s third decade of operation, our goal is clear: to create an even more dynamic, visible and profitable lottery. The future is bright for both the Michigan Lottery and its retailers.

Michigan Lottery Launches Special “Cash 5” Coupon Promotion
In January, the Michigan Lottery will kickoff a special coupon promotion designed to help retailers increase sales and induce trial of Michigan’s newest on-line game, “Cash 5.”

There is a renewed spirit at the Michigan Lottery and we intend to carry that attitude into and throughout 1993 with exciting plans for both on-line and instant game retailers.

Two New Instant Games Join the Lottery Lineup in January
Two new instant games, “Double Dollars” and “Cash Roulette,” will go on sale at Michigan Lottery retailers statewide this month. The overall odds of winning a prize in either game are 1-in-6.

“Double Dollars” goes on sale January 11 and offers players a chance at a $5,000 top prize. To win at “Double Dollars,” a player must match three like dollar amounts to win the amount shown. If the player matches two like dollar amounts plus a doubler ($$) sign, they win double the dollar amount shown.

“Cash Roulette” goes on sale January 25 and offers players the chance at a $1,000 top prize. If “Your Number” matches one of the six additional numbers on the ticket, the player wins the “Prize” amount shown.

The Lottery has just “scratched” the surface on what we can do with instant ticket sales. Players are excited about having more choices. Last fiscal year instant game ticket sales increased 50 percent—that’s making a dramatic impact on the Lottery’s bottom line, and for retailers too. We’ve found that the more inventory retailers have, the more tickets they will sell. Selling instant games is promotion intensive. It’s an on-premise, impulsive purchase. If it’s available and attractive to the consumer, they will buy it.

Keep the instant game momentum going by continuing to:
• Ask for the sale
• Properly display point-of-sale materials
• Host in-store promotions

I wish all the members of the Associated Food Dealers of Michigan a bright and profitable new year.

According to the Plastic Bag Association, about half of the country’s 31,000 supermarkets now offer on-site bins for recycling plastic bags. Three plastic bag manufacturers, Sonoco Products Company, Mobil Chemical and Vanguard Plastics, have established bag recycling programs with grocery stores. Of these companies, Sonoco has estimated that between eight to 12 percent of the plastic grocery bags used by 9,000 participating stores are returned. Their research shows that the return rate depends upon how much the stores promote bag recycling. In 1992, Sonoco expects to recycle as much as five million pounds of plastic bags.

For your information

F.Y.I.
Minimum Wage Increase Legislation and Automatic Indexing on Horizon

Legislation to index or increase the $4.25 minimum wage was introduced before Congress adjourned and we can expect activity in this area next year. Rep. George Miller (D-CA) on September 30 introduced a bill H.R. 6067, to amend the Fair Labor Standards Act of 1988 to provide that the minimum wage rate will be indexed to the cost of living in the same way Social Security benefits are indexed. Last month Rep. Martin Olav Sabo (D-MN) introduced legislation called the "Minimum Wage Amendments of 1992" (H.R. 6088) to raise the $4.25 federal hourly minimum wage to $6.50. A recent study by the Employment Policies Institute looked at the most recent increase of the minimum wage from $3.35 to $4.25. The study found that the higher minimum wage rate ended up reducing, not raising, the annual financial resources of a single parent who works full time and has one child — by about $1,800 — when lost or reduced "transfer payments," such as food stamps, Medicaid and AFC payments are taken into account.

Department of Labor To Review Teenage Employment Regulations

In response to inquiries directly to the Department of Labor, Congress, and the White House by the retail food industries, the Department of Labor will review the controversial regulations covering operation of paper baling equipment and meat slicers by teenage employees in retail grocery stores.

"The Department of Labor is committed to ensuring safe and healthy employment for minors while, at the same time, not discouraging children from working or decreasing job opportunities for them," said David Dismay, assistant to the president for public liaison.

"To address concerns raised about the department’s regulations HO10 and HO12 with regard to paper balers and meat slicers. Labor has begun review of those regulations in the Departmental Enforcement Task Force chaired by the Assistant Secretary for Policy, Nancy Risque Rohrbach. "The White House will continue to keep abreast of developments in this area."

New Prescription Drug Fees Could Spill Over On Food Industry In '93

Congress has approved legislation, H.R. 6181, which will allow the Food and Drug Administration (FDA) to impose a variety of new fees on prescription drug manufacturers. Formally entitled, "The Prescription Drug User Fee Act of 1992," the legislation is designed to speed up the drug review and approval process by providing FDA with greater resources and funding. H.R. 6181 is expected to raise over $300 million during the next five years and to allow FDA to hire up to 600 new product reviewers.

Prioritizing Safety

Seventy percent of grocery shoppers are confident that packaged food is safe, and they say the federal government, not state governments, should be responsible, according to a new national survey released by the Grocery Manufacturers of America.

Cocoa plants may benefit from biotechnology

In Brazil and Malaysia, the Mars Company has developed a tissue culture to produce pest-resistant cocoa plants. In addition, Hershey and other corporations are using new technology to better understand mold resistance in the cocoa plants, and Pennsylvania State University is looking at developing varieties of cocoa beans that produce their own sweetener. More than one-half of the world’s cocoa production is concentrated in West African and Latin American nations. These new methods now are encouraging other countries to enter the market.

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EQUAL OPPORTUNITY LENDER
Faygo Promotes Three Employees in Management

In his new position, Napoleon will be responsible for supervising Faygo’s accounts with Farmer Jack/A&P, Kroger, Foodland and Danny’s. Napoleon is a graduate of Ferris State University. He resides in Canton Township.

Lane Morgan, formerly a sales representative, has been promoted to the new position of field distributor manager. Morgan, who joined Faygo in 1992, had been a sales representative in the company’s Western Michigan markets.

As field distributor manager, Morgan will be responsible for increasing current package distribution, securing new distribution and recommending distributor programs and training.

Solid improvements developed for potatoes

An improved potato that contains less water and higher levels of starch has been developed by Monsanto Company scientists. They accomplished this by moving a starch-producing gene from a bacterium and inserting it into a Russet Burbank potato plant.

Compared to the typical solids content of 18 percent, the improved potato has a solids content of 21 percent. This three percent difference enables companies that produce fries and chips to replace oils with solids one-for-one, thereby reducing the calorie content in potato products.

This technology also may help improve solids content in a variety of fruits and vegetables.

Organic versus Conventional

The consumers found that organically grown tomatoes were less sour, bitter and acidic, and more firm than conventionally grown tomatoes. However, organically grown tomatoes were not significantly different from conventionally grown tomatoes with respect to sweetness, juiciness, pasty and fleshy quality parameters.

THE PFEISTER COMPANY

1993
75th ANNIVERSARY

THIS IS WHEN IT ALL BEGAN

1918 - PYRLE PFEISTER

ELECTIONS

From Page 1

On November 18, Democrats elected Representative Curtis Hertel (D-Detroit) to serve as their leader. Hertel replaces outgoing Speaker Lewis Dodak (D-Monroe) who was defeated. Representative Pat Gagliardi (D-Drummond Island) fended off a number of challengers to retain his position of floor leader.

Still to be determined is which party, if any, will control the House when lawmakers return to Lansing on January 13.

From AFD’s standpoint both Hertel and Hillegonde have strong records of support on behalf of independent business.

The uncertainty of a deadlocked House translated into a lame duck session void of legislative activity. A majority of the inactive session, from AFD’s perspective, was the long-fought-for bill package that called for the suspension of driving privileges for minors who purchase or attempt to purchase alcoholic beverages. The bills are currently being drafted for re-introduction.

On the positive side, legislation which could have produced a chaotic approach to enforcement of obscenity laws was defeated. Just prior to the bill’s passage in the Senate a critical amendment sponsored by Senate Majority Leader Richard Posthumus (R-Lowell) involving the definition of “community standards” was approved. Without it, administration of the law would certainly have been arbitrary and capricious at best.

Karoub Associates, working closely with Executive Director Joe Sarafa and other retail groups, communicated support of the amendment to critical senators. The Governor has since signed the bill.

In other critical action, legislation that could have resulted in a felony conviction for store owners who furnish alcoholic beverages to minors was not acted upon by the Senate. Bill sponsor Senator Joe Sarafa and other retail groups communicated support of the amendment to critical senators. The Governor has since signed the bill.

In a related matter, AFD also strongly supported a proposal giving retailers the opportunity to sell liquor to taverns and restaurants. Again, it was AFD who took a sorely needed initiative within the retail community to advance the proposal. This particular issue will be a priority item for the 1993-94 AFD legislative agenda.

A great deal of uncertainty exists in Lansing. Not only is the matter of leadership undecided, but questions abound regarding committee chairmanships, committee assignments, rules of operation, staffing and a number of other critical logistical issues central to the smooth operation of the House.

PEOPLE

Faygo Beverages, Inc. has promoted Alan Domzalski to district manager for Western Michigan.

Domzalski, who joined Faygo in 1988, previously had been distributor sales manager. In his new position, Domzalski will be responsible for supervising Faygo’s accounts with Meijer, Spartan, Midland and Capistar. He will continue to manage the company’s Michigan distributors.

Domzalski is a graduate of the University of Detroit. He resides in Grosse Pointe Woods.

Faygo’s new district manager for the Detroit market is now Pat Napoleon. Napoleon, who joined Faygo in 1988, had been Western Michigan sales manager.

In his new position, Napoleon will be responsible for Faygo’s accounts with Farmer Jack/A&P, Kroger, Foodland and Danny’s. Napoleon is a graduate of Ferris State University. He resides in Canton Township.

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The uncertainty of a deadlocked House translated into a lame duck session void of legislative activity. A majority of the inactive session, from AFD’s perspective, was the long-fought-for bill package that called for the suspension of driving privileges for minors who purchase or attempt to purchase alcoholic beverages. The bills are currently being drafted for re-introduction.

On the positive side, legislation which could have produced a chaotic approach to enforcement of obscenity laws was defeated. Just prior to the bill’s passage in the Senate a critical amendment sponsored by Senate Majority Leader Richard Posthumus (R-Lowell) involving the definition of “community standards” was approved. Without it, administration of the law would certainly have been arbitrary and capricious at best.

Karoub Associates, working closely with Executive Director Joe Sarafa and other retail groups, communicated support of the amendment to critical senators. The Governor has since signed the bill.

In other critical action, legislation that could have resulted in a felony conviction for store owners who furnish alcoholic beverages to minors was not acted upon by the Senate. Bill sponsor Senator Joe Sarafa and other retail groups communicated support of the amendment to critical senators. The Governor has since signed the bill.

In a related matter, AFD also strongly supported a proposal giving retailers the opportunity to sell liquor to taverns and restaurants. Again, it was AFD who took a sorely needed initiative within the retail community to advance the proposal. This particular issue will be a priority item for the 1993-94 AFD legislative agenda.

A great deal of uncertainty exists in Lansing. Not only is the matter of leadership undecided, but questions abound regarding committee chairmanships, committee assignments, rules of operation, staffing and a number of other critical logistical issues central to the smooth operation of the House.

Organic versus Conventional

The consumers found that organically grown tomatoes were less sour, bitter and acidic, and more firm than conventionally grown tomatoes. However, organically grown tomatoes were not significantly different from conventionally grown tomatoes with respect to sweetness, juiciness, pasty and fleshy quality parameters.
Consumers Stock Up on Good Buys

Price remains a high priority for shoppers when they select a supermarket, and this is reflected in the way they are buying groceries.

Consumers have found ways to save money on food, and these strategies are likely to remain popular even as economic conditions improve. In particular, shoppers stock up on bargains, look for grocery specials in the newspaper, use price-off coupons and compare prices at different supermarkets.

Although shoppers are always interested in price levels, this interest intensified in the 1990s, according to the annual FMI Trends study. In 1990, “good low prices” moved up into the top three on the scale of consumer priorities—and in 1991 and 1992, it remained there.

Supermarkets have responded to consumers’ interest in good buys. This is evidenced by the Trends finding that in 1992, shoppers gave their supermarkets higher ratings on providing them ways to save money. More than eight in 10 shoppers (83 percent) feel their supermarkets do a good or excellent job of providing ways to save money.

More than eight in 10 shoppers (83 percent) feel their supermarkets do a good or excellent job of providing items on sale or money-saving specials, compared with 78 percent in 1991. Nearly three-quarters of shoppers (73 percent) are quite satisfied that their stores provide good, low prices, up from 65 percent in 1991.

The continuing interest in price is in keeping with the finding that in 1992, 93 percent of shoppers say they have refused to buy products that cost too much—up from 85 percent the year before.

More Use Coupons, Check for Specials

Checking the newspaper for grocery specials became a routine in more households by 1992, with 45 percent of shoppers scanning the pages almost every time they shop—up from 33 percent in 1991. The popularity of price-off coupons also increased; 43 percent use coupons pretty much every time they shop, compared with 36 percent in 1991. Nearly one in three shoppers stocks up on a bargain item.

Consumers also compare prices at different supermarkets; in fact, 25 percent do this on nearly every shopping trip. Nine percent go to a supermarket other than their principal one for advertised specials. On in 10 claims to shop at a warehouse club store at least fairly often, according to the 1992 FMI Trends study.

Store Brands More Popular

Consumers are turning store brands more often as they shop for good values and compare their favorite supermarket’s private label products with the national brands.

Nearly one in five shoppers (22 percent) purchased more store brands in the past year, according to FMI research, and about half regularly buy these products. About one in four shoppers believes store brands are better than national brands, especially in the canned food category.

Nearly one out of five products sold in a major supermarket today is a store brand—16.2 percent, compared with 17.6 percent in 1990.* In 1991, sales of private-label products approached $25.9 billion, up from $25.4 billion the year before.

Consumers increasingly feel that store brands have a bearing on their selection of a food store. Compared with 19 other supermarket features, store brands gained the most in importance—from 55 percent of consumers in 1991 to 65 percent in 1992.

Store brands provide a good value to consumers. Private label products reflect the quality of the consumer’s favorite supermarket, and their prices generally are attractive.

Consumers Eat In More Often

Given the growing interest in price, FMI investigated the extent to which shoppers utilize eight methods of economizing—and whether these methods were long standing or recently adopted.

In 1992, “eating out less often” is the number one behavior people say they’ve started just recently (44 percent). Shoppers with children at home say they eat out less often than those without children, and people aged 18-24 are more likely than their older counterparts to save money by eating in.

Household size also factors in. Those in households of three or more people are more likely to save money by eating out less often.

Money Saving Behavior

<table>
<thead>
<tr>
<th>Current</th>
<th>Frequency of Doing</th>
<th>Percent</th>
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<tbody>
<tr>
<td>1991</td>
<td>1992</td>
<td></td>
</tr>
<tr>
<td>Save money on groceries</td>
<td>56</td>
<td>63</td>
</tr>
<tr>
<td>Buy more groceries</td>
<td>54</td>
<td>60</td>
</tr>
<tr>
<td>Use price-off coupons</td>
<td>55</td>
<td>66</td>
</tr>
<tr>
<td>Eat less fast food</td>
<td>52</td>
<td>53</td>
</tr>
<tr>
<td>Buy fewer convenience items</td>
<td>44</td>
<td>51</td>
</tr>
<tr>
<td>More meal planning</td>
<td>43</td>
<td>45</td>
</tr>
<tr>
<td>Buy in larger quantities</td>
<td>75</td>
<td>86</td>
</tr>
<tr>
<td>Buy only what can be eaten</td>
<td>74</td>
<td>84</td>
</tr>
</tbody>
</table>

See Consumers, Page 22
For More Information Call:
Terry Bunting at (313) 525-4000
3111 Industrial Road, Livonia, 48150
In this competitive industry, you may feel as if you're in the business oven all by yourself. But when you work with Monitor Sugar Company, we're there to help you beat the heat.

Every time you stock Big Chief brand products, you can count on our support, including:

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- **Service Specialists** who are specifically trained to understand sugar and the grocery industry. Our specialists are there — in your store — making it easier for you to do business. We work closely with you to help spread success with hot Big Chief sugar sales.

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Frankenmuth Wins Gold Again

Frankenmuth Bock was awarded the gold medal at the Great American Beer Festival that just concluded in Denver, Colorado. More than 700 beers from all across the U.S.A. participated in this annual event. This is the second time in a row that Frankenmuth Bock received this coveted award. The beer received another gold medal in 1991 and the silver medal in 1989. Frankenmuth Bock is a seasonal product of the Frankenmuth Brewery. 1992 Bock Beer became available to consumers November 1.

Frankenmuth Brewery’s Brewmaster, Fred Scheer, who was in Denver to receive the award said “I am very pleased with this honor. It proves, without a doubt, that Frankenmuth Bock is the finest in the U.S.A.” The selection of beers for awards was made by a professional panel of brewing experts from around the world. “In our attempt to provide the consumer with top quality beers, this gold medal shows that we are succeeding in this effort” said Randy Heine, the brewery’s owner.

This is the fifth medal that the Frankenmuth Brewery has won during the past four years at this prestigious event. Most recently, Frankenmuth was honored with a couple of awards from Germany. Frankenmuth Beers are now available in twelve states, including Michigan, Illinois, Ohio, Indiana and Wisconsin. Most recently, distribution was extended to Colorado, some western states and some east coast states.

Pierre Introduces Their New Honey Mustard Chicken Sandwich

Pierre Frozen Foods offers a new microwaveable Honey Mustard Chicken Sandwich. Designed for convenience stores, vending, mobile catering or any take out foodservice, the Pierre Honey Mustard Chicken Sandwich features a microwaveable bun that the company says won’t get soggy or hard.

The sandwich features a full 14-day refrigerated shelf life and attractive four-color packaging that clearly shows off the product.

For more information, please contact: Pierre Frozen Foods, 9990 Princeton Road, Cincinnati, OH 45246. Telephone (513) 874-8741, (800) 543-1604.

Foodland Delis to Debut New Aunt Jemima Biscuits

Detroiters were among the first in the nation to taste new fresh baked, Ready-To-Eat Aunt Jemima® Premium Biscuits as affiliated Foodland supermarkets in the metro area test marketed the new products beginning in November.

Available in both Premium Butter milk and Cinnamon Raisin, the Aunt Jemima Biscuits contain real butter milk. The actual formulation was developed after extensive research into customer preferences and baking techniques.

With baking completed at the Foodland Delis, the biscuits need only be reheated in an oven or microwave in consumers’ homes. The biscuits are sold in packages of six, with a suggested retail price of $1.29. Recommended serving suggestions include as breakfast sandwiches or in a basket at the dinner table with honey.

According to Ron Russell, director of Deli/Bakery Department for Foodland Distributors, “These biscuits are as tasty as anything you could make from scratch, yet have none of the inconvenience associated with scratch preparation.”

Foodland Distributors, headquartered in Livonia, was founded in 1984 and services 164 supermarkets in Michigan. The biscuits are also being test marketed at supermarket delis in other Midwestern states as well as traditional biscuit markets in the Southeast.

Correction: Food and Beverage Report, December 1992, p. 20, “Heinz U.S.A. Introduces...”, the 78-ounce ketchup product is new—and not replacing the 64-ounce ketchup product.

ATTENTION Food Brokers & Representatives

If you have new products or changes in current products, please let us know. Our readers are interested in learning what you have to offer and we reserve space for new products in each issue. Send information, along with photos or ad slicks to:

Michele MacWilliams; AFD Food & Beverage Report;
18470 West 10 Mile Road;
Southfield, MI 48075.
Convenience Stores Post Lowest Robbery Increase

The Federal Bureau of Investigation (FBI) released its 1991 Uniform Crime Reports (UCR) last month. For the report year, 1991, the total number of robberies was 636,185 — an increase of 7% from 1990. The convenience store industry performed much better with only a 2.2% increase from 1990. The total number of robberies for the industry in 1991 was 36,474.

These improvements, however, have cost more per robbery. Each incident averaged a loss of $387 per incident, up from 1990 where the industry averaged $341 per robbery. Clearly, the industry should continue to focus on ways of reducing the amount of cash accessible in the store.

The industry represents 5.7% of all robberies committed in the United States, a .4% decrease from 1990. However, the robberies are not spread evenly throughout the industry. Stores in southern states make up 10.2% of the total robberies committed in the South, whereas, in the Northeast, convenience stores only make up 2.2% of the total.

Interestingly, in smaller cities robberies in convenience stores are more frequent than in large cities. In cities with a population of 10,000 or less, convenience stores made up 13% of all robberies while in cities with populations of 250,000 persons or more, convenience stores made up only 3.4% of total robberies.

NACS' Crime Census Versus the FBI's Numbers

When comparing the industry over a three year period to other areas, such as streets/highways, gas or service stations and banks, convenience stores have experienced the smallest increase overall, according to the UCR. In fact, for the years 1989-1990, NACS' members reported that nearly 80% of members' stores had no robberies. In addition, only 7% had more than two robberies in a year.

It is important to note the difference between the FBI's numbers and the findings of NACS' crime census study. The UCR reports 36,474 robberies for 1991, while NACS projects significantly less robberies, counting 22,935 for 1990 (compared to the UCR's 38,435 that year).

Why The Discrepancy?

NACS believes that the UCR's definition of a convenience store is broader than that used by NACS. In addition, with the hundreds of police precincts that report their numbers to the FBI, NACS suspects that other retail establishments are being misclassified as convenience stores.

Last year, NACS board of directors recommended that the association begin a dialogue with the FBI to attempt to reconcile industry robbery counts with their national numbers. Currently, NACS is in the process of gathering crime statistics from members in order to complete its 1991 crime census. Once the numbers are compiled, NACS will approach the FBI with three years of data to compare.

Check Before Hiring

About 45% of all job applicants lie at least once on their resumes or applications. A three-year study by U.S. Datalink, a pre-employment background-screening service, finds that applicants' most common lies, by 38% of all job hunters, involve their employment histories. More than 30% also lie about their education. About 7% do not admit to past criminal convictions. The cost to employers that do not run background checks on employees before hiring them can be high as companies are increasingly being held liable in "negligent hiring" lawsuits for employees who have committed crimes on the job.
Grocers Donate Over 1,200 Turkeys to Needy Families During AFD Turkey Drive

The Associated Food Dealers of Michigan (AFD) in cooperation with the Chaldean Federation of America and the Chaldean-American Youth Club, provided over 1,200 Thanksgiving turkeys and 200 cases of soft drinks to needy families in Detroit and Pontiac on Monday and Tuesday, November 23 and 24. This was the 12th year that the group has given away turkeys for the holidays.

AFD gave the turkeys to a variety of churches and civic organizations, who then provided them to needy families. In most cases, the families were waiting at the location for the AFD truck to pull up. The grocers then handed the turkeys and six-packs of pop directly to the recipients.

The grocers who contributed to the turkey drive are primarily Detroit and Pontiac inner-city retailers, most of whom are of Chaldean descent. Along with the grocers, this year "Mr. Turkey" rode along to help dole out the birds and entertain the children.

Last year the AFD provided 800 turkeys to the needy. Due to economic conditions this year, they increased the total to over 1,200. "We committed ourselves to give away 1,000 turkeys. However, we were able to raise enough money to increase our turkey purchases," said Joe Sarafa, AFD executive director.

Mark Karmo, Turkey Drive chairman, was pleased with the support he received from the community and grateful to his committee members for their help in raising the needed funds and also for their assistance in distributing the turkeys.

"The AFD couldn't have done it without the help from our committee members and the generous support of all those people who donated money," added Karmo.

He wishes to thank the following committee members: Amir Al-Naimi, Metropolitan Grocery; Chris Zebari, Pepsi-Cola; Sharkey Hadad, Chaldean Federation of America; Ed Najor, Liquor Express; Eddie Zeer, In & Out Food Store; Jerry Rabban, Food Value; Ronnie Jamil, Mug & Jug; Art Yaldo, American Ice; the Chaldean-American Youth Club members, including Tom Kato; and Jeff Hague, Bil Mar Foods (who dressed up as Mr. Turkey).

The Turkey Drive committee delivered turkeys to the following locations:

Monday, November 23 delivery:
3:30 p.m. Pontiac Lighthouse

Tuesday, November 24 deliveries:
10:00 a.m. Ravendale Community, Inc.
11:05 a.m. Christ Cornerstone Baptist Church
12:00 noon Little Rock Baptist Church
1:00 p.m. Nolan Middle School
2:00 p.m. Emmanuel Community Center

The following organizations also received turkeys throughout the week: Sacred Heart Chaldean Church; Mt. Zion Church; Evergreen Children's Center; Inner City Sub-Center; Mother Wattles; Community Health Field Services, a division of the Detroit Health Department; Capuchin Community Center Soup Kitchen; the Freedom Center, Chaldean Oak Park Church and others.
Dear AFD

Thank You! With your cooperation and support we were able to provide Thanksgiving baskets to seventy (70) needy families. During this holiday season, as throughout the year, it is a blessing to be able to help the less fortunate in our community. Again all of us from the Community Health and Field Services division of the Detroit Health Department express our sincere gratitude to you in supporting this project.

Sincerely

Wilma Brakefield-Caldwell & Anna R. Genus
Detroit Department of Health

Dear AFD

Thank You! This year First Annual Share Breakfast for Seniors was a huge success with over 100 in attendance. And I truly mean thank you because without your generosity this event would not have been possible. We warmed the hearts of 50 seniors with turkeys and hams along with bags filled with candies and gift certificates for everyone.

Sincerely

Andrea Carpenter
Just For You

Dear AFD:

On behalf of the Lighthouse Board of Directors I want to thank you so much for organizing the donation of 100 turkeys and soft drinks to the Lighthouse Thanksgiving Project. Your very generous contributions helped Lighthouse to prepare Thanksgiving baskets for 1,700 families in the Pontiac area and 400 families at Lighthouse North.

We appreciate the organization of your donation, and appreciate the generosity of all the people who you contacted. They will all receive a thank you for their participation in the Lighthouse Thanksgiving Project.

Thank you again for your continuing support to Lighthouse. Best wishes for a joyous holiday season.

Sincerely

K. Noreen Keating
Chief Executive Officer

Pepsi-Cola Donates to Charities

During the holidays our thoughts turn to the less fortunate, as many of us donate food, clothing, toys or money to charities. Pepsi-Cola went a step further and donated soft drinks to charities across the metropolitan area.

In addition to providing soda pop for the AFD Turkey Drive, Pepsi-Cola donated nearly 3,000 cases of soft drinks to the Gleaners Food Bank, Orchards Children’s Services on the Miracle on Grand Boulevard, which was sponsored by the New Center Foundation.

“We’re happy to be able to provide assistance to those in need during the holidays,” said Chris Zibari, Pepsi-Cola district manager. “Pepsi is located in Detroit and we’re committed to help our community.”

How’s your back, Chris? Cases of pop are not light. Unloading 3,000 was quite a task!
Here's an Inside Look at AFD Activities

Members of Golf Committee led by Chairman Bryan Bushey of Kowalski Sausage Co., plan AFD's '93 golf outing.

Members of AFD meet with Department of Labor, including Director Lowell Perry (center) on food industry employment opportunities.

Members of AFD Beverage Committee, led by Chairman Kalf Ayar of Harvest Foods, meet with representatives of Faygo and Coca Cola to discuss industry issues.

AFD Chairman Frank Arcori (second from left) and Vice Chairman Nabby Yono (right) along with Izzy Malin (center) discuss legislative issues with AFD lobbyists.

AFD staff discuss improvements in Food and Beverage Report.

AFD members meet with representatives of RJ Reynolds (top) and Phillip Morris to discuss issues of concern to the industry.

Insurance committee reviews AFD's health program.
AFD Donates $1,000 to Michigan Harvest Gathering

“We have to remember that hunger exists every day, not just on holidays,” said Bill Schuette, director of the Michigan Department of Agriculture.

Schuette came to Gleaners Community Food Bank on November 16 to honor Detroit area businesses who joined the state’s second annual “Michigan Harvest Gathering” (MHG), a five-week food and fund drive organized and led by Schuette to benefit the Food Bank Council of Michigan. For the drive, AFD donated $1,000.

“The outpouring of citizen support for the Michigan Harvest Gathering, from school children to chief executives, is very heartening,” said Schuette when he visited Gleaners. “It speaks to the depth of compassion in the hearts of Michigan residents. Thanks to hundreds of supporters, thousands of our fellow citizens will have a happier, healthier holiday season.”

Dear AFD:
I want to thank you for the generous gift of $1,000.00 to the Michigan Harvest Gathering. In opening your heart to share with the hungry and homeless, you gave more than bread. You also lifted the spirit and awoke hope in the hearts of those who felt isolated and helpless in their need.

Thanks to the compassion of a caring community our county-wide network of emergency food pantries, shelter and soup kitchens remains strong. The thousands of volunteers are in place supplying emergency food and shelters to desperately needy families and individuals.

In today’s economy, need strikes quickly and surprisingly. It occurs in Bloomfield Township, Farmington, Birmingham, Rochester, Novi and Troy.

Beginning in 1992, you will receive a 50% tax credit from the State of Michigan for your contribution to the Food Bank in addition to the regular federal tax advantage.

An individual donor may receive up to a $100 credit and a couple filing jointly may claim up to $200. Thus the real cost of a $100 contribution becomes approximately $20.

Thank you again for making ours a caring county community.

Sincerely

James Macy
Executive Director
Food Bank of Oakland County

FOR SALE — BUSINESS OPPORTUNITY
Family owned and operated party business
Retail • Rentals • Catering
10,000 Square feet of party business
Lots of fenced in parking • well lighted
located on one of the cities busiest streets
368-8357 ask for Nick or Pat

FOR SALE — PARTY STORE
Harper/Gratiot Area
(Eastside Detroit)
Liquor. Lottery.
Lots of Potential
Land Contract terms available
Call
Community Commercial Reality
569-4240

Executive Director Joe Sarafa Visits AFD Members.

An Investment Worth Protecting

Advantage Plus

Fight back against today’s high cost of dental care and insurance. For as low as $7.00 per month the Advantage Plus plan will provide you with better dental coverage, including orthodontics, while drastically reducing cost.

Golden Dental Plans
For more information about this plan, call
1-800-451-5918

Food & Beverage Report, December 19
Application Period for Southern Michigan Vendor Contracts Begins

The current contracts with WIC authorized vendors in the southern part of the state will expire on June 30, 1993.

The counties included in the contract cycle for the southern part of the state are: Allegan, Barry, Berrien, Branch, Calhoun, Cass, Clinton, Eaton, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Kalamazoo, Kent, Lenawee, Livingston, Macomb, Monroe, Montcalm, Muskegon, Oakland, Ottawa, St. Joseph, Van Buren, Washtenaw, Wayne.

The next application period for WIC vendors in the southern part of the state is from January 1, 1993 through March 31, 1993.

During this period all currently contracted vendors in the southern part of the state interested in WIC authorization must submit a new "WIC Vendor Application" for a new contract. An application along with instructions will be mailed to each contracted vendor during January, 1993.

Vendors who had been placed on the "waiting list" will be notified of the application period and those who wish to seek WIC authorization must submit a written request for a new application.

Other vendors in the southern part of the state who wish to be considered for WIC authorization may also apply during this period by sending a written request for an application.

LATE APPLICATIONS WILL NOT BE CONSIDERED.

Neither MDPH nor WIC vendors have an obligation to renew the WIC contract. Expiration of the contract is not subject to appeal.

Approved vendors will receive two year contracts valid from July 1, 1993 through June 30, 1995.

WIC Vendor Price Reports

The next quarterly WIC Vendor Price Report is due on or before January 5, 1993.

Reports must be received on or before this date.

The quarterly report schedule is as follows:
- January 5, 1993
- April 5, 1993
- July 5, 1993
- October 5, 1993

Failure to submit reports by the due date will result in assignment of 10 violation points. Accumulation of 35 violation points during the contract period or during the contract extension period may result in termination from the WIC program.

If you need additional blank WIC Price Report cards, contact the WIC Vendor Relations Unit at (517) 335-8937.

Note: A revised vendor price report (VPR) format is being developed. The details will be provided in the March, '93 WIC Vendor Newsletter.

Cheese

Cheese purchased with WIC coupons must be made in the U.S.A. and not imported. Cheese must be in a four (4) ounce package or larger. The weight, type of cheese and cost must be clearly marked on the package. Deli, bulk and sliced cheeses are authorized provided they are one of the types listed below.

Types of authorized cheeses are:
- American Process, Brick, Cheddar, Cojack, Colby, Lo Fat (only KRAFT Light Naturals Reduced Fat is authorized), Low Sodium (Cheddar and Colby), Monterey Jack, Mozzarella (part skim, whole or string), Muenster, Provolone and Swiss.

Cheese foods, products, whip or spreads and smoked, shredded or grated cheeses are not authorized. Blue cheese is not authorized. Individually wrapped stick cheese (all brands) is no longer authorized.
AFD Scholarship
Application Time

The Associated Food Dealers of Michigan is proud to offer college scholarships to outstanding students. Applications are accepted from January 1 to March 31 and all applicants are notified by May 1, 1993. Twenty-four students will receive $500 non-renewable awards for the 1993/94 academic year.

Scholarship Award Specifications

The scholarship award is a one-time, non-renewable grant of $500. The awards are not based on financial need. The funds must be applied to college expenses at an accredited college or university in the United States.

We award 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. Consider the following:

A. Sons and daughters of full-time and part-time employees of AFD members are eligible. The parent/employee must have been employed for at least one year by a member firm as of January 1 of the year in which the scholarships are awarded.

B. Part-time student employees who have been employed by AFD members for at least six months as of January 1 of the year in which the scholarships are awarded are eligible.

Those eligible to apply for a minority scholarship must be high school seniors or college freshmen, sophomores, or juniors. Consider the following:

A. Preferential consideration is given to those applicants with an AFD membership affiliation, though membership is not required.

B. 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 and academic merit.

C. Applicants must belong to one of the following ethnic groups to qualify for minority status: African-American, Hispanic, Asian, American Indian, Arab/Chaldean American.

D. Applicants are eligible to win and receive a scholarship grant a maximum of two times.

E. One winner per member company only.

All AFD members will receive scholarship posters soon. Please look for these and post them so that your employees are aware. To receive an application directly from AFD, fill out the form to the right. Good Luck!

The poster that offers you all seven government postings!

Protect yourself from litigation and stop bulletin board clutter with the ORIGINAL LABOR LAW POSTER.

Contains ALL REQUIRED government postings, including:

- NEW Minimum Wage
- Handicapped Workers' Rights
- Polygraph Testing
- Child Labor
- Equal Employment Opportunity
- Job Safety and Health Protection

POSTER PRICES:
$5.00 each—Members; $8.00 each—Non-Members

Printed in full color on heavy-duty gloss stock, each poster measures 22-3/4" x 34"
Please send me __________________ posters at __________________ each.

Name ____________________________
Company __________________________
Street Address _______________________
City, State, Zip ______________________
Telephone __________________________

Return form and check to: Associated Food Dealers, 18470 W. Ten Mile Road, Southfield, Michigan 48075. Phone (313) 557-9600
Food Distributors Post Sluggish Financial Performance

Wholesalers Average 1.3% Profit: Foodservice Distributors 0.8%

The food distribution industry, like most other sectors of the economy, posted weak financial numbers in 1991, according to the newly released 1992 Distribution Productivity and Financial Report, prepared by the National-American Wholesale Grocers' Association (NAWGA) and the International Foodservice Distributors Association (IFDA).

According to the annual NAWGA/IFDA Financial Report, wholesalers who participated in the survey averaged a 1.3% new profit before tax in 1991. That figure is the same as it was in 1990, and is consistent with the profit performance in the industry over the past five years.

For foodservice distributors, their net profit before tax in 1991 averaged 0.8% — a noticeable improvement over 1990's margin of 0.1%, but less that the 1.2% margin posted back in 1987.

Sales growth in the distribution industry in 1991 was better for wholesale grocers than foodservice distributors. Wholesalers averaged a 4.8% increase in sales, up from 3.3% in 1990. Meanwhile, foodservice distributors saw a 5.0% increase in sales, which is less than the 1990 figure of 11.3%.

Broken down by size of the company, wholesale firms with less than $100 million in net sales averaged 3.3% sales growth in 1991; firms between $100-$400 million averaged 6.6% growth; and firms over $400 million in sales averaged only 1.3% sales growth.

Foodservice distributors under $35 million in net sales averaged 5.3% growth in 1991; firms between $35-$75 million averaged 3.9% growth; and firms over $75 million averaged 5.0% in sales growth.

Another measure of profitability, the Before Tax Return on Net Worth, showed a similar decline for the food distribution industry. For wholesalers, BTRONW in 1991 averaged 16.6%, down from 20.6% in 1990. For the foodservice sector, BTRONW was 13.8%, down from 17.8% in 1990.

The 1992 NAWGA/IFDA Distribution Productivity and Financial Report was prepared with assistance from Distributor Productivity Reports, Inc., of Columbus, OH. The annual report provides over 50 productivity and financial measures and norms with which member companies can compare their performance.

Follow the Road to Commitment in 1993.

Attend the National Grocers Association's Annual Convention and Buying/Merchandising Expo!

Make the decision to:

**DISCOVER AND IMPLEMENT** — new technologies, innovative merchandising concepts, and new distribution efficiencies, store formats, and service departments!

- Interact with 425 exhibits showcasing the latest products and services! Visit special pavilions including the "Restaurant to Go" concept, three fast food and three deli stations; the Sampling Cafe, food service and dairy/deli/bakery sales ideas for expanded market share; and "Green Street," displaying the latest environmental health products and services and the best retail 'green' aids. Plus your chance to win $50,000 in major prizes, cash, and gifts!

- Experience four solid days of education, including 45 workshops and general sessions; a preview of today's key retail technologies in an Early Bed Session on "New Technology: The Future is Now"; and Breakfast Clubs, informal discussions on key operational topics led by industry experts. Explore the most innovative advertising and merchandising breakthroughs to achieve record sales growth, and check out N.G.A.'s "Excellence in Advertising" and "Excellence in Merchandising" winners!

- Have fun in exciting San Francisco! Mary Wilson (formerly of the Supremes), and Bill McElroy (of the Righteous Brothers), will perform in concert, especially for N.G.A.'s Chairman's Gala. Enjoy a magical evening with the exciting and legendary 5th Dimension at the Asparagus Club Reception and Banquet. Cheer for your favorite bagger at the "Super Bowl" of bagging — N.G.A.'s national annual Best Bagger Contest!

YES, I'm committed to growth in 1993!

Rush information on: □ Registration □ Housing □ Exhibits

Name __________________________ Company __________________________ Address __________________________ City __________________________ State/Zip __________________________

Contact N.G.A. for more information E-mail: N.G.A., 1625 Samuel Morse Drive, Reston, Virginia 22090-5317 Telephone: 703-437-5300 Fax: 703-437-7768

For Your Information

Salmonella is capable of rapid and prolific growth on the interior tissues of cantaloupe, watermelon and honeydew when stored at 73 degrees F. With increased retail displays of precut melons, this study reaffirms the importance of proper sanitation and temperature control when preparing and storing all sliced melons, not just cantaloupe.
SUPPORT THESE AFD SUPPLIER MEMBERS

**BAKERY PRODUCTS:**
- Ackley's Sourdough Bakery & Sausage - (313) 546-8527
- Thomasville Catering - (810) 771-3330
- Mary's Catering - (248) 949-2280
- Van's Banquet Hall & Catering - (517) 542-0121

**DAIRY PRODUCTS:**
- American Dairy Assoc - (517) 394-8923
- Bemis Food Service - (800) 688-4478
- Body Ice Cream - (517) 871-1900
- Dairy Products of Michigan - (517) 559-6666
- McDonald Dairy Co - (517) 559-6666
- Meleco Farms Dairy Company - (517) 525-4000
- Milk-O-Mat - (810) 864-0550
- Nord's Ice Cream - (517) 856-3108
- Tom Davis & Sons Dairy - (517) 849-6300

**EGGS & POULTRY:**
- Linewood Egg Company - (517) 524-9550

**FISH & SHELLFISH:**
- Taipan Fisheries - (906) 341-1857
- Waterfront Seafood Company - (616) 962-7627

**FRESH PRODUCE:**
- Asst Prod Co Format - (517) 843-0840
- Detroit Produce Terminal - (810) 841-8706
- Waite Terminal Sales - (517) 843-4120

**ICE PRODUCTS:**
- Great Lakes Ice - (517) 774-9700
- Midwest Ice - (517) 886-8000

**INSPECTION SERVICES:**
- FSL Packing, Inc - (517) 882-6000

**INSURANCE:**
- America One - (517) 394-1688
- Blue Cross/Blue Shield - (517) 804-2656
- Capital Insurance Group - (314) 610-4101
- Creative Risk Management Corp. - (517) 263-3927
- Golden Gate, Rambly & Associates - (517) 551-3755
- Golden Seal - (517) 551-3755
- Jaronse Insurance Agency - (517) 551-3755
- K & L Union & Associates - (517) 551-3755
- Matthews Inc. - (517) 551-3755
- Monroe County Insurance - (517) 495-4890
- Murray, Benos & Rotras - (517) 831-6502
- National Union - (517) 787-1000
- Rocky Hayriss & Associates - (517) 552-6259
- Travey Insurance Co. - (517) 647-6695

**MANUFACTURERS:**
- Amaro Foods - (517) 584-3800
- Bill's Meats - (517) 860-1360
- Grotto Farms - (517) 860-1360
- Home Style Foods, Inc - (517) 874-2200
- Joseph H. Country Store - (517) 365-5990
- Kali Enterprises, Inc - (517) 525-7240
- Kraft Foods - (517) 525-2400
- Monster Meat Company - (517) 525-7240
- Small Package Company - (517) 525-7240
- Red Pelican Food Products - (517) 921-2500
- Michigan City Furnace - (517) 345-3434
- Snyder Extract Laboratory - (517) 345-3434
- Tony's Pizza Service - (517) 345-3434

**MEAT PRODUCTS/PACKERS:**
- Harty Meats - (517) 832-2000
- Meats from Kar's - (517) 778-3227
- Hawthorne Meat Products - (517) 832-2000
- K & K Sausage Company - (517) 861-4300
- Meats Packing - (517) 894-3400

**SPIRITS & EXTRACTS:**
- Raeb Soccer Company - (517) 832-2000
- Johnnie Walker & Sons - (517) 832-2000
- Jack Daniels Distillery - (517) 525-7000
- Winter Squash Mfg, Inc. - (517) 771-9000
- Wolverine Packing Company - (517) 568-1900

**STORE SUPPLIES/EQUIPMENT:**
- Belmont Paper & Bag Company - (517) 491-6555
- Berlin Label Systems - (517) 662-5004
- Brehm Broadcaster - (517) 427-4585
- DCI Food Equipment - (517) 369-1666
- Hobeck Corporation - (517) 697-7050
- MDM Packaging - (517) 524-4000
- Market Mechanical Services - (517) 680-0380
- Michigan Bait Company - (517) 925-1166
- Midwest Butler & Deli Supply - (517) 869-2255
- Moore & Associates - (517) 863-4441
- Nationwide Food Equipment Dist. - (517) 393-8144
- TRC Copy Centers - (517) 231-0230

**WHERAISERS/Food Distributors:**
- Bremer Sugar - (616) 772-9100
- Calcium Foods - (616) 384-0800
- Cap & G / Retail Distributors - (616) 329-2137
- Central Foods - (616) 329-2137
- Detroit Warehouse Co - (517) 491-1500
- EBY-Brown Co - (800) 392-9276
- Ebel Foods - (616) 404-4050
- Family Packing Distributors - (616) 554-5353
- FoodLand Distributors - (517) 523-2100
- Garden Foods - (517) 584-2890
- Gourmet International, Inc. - (517) 888-5577
- Great Lakes Home Food Service - (517) 835-6785
- H & O Distributors - (517) 493-0011
- J & K Distributors - (517) 493-9910
- J & W Wholesale Distributors - (517) 787-9180
- J. Weller Co. - (517) 787-9180
- Kraft Foods - (517) 787-9180
- Looney & Associates - (517) 449-2814
- Louie Food Distributors - (517) 360-1000
- Southwood Food Distributors - (517) 360-1000
- State Wholesale Grocers - (517) 365-7364
- Steptoe & Stepheans - (517) 930-3851
- Starrow Stores, Inc. - (517) 880-4481
- Super Food Services - (517) 777-1911
- Super Food Distributors - (517) 777-1911
- Tony's Pizza Service - (517) 247-1531
- Value Wholesale - (517) 262-9000
- Weeks Food Corp - (517) 723-3000
- Ypsilanti Food Co-op - (517) 543-6835

**ASSOCIATES:**
- American Synergistics - (517) 427-4444
- Braken Co - (517) 881-4438
- City of Cemetery & Mortuary - (517) 571-5500
- Business Dining Serv. - (517) 489-1900
- Club Corp. - (517) 459-8390
- Herman Ruth Sales Co. - (517) 346-6383
- Livenloz-Darwin Floral - (517) 748-3400
- Power House Gym - (517) 863-0111
- Winder & Associates - (517) 586-2378
- 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 517-5600.
Happy New Year!!

THE PFEISTER COMPANY
1918 to 1992

74 YEARS OF SERVICE TO THE
RETAILERS OF MICHIGAN AND OHIO

As we enter our 75th year of business, we would like to thank our partners in the Food Industry for your support over the last 74 years.

From all of the employees of the Pfeister Company, we extend to all members and staff of the Associated Food Dealers our best wishes for a Healthy and Prosperous 1993!!

DETROIT
36300 SCHOOLCRAFT
LIVONIA, MI 48150
(313) 591-1900

SAGINAW
3159 CHRISTY WAY
SAGINAW, MI 48603
(517) 793-8100

GRAND RAPIDS
3663 BROADMOOR SE
GRAND RAPIDS MI 49512
(616) 949-7210

CINCINNATI
3660 HAUCK RD
CINCINNATI, OH 45251
(573) 563-4444

COLUMBUS
6264 SUNBURY RD
COLUMBUS, OH 43081
(614) 899-1331

TOLEDO
6433 MONROE STREET
TOLEDO, OH 43660
(419) 882-1616