Liquor privatization comes to Michigan

In the early hours of Friday, December 13, 1996, the Michigan House of Representatives passed into legislation the Privatization Bill ending 63 years of direct liquor distribution by the Michigan Liquor Control Commission. As we went to print, liquor privatization will go into effect, Monday, January 13, 1997 barring the outcome of several pending lawsuits, legislative action or any further action by the LCC.

The liquor distribution will be handled by the following Authorized Distribution Agents approved by the LCC: National Wine & Spirits Corporation (Lincoln Park), General Wine & Liquor (Highland Park) and the Encore Group comprised of J. Lewis Cooper (Detroit), Fabiano Brothers (Mt. Pleasant) and Henry Fox Sales (Grand Rapids). It will be necessary for retailers to place orders for the brands that they carry with the appropriate distributors.

While most retailers may be familiar with General Wine & Liquor and the members of the Encore Group, you may not know National Wine & Spirits which is new to the state. They have been in business for 50 years and are currently distributing 40 percent of the liquor in Illinois and 60 percent in Indiana and will distribute over 50 percent of the liquor in Michigan as well.

Because of intensive lobbying on the part of AFD, these changes will mean savings of hundreds of dollars a year to your business. Retailers will be able to avoid occasional emergency outages by receiving up to 12 special emergency orders per year. However, retailers may be charged up to $20 per emergency order for delivery.

SDD licensees will be able to sell to individual bars or restaurants up to 320 ounces of liquor per month per location at full retail price excluding sales tax. In order to be able to do this, the retailer is required to apply and receive a BATF license and must maintain records of each bar or restaurant’s purchases. These records will be subject to inspection by the LCC.

With privatization, special orders will no longer exist and retailers can expect more new product availability. The state will still set the prices that liquor can be sold for and the mark up will remain 65 percent. There will be no price changes as the result of privatization at this time except for price decreases and emergency increases approved by the commission as of January 12, 1997 retailers will be required to exclude the sales tax on liquor on their shelf price. The sales tax must be collected at the cash register. The new LCC price book will give both prices.

As with any new programs rolled out with this type of sweeping change, there are bound to be some problems. The AFD encourages you to be patient during this time of transition. Prepare yourself by being as patient as the AFD. See you on the 17th.

It’s time to apply for WIC contracts

The current contracts with WIC authorized vendors in the southern part of the state will expire on June 30, 1997. The application period is from January 1 through March 31. 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. This application, along with instructions, will be mailed to each contracted vendor in January.

Vendors who had been placed on the "waiting list" will be notified of the application period; and if interested in seeking WIC authorization, they 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 see WIC page 43.

Pat Quinn, CEO of Spartan Stores, will be honored during this special night.

Last year’s 80th anniversary ball was a huge success. This year, the AFD’s 81st annual trade dinner and New Year’s Ball promises to be bigger and better than ever. Mark your calendar for January 17th and call Tom Amyot at 810-557-9600 for tickets now! Don’t miss the fine food and dancing to the ‘50s and ‘60s music of Steve King and The Distillers. Also meet special guest honoree Pat Quinn, CEO, Spartan Stores. See you on the 17th.

Cigarette Stamp legislation continues

Michigan is losing about $150 million a year as a result of the tripling of the tobacco tax in 1994, according to a new report by an Indiana-based research firm. The report by the Tax Research Analysis Center (TRAC) of Indianapolis also indicated that the proposal to put a stamp on each pack is a step in the right direction to curb cross-state smuggling.

In a bid to snuff out the smuggling of untaxed cigarettes, the state Senate voted in December to require tax stamps on every pack of smokes. The bill, however, was not considered in the House.

See Legislative Updates page 8.
A Proud Sponsor
of the Annual Trade Dinner
and New Year's Ball

NOTHING ELSE IS A PEPSI
Chairman's Message

Food stamp cash-out concerns

by Mark Karmo

From its inception, the Associated Food Dealers of Michigan and its members have been intimately involved in the food stamp program. As store owners and managers we are accountable for stocking the products food stamp customers need, training our staff on the handling of food stamps, coordinating the return of stamps, paying the bank for the handling service and patiently waiting for reimbursement of the purchase price on the items. We are the heart of the food stamp system. I recognize that Michigan's food stamp cash out program was implemented to be a part of an overall effort to encourage recipients to join the work force and become contributing members of society. However, after watching the results of the cash out program for some months now, and discussing this with many other retailers, we at AFD now know that far too many of the recipients receiving cash are making poor buying decisions.

The hope of the State, as we understand it, was that these individuals would use the money to purchase needs that can't be purchased with food stamps — such as paper products, soap, vitamins, cold medicines, etc. Instead, on a daily basis, we have seen food stamp cash-out recipients using the money for liquor, beer, wine, tobacco and lottery tickets.

My reason for concern is not self serving. In many cases the cash-out program has benefitted retailers, since there is a higher profit margin for the products that these customers are choosing to purchase. However, AFD does not believe this is appropriate use of taxpayer money. It most certainly does not meet the goal of the program as originally developed, nor does it bring about the end results desired by most taxpayers in our country.

I applaud the efforts of our state to encourage those on public assistance to return to the work force. But we do not believe that the present policy of providing a cash replacement for food stamps to some recipients is working. It would be far more appropriate to expand the list of items allowed for purchase with food stamps to other household needs. This would assist the food stamp recipient in his or her effort to make good buying decisions, while assuring taxpayers that their money is being used wisely by the government and those in need.

New Year's wishes and a night to celebrate

I want to take this opportunity to wish all AFD members and their families a very happy, safe and prosperous new year. To start the year out right, I look forward to seeing you all at the New Year's Ball, AFD's 81st Annual Trade Dinner on January 17 at Penna's of Sterling Heights. We'll have a great evening of dining, dancing and entertainment featuring Steve King and the Dittilies! It's a night that I look forward to each year and one I'm sure you will enjoy. For ticket information, call the AFD office at (810) 557-9600. Then I'll see you on the dance floor!

Your opinions are important to us! Call AFD at (810) 557-9600 or (800) 666-6AFD.
Or write to us at 18470 West Ten Mile Road, Southfield, MI 48075.
Calendar 1997

January 17
AFD 81st Annual Trade Dinner and New Years Ball
Penna's, Sterling Heights
(810) 557-9600

February 2-3
Store Re-Solutions '97
The Vineyards
Farmington Hills, MI
(810) 589-4608

February 7 - 9
Marketing & Operations Technology - FMI
George R. Brown Convention Center, Houston, Texas
(202) 452-8444

March 12 - 14
ECR, Putting the Pieces Together
Hyatt Regency
Atlanta, Georgia

April 28 & 29
AFD Annual "World of Savings" Trade Show
Burton Manor, Livonia
(810) 557-9600

June 8-11
Supermarket College
Hyatt Hotel, Harbor Place
Baltimore, Maryland
(609) 348-6646

Guest Comments

Your Grocery Store —
A Learning Lab for Healthy Eating

by: Diana Pilcox
Public Affairs Specialist
USDA Food and Consumer Service
Midwest Region

A little over a year ago, the U.S. Department of Agriculture launched a nationwide nutrition education initiative — Team Nutrition — designed to improve the nutritional quality of school meals and help children and families make healthier food choices. Team Nutrition encourages schools to form partnerships with local businesses and community organizations to help them accomplish these goals. By becoming a Team Nutrition supporter, you, as a food retailer, can build a link with your community and provide a valuable service to your customers.

What is Team Nutrition?
Team Nutrition is a marketing campaign to help schools comply with recent federal legislation requiring healthier meals in the National School Lunch and School Breakfast Programs. School meals must now be lower in fat and sodium and contain more fresh fruits, vegetables and whole grains.

How Can My Store Become a Team Nutrition Supporter?
You, as a food retailer, are an ideal community supporter of Team Nutrition because you are in a unique position to teach and promote healthy eating. Children learn by seeing, hearing, touching and tasting. In your store, kids can participate in learning activities that are fun, easy to understand, and most importantly, stick in their minds. For these reasons, your store is an ideal laboratory for teaching nutrition education.

The first step in getting involved in Team Nutrition is to contact a local school in your area. Suggest to the principal that your store partner with the school in teaching students about healthy eating and good nutrition. Here are some activities you can suggest:

1. Recruit a local dietitian to conduct a hands-on nutrition education class using your store as the classroom. The dietitian can teach the students about the importance of eating a variety of food, making healthy food choices. Then give students' samples of foods.

2. Host a Food Label Scavenger Hunt for the older kids to help them use labels to select foods that are lower-in-fat and learn to make choices for a healthy diet.

3. For the younger children, host a Sense-able Scavenger Hunt where they search the aisles looking for as many foods as they can fit into eight food categories: crunchy foods, cold foods, soft, salty, brown, good smelling, green and sweet foods. Then let the students taste some of those foods they have found.

4. Let students take a journey to a world of healthy foods. Have a taste-test and let them experience items they probably have never eaten before like star fruit, mango and jicama. Discuss where different foods originated. To make it even more fun, give them a “passport” in which they can record the name of the food, its country of origin and its taste.

See Healthy eating page 5

The Grocery Zone

by David Coverly

for God's sake, jonesy, let it breathe. let it breathe!
Our Successful Program

One Midwestern retail food chain has already put together a dynamic nutrition educational program. Through its Healthy Choices for Kids program, Finast Supermarkets in Northwestern Ohio has been offering store tours to local students since 1991. The program came about after Finast received requests from teachers for nutrition tours.

This year Finast opened up its stores to approximately 10,000 students from September 17 - November 21 on Tuesdays, Wednesdays and Thursdays. According to Susan Alcorn, director of the Consumer, Government and Media Center, the emphasis was on healthy snacking. Children adopted the role of Snack Detective, using specially-prepared raps, poems, riddles and clues to solve the “mystery of healthy snacking.” The older kids, 4th and 5th graders, were additionally challenged with the inclusion of math and reading as part of the activities. Finast-trained tour guides took students through the produce, meats, dairy and grains sections of the store.

The Healthy Choices for Kids program is popular with grocers, teachers and students, says Alcorn. “It lets children look at nutrition in a different environment that’s exciting, fun and creative,” she said. The program is free and consists of a nutrition booklet mailed to teachers, three lesson plans, a store tour and a letter to parents inviting them to reinforce at home what the children have learned.

In preparation for a tour, Finast encourages teachers to use free lesson plans provided by the Washington Apple Commission. The lesson plans teach the various grade levels about making healthy snacking choices.

Where Can I Go For More Information?

USDA’s Food and Consumer Service Public Affairs office (312) 353-1044 can provide you with ideas, some of the materials mentioned above in “How Can My Store Become a Team Nutrition Supporter,” and colorful posters that show Walt Disney Company’s “Lion King” characters Timon and Pumbaa encouraging kids to eat right.

USDA can also provide you with a list of Team Nutrition schools in your area. While you can work successfully with any school, a Team Nutrition school already has an assigned Team Nutrition coordinator and will be ready to link with your store in promoting healthy eating in school and at home.

The Best in Reverse Vending is Made in the U.S.A!

The new SuperSeries reverse vending machine by Kansmacker is field proven to be fast, reliable and efficient. Now this revolutionary three-in-one machine can provide you with a cost effective solution to your returnable handling needs.

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FOOD & BEVERAGE REPORT. JANUARY 1997... 5
“Store Re-Solutions ‘97” promises to help with your New Year’s resolutions

If your New Year’s resolutions include upgrades to your store, learning more about new marketing and advertising concepts and at the same time having more time for family and personal enjoyment, then you may want to spend a little time now attending “Store Re-Solutions 97.”

Sponsored by POS Systems Management, the event takes place Sunday, February 2 at 3:00 p.m. and Monday, February 3 at 7:00 p.m. in the Mayfair Room of the Vineyards in Farmington Hills. Admission is complimentary but seating is limited so reservations are required.

Craig Cesarone, of POS Systems, says demonstrations will feature the latest in cash registers and computer POS terminals, touch screen POS, scanners, smart keyboards, thermal printers, portable data terminals, electronic vendor orders, store kiosks, Internet education and more.

POS Systems Management has over 40 years of experience in the cash register business and Cesarone says that many members of the POS staff have been retailers themselves and understand the needs of the retail food business.

To make reservations for Store Re-Solutions 97, call POS Systems Management at (810) 689-4608. The Vineyards is located at 32418 Northwestern Highway, between Middlebelt and 14 Mile Road in Farmington Hills. Dress is casual.

FYI - Foodservice sales are expected to increase by 2.4 percent in 1996 to just over $312 billion
A MAJOR PROMOTIONAL EVENT
Display and Advertising Opportunities will deliver increased sales and profits!
Watch for the 1997 Stark & Company Coupon Spectacular!

F.S.I. coming weeks of February 10, and 17, 1997

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Over 2,300,000 circulation in all
major Michigan Marketing Areas

Full-color insert and supplemental R.T.P
in all major Michigan Marketing Areas

27 National Brand Coupons

See your Stark & Company Sales Representative for promotional and display opportunities
for action in 1996 and died on December 31. AFD supported this bill and hopes to have it reintroduced in 1997.

"In Michigan, the smuggling of cigarettes and tax evasion has become the top crime of the 1990s," said Senator Doug Carl, R-Mt. Clemens, sponsor of the Senate bill.

The cigarette tax was raised in 1994 with a ballot proposal, which transferred most of the revenue for school operations to the state from local sources and raised the cigarette tax from 25 cents to 75 cents per pack. The TRAC report was highly critical of that element of the school finance changes, calling the tax poor economics and an even worse tax policy.

Under the proposed bills, cigarettes sold at retail outlets would have had to have a tax stamp beginning later this year. A person who possesses, transports or sells 3,000 or more unstamped cigarettes (150 packs, or 15 cartons) could be sentenced to five years in prison and fined $50,000.

If the law had passed, beginning in September, wholesalers would have been able to acquire stamps and in October, the stamp would have had to be placed on cigarette packs. Retailers would not have been allowed to acquire cigarettes without them.

Wholesalers would be permitted a 1.5-percent discount off the tax to help finance the mandate. Voting against the bills were Sens. Harry Gast, R-St. Joseph; Donald Koivisto, D-Ironwood; and Alma Smith, D-South Lyon.

HOW TO SEND YOUR PARTY INTO OVERTIME!

This January, when it comes down to the final seconds before the game, don’t be caught without your all-star lineup to back you! They’re all you need to make your party a hard-hitting success!

Contact your local Frito-Lay Representative for details.

Food processors using anhydrous ammonia must comply with amendment

Some food processors now have refrigeration systems that utilize anhydrous ammonia as the coolant. If those refrigeration systems are large, they may contain more than 500 pounds of anhydrous ammonia. If that is the case, those food processors must comply with the requirements of a federal law known as SARA Title III.

SARA Title III is an amendment to the Superfund Act passed by Congress in 1986. This law identifies "extremely hazardous substances" and specifies the amount of each substance that subjects a facility to the requirements of the law. Anhydrous ammonia is classified as an extremely hazardous substance and any facility that has, on site, over 500 pounds of anhydrous ammonia is subject to the provisions of this law.

Once subject to SARA Title III, facilities must notify the Michigan Department of Environmental Quality (DEQ) and their Local Emergency Planning Committee that the chemical is present at their site. The Local Emergency Planning Committee will then work with the facility to develop an emergency plan to be activated in the event of a spill or release. Spill or release reporting is mandatory.

Food processors who believe they may have more than 500 pounds of anhydrous ammonia at their facility should contact their Local Emergency Planning Committee. A list of Local Emergency Planning Committees can be obtained from Ms. Bonnie Fighter at the Michigan State Police, Hazardous Materials Section at (517) 333-5030. Further information about notification requirements can be obtained from Mr. Robert Jackson of DEQ’s SARA Title III Office at (517) 373-8481.
Welfare reform bill includes changes in food stamp program for retailers

The welfare reform bill signed into law by the President includes new requirements for authorization, reauthorization, and remaining eligible to accept food stamps. These new requirements are intended to reduce the incidence of fraud by retirees involved in the program. The bill provides for:

- Mandatory electronic benefit transfer systems (EBT) by 2002;
- EBT equipment that differentiates between eligible and ineligible items;
- Site visits prior to approval of an application for authorization or reauthorization;
- Definite time periods for authorization;
- Submission of income and sales tax records prior to approval;
- Authorization of food stamp officials to obtain verification of tax information or other documents submitted in support of an application;
- Six months of ineligibility to reapply following the denial of an application for authorization or reauthorization;
- Temporary or permanent disqualification for the knowing submission of false information in connection with an application;
- Disqualification from the food stamp program for disqualification from the WIC program;
- Immediate effectiveness of a notice of permanent disqualification (instead of suspension of the notice pending administrative review); and
- Disqualification for disqualification from the food stamp program for disqualification from the WIC program.

State Supreme Court rules "intent to kill" not needed in drunk driving law

The Michigan Supreme Court ruled that a statute, imposing a 15-year jail term for those found guilty of killing another person while driving drunk, does not violate a defendant's right to due process, even though the statute does not require that there be intent to harm another person. The Court found that it was not necessary that a person be shown to have demonstrated gross negligence or the intent to harm by driving while intoxicated to receive the 15-year sentence. The Michigan Legislature passed the statute in 1991 which set specific penalties for driving drunk. The ruling was based on the appeal of two separate cases involving crashes in which an intoxicated driver killed other people. In both cases, the decision upheld a Court of Appeals ruling.

Remember: Check ID of anyone under 27 purchasing tobacco

The FDA's final rule regulating tobacco sales to minors contains several provisions that affect retail sales. Among those provisions that take place effective February 28. retail sales clerks will be required to check identification for anyone purchasing tobacco or smokeless tobacco under the age of 27. This means every person who is actually younger than 27, not just those that appear to be under 27. Penalties will be in effect for failure to check an ID, so even if the person is of legal age to purchase the product (say 19-years old), if no check is made, it is still a violation.

Good things come in ALL packages.

You can always count on Awrey's made-from-scratch recipes, handed down from generation to generation since 1910, to remain unchanged.

Now we've made a good thing even better with the introduction of bold, new, reclosable packaging. New packaging, outstanding products, and a positive attitude assure you increased profits and greater customer satisfaction.

For more information on Michigan's #1 quality bakery, call Charles Parrish at (800) 950-2253 or (313) 522-1100.
Phenomenal growth a catalyst for personal growth in Auburn Hills

by Ginny Bennett

Cruising down I-75 through Auburn Hills was once a scenic trip through the hilly, green countryside. It was like that in 1978 when Sabah George moved Bonanza Party Store from Waterford to the southeast corner of Joslyn and Walton in Pontiac near the Auburn Hills city limits. Joslyn and Walton were two lane roads.

Only the most visionary could have predicted the phenomenal growth that has taken place along the I-75 corridor that runs through Auburn Hills since then. That stretch of highway teems with traffic rushing by or inching down the exit ramps to the new K-Mart, Canterbury Village or Palace Arena. Earth movers are changing the scenery as new industrial complexes pop up daily. Sabah George is sitting pretty in this area of opportunity. Further growth seems certain as the Auburn Hills Chamber of Commerce predicts that the 700 present businesses currently in the area will provide 50,000 new jobs by 2001 and the tax base will rival that of Southfield or Farmington Hills.

Sharing the corner with Bonanza Party Store, there are two gas stations, and a McDonald’s restaurant under construction. Cars pass the corner at a rate of 35,000 a day, according to George. Many factory workers going to the General Motors Parts Plant or the Lake Orion Plant pass by to and from work. Many stop, contributing to a steady stream of customers. George says it is constant between 11:00 a.m. and 7:00 p.m. when the lottery sales slow down.

A major outlet mall has been promised for the area for several years. George says the mall will be built by 1999. Planned for a site on the west side of I-75, between Joslyn Road and Baldwin Road, he anticipates that either Joslyn or perhaps a road further west will be the egress or ingress to the mall. Regardless, the mall will bring even more traffic to this bustling corner.

George has plans for Bonanza which include building a new larger building on 500 feet of adjacent property on Joslyn Road. Presently, he is negotiating with the zoning commission to change the zoning from residential/office to commercial to allow him to move the store. His plan is to build while he works from the old building and then tear the old store down and replace it with adequate parking. He is considering several possibilities for use of the space from a marketplace concept to a strip mall. The current 2,000 square-foot building is a former gas station and was previously a produce shop and a van conversion shop before the George family bought it. Sabah owns Bonanza along with his father John and brother Sam.

Sabah has cultivated good employee relations over the years which have allowed him the freedom to keep “bankers hours.” His right-hand man is Richard Cervantez, who has worked for him for 23 years. He started working for Sabah when he was only 13 years of age. Richard’s brother Oscar has worked for Sabah for 12 years, as has a retired gentleman, Vern Knibbs, who works part-time for about three to four hours a day. Sabah can work from approximately nine to four and know that everything will run smoothly while he is busy elsewhere. Eventually he would like to see his employees take charge since he has other interests to pursue.

Spare time allows Sabah the chance to develop other business interests. He is licensed to sell residential and commercial real estate which he does part time. Recently he completed requirements for his builder’s license. Over the years Sabah has helped people refurbish and remodel properties and so he decided that he might as well get his license, taking into consideration that it will help him with his own upcoming building project.

Like the landscape, people change and Sabah George is eager to get his plan into action. When the zoning permission is granted and the building is underway, Sabah will be ready to welcome the phenomenal change that his area continues to experience. At the same time he is professionally and personally poised to face a new career with great anticipation and confidence.
Quick Turns.

Achieving distribution efficiency. A new level of competition focused Spartan Stores, Inc., on taking an aggressive approach to distribution. A mass re-engineering effort is in full swing and is allowing Spartan Stores, Inc., to be a forerunner in our industry. Through advanced technology, ECR strategies, cost plus pricing, training and strong alliances with suppliers, we’re seeing lower inventories and increasing turns which are resulting in lower costs. Recognizing that there are still great strides to make, we are lighting the way as an efficient, low-cost distributor focused on a simple objective, getting the right product at the right price at the right time to our customers.

Shine with an industry giant. Call us for more information at 616 530-4517.
How To Get More Shoppers In Your Frozen Food Aisle

If you're looking to attract more customers to your freezer case, you've got to stock London's new Great Lakes Classics premium ice cream. It's made right here in Michigan using quality products from Michigan dairy farmers. Plus, it's as easy to stock on your freezer shelves as it is to sell because we package Great Lakes Classics conveniently — three half-gallon containers to a sleeve.

And just look at the packaging design. It really pops off the shelf, and the reusable, recyclable plastic tubs will encourage your customers to reach for Great Lakes Classics every time.

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New Miller Beer.
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New Miller Beer.
Fraudulent voids: how to avoid them - part two

by Jack Henry and Security Training Corporation

Editor's Note: We published the first of this guest editorial on Fraudulent voids in the December Food and Beverage Report. Here are some more examples to get you thinking.

Cashier voiding sales on another cashier's code
Northfield, Minnesota News 5/3/95. Kathy Ann Barnett, 31, a former sales clerk at Nelson's Super Valu in Fairbault, was charged with three counts of theft for allegedly taking almost $40,000 from the cash registers.

The criminal complaint states that Barnett occasionally used another cashier's code number to void sales. She then took the overage from the register created by the void. Initial blame was placed on the innocent cashier whose code was stolen. In six months Barnett allegedly took $39,310.

Weakness: First, the store manager neglected to check journal tapes for six months. Second, there was negligence in securing the secret code of cashiers.

Dedham, Massachusetts Daily Transcript 6/1/95. Kirsten L. Volz, a 26-year-old cashier for Home Quarters at the Carnegie Row store, admitted to stealing $571.20 in merchandise when she rang up some gardening equipment for her brother. Using a void key that she was not authorized to have, and using a former manager's access code, Volz voided the purchase.

Volz was arrested in the manager's office. After running a computer check, police learned that Volz was wanted on a fugitive warrant from Missouri.

Weakness: First, no criminal background check before hired. Second, no policy against ringing sales for friends and family. Third, no securing of void key, or manager's access code.

Cashiers ringing own sale, then voiding sale and keeping merchandise
St. Louis, Missouri South County Journal 4/9/95. An employee of a store in a mall at Sappington and Watson rang up a sale for a $197 suit, then voided the transaction. He placed both the suit and the receipt in a clothing sack. At 10 p.m., as he was leaving the store with his suit, he was able to produce the receipt when the manager asked for it.

Later the manager checked the receipt against the detail tape and discovered that the $197 sale had been voided.

Strength: By following properly conceived theft-prevention policies, the manager promptly caught the thief.

High Point, North Carolina Enterprise 2/1/96. Christopher Doran Martin, a 21-year-old former Wal-Mart employee, faces charges of embezzlement. Allegedly, on Jan. 27, Martin rang up an AM-FM/car stereo/compact disc player, voided the transaction, but kept the sales receipt. At the end of the shift Martin left the store with the car stereo and the receipt. He took both the receipt and the stereo to a Wal-Mart in another town and returned it for a cash refund.

Thinking his scam foolproof, on Jan. 29 Martin gave another car stereo to a female customer at the store, walked her to a checkout, rang the sale, then promptly voided the sale so that no money changed hands.

Store officials, who had been

See Crime Alert page 17.

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An Easy Call To Make™
Foodservice revitalizing convenience store industry

Co-branded food is red hot

After nearly a quarter-century of phenomenal growth which saw the number of outlets increase fivefold, the convenience store industry crashed in the early 1990s—slammed by competition from supermarkets, rising costs, a recession, and a dwindling consumer base. Thousands of stores were forced to close and most of the major traditional chains filed for bankruptcy protection.

Today, the industry is slowly rebounding, fueled in part by the sale of convenience foods which provide operators with a stable, high-margin, high-profit business. According to Packaged Facts, a New York City-based research firm, convenience food sales at convenience stores leaped 9 percent to $3.7 billion in 1995. This figure is truly remarkable considering overall merchandise sales were flat and there was no growth in the number of convenience outlets.

Foodservice a new profit center

While prepared food's share of total convenience store sales is a modest 3 percent, it is extremely attractive as a high-margin business (around 45 percent versus 31 percent for all merchandise) and as a cushion against the volatile tobacco and gasoline businesses on which convenience stores are heavily dependent.

High profits through the sale of gasoline have provided convenience store operators with the money they need to invest in the capital-intensive foodservice business. Surveys indicate widespread plans for expanded foodservice among both traditional operators and petroleum marketers.

Fast-food chains—from rivals to occasional allies

The fastest-growing category of convenience food in convenience stores today consists of branded fast foods sold by special arrangement with fast-food chains, which, in turn, are increasingly seeking satellite locations to combat a saturated market. Packaged Facts estimates that between 9,000 and 10,000 convenience stores offered licensed and franchised fast food in the summer of 1996.

Foods offered through co-branding include doughnuts, chicken, pizza, hamburgers, hot dogs, tacos, sandwiches, and frozen desserts. Programs can run the gamut from a display cart to a separate fast-food franchise adjacent to the convenience store.

Although potentially lucrative, co-branded fast food is an expensive undertaking. Investments commonly run between $30,000 and $50,000, and

See Co-branded food page 17

Welcoming L’Oreal, Hershey, Yoplait and Thompson’s to the assortment of fine products represented by:

paul inman associates, inc.

HERSEY’S

L’OREAL®

THOMPSON’S

YOPLAIST®
Co-branded foods  
Cont. from page 16

Co-branded foods may take years to return a profit.  
As convenience stores turn to co-branding, proprietary deli sales are slipping.  
Still in-house delis remain attractive to many operators because of their smaller initial investment and the larger share of profits they make possible.

C-stores vs. g-stores

Convenience stores can be identified as either c-stores (traditional operators) or g-stores (convenience stores run by petroleum marketers), whose different origins are reflected in their different product mixes and marketing techniques. Notably, c-stores sell twice as much food as g-stores.

Petroleum marketers making major inroads

Although convenience stores are still generally an afterthought for oil companies, and traditional operators greatly outnumber petroleum marketers, the oil companies enjoy market shares disproportionate to their numbers.  
In fact, nine of the top ten convenience store operators are petroleum marketers.  
The enormous resources that oil companies can deploy, especially filling stations which draw a steady stream of on-the-go customers, has enabled them to surge to the top in just a few years.

However, Southland Corporation, a traditional operator, is by far the market leader.  
Southland operates over 5,000 stores in 29 states and Washington, D.C., under the names 7-Eleven, High’s Dairy Stores, Quik Mart, and Super-7.

Convenience stores now targeting wider audience

Convenience stores are attempting to expand their traditional customer base of predominantly teenagers, young adults, and males.  
They are conducting an industry-wide experiment in offering higher quality foods which it is hoped will attract women and families, making the convenience store a food products destination rather than merely a stopgap.

Fraudulent voids

Cont. from page 14

trained to look for unusual transactions on the detail tape, were ready. They collared Martin and called police.

Strength: By following properly conceived theft-prevention policies, store officials caught the thief within two days.

Cashier using master void key

Dublin, Georgia Courier Herald 8/9/95. Greta Smith, 28, former employee of Friendly Gus convenience store, was found guilty of theft in connection with the disappearance of $15,614.

Guy Cochran, president of Friendly Gus, testified that he discovered the thefts after reviewing cash register tapes. He found entries on the tape marked "MV" for master void, which was a way of taking sales out of the register memory.

Cochran said the master void is done by flipping the cash register key to a certain setting. The setting is different from the direct void key normally used in instances where customers do not have enough money to pay. He said he did not know about the master void setting until he found the markings on the detail tape.

"Once we discovered the method, we checked the tapes against the time schedules," said Cochran. "The only time the master void key was used was when she was working."

Weakness: First, the store owner bought new registers without learning of their functions and how they operate. Second, he permitted the "master void" key to be kept in the keyhole. Third, he began checking the register tapes too late.

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Speaker Curtis Hertel
An apple that has not fallen far from the tree

It had been a wild ride, that election night of 1992. Michigan voters had approved term limitations for elected officials, rejected an automobile insurance proposal and repudiated two property tax measures. They also had sent the Michigan House of Representatives into a chaotic 55-55 split.

Through democracy’s greatest forum, the voting booth, the people had spoken. The end result was that for the first time in history, the Michigan House would have two speakers, one of whom was a familiar name to Detroiter, Curtis Hertel.

Those were not easy days for Hertel. With the defeat of current Speaker Lew Dodak, Hertel had been elected Democratic leader. But the victory celebration would have to wait. Governor John Engler was actively courting Democrats to cross over and provide the House with a Republican majority. Partisan battles had erupted and the paychecks of House employees were threatened. The venomous bickering was catapulting the House toward political gridlock.

Despite that stuttered start, the next two years would eventually come to be recognized as the most productive and worthwhile legislative session in Michigan history. Credit for that historical achievement is appropriately accorded Hertel and his Republican counterpart, Paul Hillegonds.

While the Hertel name has long been synonymous with public service, the family roots reside in the small business community. For years family patriarch Jack Hertel owned a neighborhood tavern on Detroit’s east side. “We all worked there,” Hertel says of the business. “We learned a lot about the satisfaction that accompanies a day’s work, and that there is no greater source of strength than your own family.”

A belief in the importance of small business and in the value of family, bodes well for AFD members.

Eventually, Jack Hertel sold his business and returned to school for a teaching degree. He longed to construct lesson plans that were laced with real life experiences and to instill in his students the love he felt for America’s political system.

In the case of Curtis Hertel, the apple fell close to the tree. Quietly, he built a solid record of integrity and accomplishment in the Michigan House. He was instrumental in securing passage of nationally acclaimed child abuse legislation that established the Children’s Trust Fund. He established a law to guard against child snatching. He created the Michigan Transportation Economic Development fund. He established quality standards for gasoline and a statewide fuel inspection program to protect Michigan consumers.

Apart from his impressive legislative accomplishments, Hertel began to assume greater leadership responsibilities. He became active in passing legislation that he didn’t sponsor, quickly earning the respect of colleagues from both sides of the aisle and in both houses of the legislature.

It came as no surprise then in the hurly-burly following the 1992 elections that Hertel’s caucus turned to him for leadership. In his nominating speech, colleague Mike Griffin took note of Hertel’s background and said, “If you look to challenge a man, then gauge your task by the success of those who have challenged his father before him.”

That Irish proverb, interestingly enough, may apply to yet another generation of Hertels. Curtis Hertel, Jr., a freshman at Michigan State University, has demonstrated an interest and ability in carrying on the family political name.

As he prepares to lead the Michigan House into the 89th Legislature, Curtis Hertel has not strayed far from his roots. His love of sports in general, and hockey in particular, has prompted good-natured kidding on the part of his colleagues that Joe Louis Arena, home of Detroit’s Red Wings, might soon be known as the State Capitol Annex.
On December 19, 1995, representatives of every major retail organization in America announced the largest effort ever to reduce youth smoking. More than 150,000 retailers nationwide have joined forces through the Coalition for Responsible Tobacco Retailing to prevent the sale of tobacco products to kids.

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For more information call 1-800-934-3968
Michigan Sugar announces promotions

W. W. Sprague, III, president and chief executive officer of Savannah Foods & Industries (SFI), Savannah, Georgia, has announced the promotion of David H. Roche, Saginaw, to the position of president Savannah Foods-Industrial. Roche will continue to serve as president of Michigan Sugar Company, a wholly-owned subsidiary of SFI. SFI is a publicly held company with nearly $1.1 billion in annual sales.

In his new position, Roche will be responsible for sales, manufacturing and distribution of all industrial products. This promotion continues the implementation of the Savannah Foods' strategic plan of focusing on two distinct customer groups - industrial customers and retail/food service customers - and marks the first time both beet and cane sugar production and sales have been under the direction of the same president.

Roche joined Michigan Sugar Company in 1976 as controller. He became vice president-administration in 1980, executive vice president in 1990 and president and chief operating officer in 1994. He became a senior vice president of SFI earlier this year. Roche and his family will relocate from Saginaw to Savannah in the near future.

Other promotions at Michigan Sugar include: Mark S. Flegenheimer to vice president and chief operating officer; Gerald A. Broschma to vice president-administration and finance and Barry L. Brown to vice president sales and marketing of all sugar and by-products. Brown joined the company in 1976 as assistant sales manager.

See People page 21
Now in its 91st year of business, Michigan Sugar Company operates four sugar processing facilities in the state of Michigan. The company's subsidiary, Great Lakes Sugar Company, operates two Ohio facilities. The company's sugar products are marketed under the Pioneer, Peninsular and Great Lakes labels, as well as numerous private labels. The products are distributed throughout an expanding midwest market. Michigan Sugar Company is based in Saginaw, Michigan and is a subsidiary of Savannah Foods & Industries.

Jack Azzam passes away
We are saddened to hear former AFD employee and friend. Jacob (Jack) L. Azzam died November 19 at age 59. Jack worked in membership services at AFD in the 1980s. He is survived by his wife Mary Alexis, son Zacharie and brother Abraham. The funeral was at St. Thomas More Church and the interment was by Lynch & Sons Funeral Home. Memorials can be sent to the Capuchin Soup Kitchen, 1740 Mt. Elliot Ave, Detroit, Michigan 48207-3496. AFD offers its condolences and prayers to the family during their time of grief.

McMahon & McDonald Appoints Human Resource Director
Sarah Ercolani was appointed Director of Human Resources at McMahon & McDonald, Inc. Ercolani comes to McMahon & McDonald, Inc. from Vicorp Restaurants, where she was their Regional Human Resource Manager for three years, responsible for forty-five restaurants in the midwest. Sarah also has four years of Human Resource experience with General Motors in Detroit. Sarah is a graduate of Wayne State University, where she graduated with a major in Human Resource Management and a minor in Business Administration. Sarah will report to Jim Kokones, president, Eastern Division.

Hillegonds will chair Detroit Renaissance
One of the state's most admired legislators is leaving Lansing for Detroit. Retiring House Speaker Paul Hillegonds has accepted the challenge of leading Ready to serve you in 1997!
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Meal Solutions and Consumer-Direct home delivery are hot topics among grocers

Twenty-six top retailer and wholesaler sales and marketing executives joined nearly 100 of their marketing counterparts at the Grocery Marketing Association’s 21st annual Fall Convention to examine the “next level of convenience” in delivering top-quality products to consumers.

The highlight of the event was a panel discussion entitled “Carry Out, Carry Home,” during which executives from three of the nation’s most innovative foodservice providers - Boston Market, Ukrop’s Super Market, Inc. and Starbucks Coffee - described a future where consumers look less for ingredients and more for fully prepared meals.

“One-stop meal solutions for customers have been a success in our stores for several years,” said Jackie Legg, VP, Creative Food Merchandising, Ukrop’s. “A few manufacturers have capitalized on this innovative opportunity for marketing their brands at Ukrop’s, but many have not had that opportunity.

Another well attended panel presentation examined how consumer attitudes toward grocery shopping today, and new technologies such as the Internet, have opened the door for a new distribution channel - consumer-direct. Executives from Energizer, Microsoft Corporation, EDS, and two consumer-direct entrepreneurs, Streamline, Inc. and Peapod, discussed the myriad shapes the consumer-direct channel is taking, from providing consumer hotlines inside retail stores, to home delivery of everything from dry-cleaning to ‘tonight’s dinner.’
At 8 Mile Foodland, everyone is on a first name basis, including the customers. "We're big on getting to know our customers," explains owner John Denha. "And we're big on family." John works with two brothers and his father, creating a warm, family-oriented environment for customers to shop. Together, this dynamic family exceeds customer expectations, going above and beyond standard service, from driving customers home to filling special requests. In fact, the store motto is "If it's out there, we can get it." The more than 8,000 people who shop 8 Mile Foodland prove service is valued. "We're surrounded by chain stores and warehouse clubs," admits John. "However, it hasn't affected our business. We do it right."

John learned how to do it right from his father, a 30 year veteran of the grocery business, who owned stores throughout Detroit. The oldest of six children, John knew at age 15 he wanted to follow in his father's footsteps. He spent his childhood learning the business from the ground up, and his young adult life learning business management at Oakland University. And, in 1989 he and his father opened 8 Mile Foodland.

The 15,000-square foot store offers more variety, including a full range of fresh produce and the finest USDA meat. John credits Foodland to much of his success. "They've helped me financially, as well as in the grocery procurement and meat area," explains John. "Foodland is by far more retail service oriented than any other wholesaler."

Besides being a family-oriented store, 8 Mile Foodland also is community oriented. They participate in Foodland's Cash for the Class program, raising funds for community schools. Plus, John frequently helps out area churches, neighborhood block clubs and D.A.R.E. He particularly enjoys helping out schoolchildren, especially since he is expecting a first child within the month!

As an independent store owner, John has had the opportunity to truly follow in his father's footsteps. He enjoys the challenge and heart-felt satisfaction of running a business. And he is grateful to Foodland for making this happen.

If you're ready to join the winning Foodland team, call 1.800.589.2332 ext. 151. Tell them John sent you.
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The fitness craze of the 90's has everyone counting calories, calculating fat grams and cutting corners to better health. From this frenzy, a few simple principles emerge:
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Troy, Michigan 48007-7033
High flying technology

Balmar Management, owner of a Conoco store near the new Denver Airport, has brought convenience stores into the MTV generation with the use of video monitors where suppliers can “buy” air time to run video advertisements for their products.

Combining what they called “CTV” or Convenience Television with other marketing programs, Balmar packages its “supplier offer” into three levels of sponsorships that draw on its airport location: first class, business class and coach class. With sponsorships ranging from several hundred to several thousand dollars, Balmar nets dollars above and beyond traditional promotional allowances.

The store also features a unique frequent customer program. Called the Key Card program, it rewards frequent customers—typically airport employees—with points for their purchases. Balmar finds that Key Card customers spend an average of $15 per purchase while non-Key Card customers spend $7 per purchase.

Convenience plus

When Stallings Oil Company in Rocky Mount, North Carolina decided to make its foray into branded fast food, company officials wanted to find a food service partner that didn’t duplicate the competition. Stallings wanted a fast food partner that could shore up the two weakest convenience store meal dayparts—breakfast and dinner.

The decision was made to team up with Miami Subs in its first convenience store restaurant, and the result is a store where convenience and subs share equal footing in this 4,400 square-foot site in Virginia Beach, Virginia. Miami Subs brought Stallings the right match of dayparts. Stallings delivered prime real estate space. The two operators have found they complement each other nicely.

The existence of Miami Subs, for example, has helped enrich Stallings’ fountain business. To help round out the breakfast daypart and provide a dessert destination, the store also features a Donut Hole and Baskin Robbins.

Customers can use the drive-thru for their food orders or can order at the pump. An added option is the ability to pay for all their purchases in one location. A sophisticated headset system enables employees to communicate with one another so that employees in the food service area can let store employees know if a customer paid for his/her gasoline at the food service station.

In-store branch banks

For its part, Fas Mart of Mechanicsville, Virginia, also has found that bigger is better. For all new branch banks in its stores, Fas Mart sets aside at least 600 square-feet, allowing for plenty of walk-up space for bank customers and an enclosed office where customers can conduct business privately with bank employees.

Fas Mart also is taking the concept of “bundling” into its banking relationships and now has branch bank partnerships with two banks. Banks are finding that branch facilities in convenience stores allow them to service existing customers as well as reach out to new customers while Fas Mart gains new customers who come to use the bank-NACS.

See News & Ideas Page 28
Kroger tests self-scanning technology

Kroger is testing self-scanning technology in their Louisville, Kentucky, Hutchinson, Kansas, Columbus, Ohio and Nashville, Tennessee divisions.

Kroger is pursuing testing with all three major vendors: Optimal Robotics, Productivity Solutions and Symbol Technologies. The Nashville division is considering a system from Symbol Technologies that is based on portable scanners which customers carry through the store scanning selected items they gather in their carts.

Giant Food Stores ends home shopping

Giant Food Stores of Carlisle, Pennsylvania, will no longer provide home-shopping because the delivery provider stopped serving their market area. Giant, part of Ahold USA, Atlanta, is deciding whether to re-introduce the service according to Ray Hironimus, executive vice president.

The delivery service provider, Shoppers Express, Bethesda, Maryland was contracted five years ago. Shoppers Express took orders via a toll-free number and delivered for a nominal $5 fee.

Information skyway

Sheetz, Inc. has unlocked a way to reduce phone lines and phone bills and cut down on transaction time for credit cards with the installation of satellites on its stores. The idea surfaced when its ATM banking partner said it would use satellites for the ATMs. Sheetz decided to tag along and is now converting credit/debit systems, company e-mail and its tank monitoring system all to satellite. The next stop for Sheetz and satellites: the opportunity for "virtual visits" where Sheetz management can access sales and other data from its stores in real-time—NACS.

Attorneys General in five states find children have easy access to tobacco

The attorneys general of Massachusetts, Minnesota, New Mexico, New York and Vermont released the results of a five-state survey showing that children have widespread access to cigarettes. Over the past five months, minors working with agents of the attorneys general’s offices attempted a total of 1,405
purchases and were successful 463 times. This represents a 33 percent success rate. According to the survey, minors had the easiest time purchasing cigarettes in discount stores, where they were successful 43 percent of the time. Success rates in other types of stores were: gas stations, 36 percent; drug stores, 34 percent; convenience stores, 31 percent; and grocery stores, 30 percent. The attorneys general are considering joint enforcement actions under their consumer protection laws against chain stores operating in violation of the law in several states.

Role reversal

Instead of using gasoline to court customers, a new operation in Dallas, Texas called Main Street is offering a food court approach with five branded fast feeders under one roof.

Not only is Main Street the first of this type of building but also it is unique to an urban market and it operates in the midst of 30 other quick service restaurants in Dallas. In order to increase the number of feeders under one roof, Main Street adopted an approach that lets operations share equipment and space in this 5,000 square-foot site. In fact, there is a central kitchen that serves all the restaurants. Behind the counter, the food service work areas are open; there are no traditional “walls” between the units. There is also a special system that allows customers to order from multiple feeders at any pay station. Employees are trained to deliver the full order, including orders from multiple feeders, back to the customer all in one package.

Other avenues for revenue include order at the pump, a drive-through order system, fax ordering and home delivery.

Main Street executives think the food court provides a clear market advantage because it takes share away from nearby competitors — and invites customers to come in more times per week because they aren’t bored with one offering.

Future units will have space for a mini convenience store.

A fresh approach

As part of its remodeling efforts, Diamond Shamrock of San Antonio, Texas is seeking to build a dynamic presentation inside the store. A recently remodeled 4,000 square-foot unit in the San Antonio area has a sizable fresh foods area as well as re-merchandised tobacco, snack and magazine presentations.

A category management approach was adopted to give proper footage and presentation to these core convenience store categories. For magazines, Diamond Shamrock took their cue from airport magazines and “ran them up the wall.” In this store, cigarettes were moved behind the counter to a new waterfall display. The display holds both packs and cartons; and with its waterfall effect, shows no furniture, just product. An added advantage is that clerks can replenish the pack display simply by pulling product from the cartons, so they don’t have to leave the pay station.

A novel strategy was adapted to food service where, instead of partnering with a fast feeder, Diamond Shamrock features a well-known brand—Armour—for the centerpiece of its “meals to go” program.

Fat-fighting drug wins approval

Denfenfluramine, an obesity-fighting drug developed by Interneuron Pharmaceuticals and marketed by Wyeth-Ayerst under the name Redux, has been approved by the FDA. The drug is said to alter a brain chemical telling the body it feels full with less food.
1997 is the year for Jim Petcoff

10th anniversary of North Pointe Insurance Company &
first microbrewery opens in Detroit

By Danielle MacDonald

Jim Petcoff is poised for a very successful year. North Pointe Insurance, a company Petcoff founded, celebrates its 10th year anniversary on January 13, 1997. Again in early 1997, Petcoff and his partners will open the first microbrewery pub in Detroit’s Rivertown area.

Petcoff attributes his success to luck and gives most of the credit to his employees and his partners. He defines his role at both North Pointe, and at the microbrewery pub. as a facilitator bringing the right mix of people together to create a successful venture.

Petcoff defines himself as a behind-the-scenes person. His success is founded on a unique ability to see the big picture, choose and master a niche, and behind-the-scenes person. His ability to see the big picture, success is founded on a unique

There are three reasons that North Pointe is number one,” explained Petcoff. “First of all, we write insurance in all corners of the state and most other companies only focus on one area. Secondly, when we started writing liquor liability insurance in 1987, we were providing a service that no other company offered, and now we have a loyal customer base. We also give quotes over the phone which is not a common practice in this industry. Finally, we diligently fight all claims, except the obvious ones.”

North Pointe’s success is evident through its tremendous growth. In 1987, North Pointe wrote $7.8 million in business; by 1996 that number increased to $22 million.

Petcoff has a masters degree in business administration and a law degree, both from the University of Detroit Mercy. “Much of my business is litigation and I felt it was important to have a background in law,” explained Petcoff. For five years he arrived at the office by 5:30 a.m. to sneak in a few hours of study before the work day began. “I didn’t mind going to school, but it was difficult to spend time away from my wife and family.”

Although, he is a very successful businessman, Petcoff’s family is the most important thing in his life. When pressed to describe himself he says, “I am a man who is dedicated to both my family and my work.”

Petcoff met his wife, Janice, at Michigan State University; she was studying early elementary education, and he was pursuing an undergraduate degree in business administration. They were married in 1979 and have four children, two boys and two girls. Petcoff is very active with his children. He has coached football at St. Hugo for his two sons for the past four years. The Petcoff group loves to ski. They recently purchased a timeshare in Vail, Colorado where they try to indulge in the snow-covered mountains at least once a year.

Petcoff also has very close ties to Detroit. In early 1997, along with eight partners, he will open the first microbrewery in Detroit on Joseph Campau. (Partners in The Atwater Block Brewery include: Mark Wagner, Chris Lawson, John Kemp, Scott Henderson, Jorge Morales, Rich Lindberg, David and Larry Zuckerman, and Jim Petcoff.)

“Businesses in the suburbs generate strong feelings from their respective communities,” explained Petcoff. “A business in Detroit is a part of everyone.”

Petcoff and his partners received offers from many municipalities. They felt strongly that Detroit was the best home base for good beer in Michigan.

The Atwater Block Brewery will manufacture eight specialty beers. Offered immediately, will be three Krausen-style beers which mix fresh beer with fermented beer, to offer the freshest product on the market. The brewing factory will be fully visible through a glass wall behind the taproom’s 42-seat bar. The menu in the 124-seat pub will also consist of many delicacies in which beer is a major ingredient.

The group has a technical consulting agreement with a brewer located in Southwest Germany from whom they are purchasing both a malt and yeast that have never been exported.

This German lager combined with American ingenuity, will be available on tap, in bottles, and in kegs in early 1997. Retailers will soon be able to purchase the microbrews as agreements are being finalized with Action Distributing Company, Eastown Distributors, and Powers Distributing. Retailers interested in more information can contact Jim Jagger, director of sales and marketing for the brewery, at (313) 393-2337.

Petcoff is truly poised for success in 1997. On behalf of the Associated Food Dealers of Michigan board of directors, we congratulate Petcoff on the 10th Anniversary of North Pointe Insurance, and the opening of the first microbrewery pub in Detroit.

Editor’s Note: AFD has proudly endorsed North Pointe liability insurance for over eight consecutive years.
A look at the Lottery’s successes and challenges

by Commissioner Bill Martin

With the start of a new year, there is good reason for reflection and taking stock of the accomplishments we have made and the challenges that lie ahead. Here at the Michigan Lottery, we enjoyed a surplus of positive events and far-reaching changes that will take us strongly into our 25th year of operation.

Fiscal 1996 wrapped up another year of records for the Lottery. Preliminary, they include:

- Total commissions to Michigan retailers, $97.7 million;
- Net revenue transferred to the state School Aid Fund, $549.7 million;
- Total ticket sales, $1,423 billion;
- Total prizes awarded to winners, $752 million

Many factors contributed to this record year, but it was the steady surge in instant ticket sales that kept us on pace. In fiscal 1996, instant ticket sales reached a record $472.2 million—a 13.4 percent increase over fiscal 1995 instant ticket sales. At more than $472 million, instant tickets were a hardy 33 percent of total ticket sales.

With the introduction of at least two new instant games a month, Michigan Lottery retailers had a consistently updated selection of tickets to choose from, offering customers a wide array of fun and festive games for all occasions. Surprise Package, Wild Time III, Bonus Bingo and Win For Life were some of the year’s most popular Lottery instant games, with top prizes of up to $1,000 a week for life and an instant $250,000! Retailers can count on a continued parade of exciting and entertaining instant games that will please all your Lottery customers.

In fact, Michigan Lottery instant ticket sales show no sign of slowing down. For the week December 3-9, we reached a record-breaking milestone with a one-week sales record of $13.248 million. And sales for the Lottery instant game lineup are up $113 million so far this fiscal year, a 49 percent jump over last year’s sales of $75 million!

In addition to instant ticket sales, we’re especially proud of the Big Game launch in September 1996.

With the support of Michigan Lottery retailers statewide, the new multistate lotto game has already built a loyal following here at home. We expect the Big to become a key element of Michigan Lottery success in 1997—for everyone, including retailers, players and Michigan school children.

Through the first 13 weeks of ticket sales, Michigan led all six states in total ticket sales and average number of winners per week. More than one million Big Game players have already won cash prizes in The Big Game, and there are sure to be millions more in the coming months.

The start of The Big Game and the introduction of more instant games with higher top prizes is great news in light of the revised commission redemption structure. Michigan Lottery retailers now receive a bonus of two percent—up to $2,000—when a redeemed winning Michigan Lottery on-line or instant ticket (valued up to $100,000) is sold at their store. The flood of new games is sure to increase ticket sales and the commission bonuses, making for a very festive new year.

There were many other bright spots this year, and none brighter than our retailers. Your support and dedication to providing excellent service and variety to your Lottery customers has made all the difference this year. Here at the Lottery, we’re looking forward to our 25th year of innovation, teamwork and more winning for everyone.

Blue Cross Rates Reduced
For AFD Members

AFD members want the best for themselves, their families and employees. In health coverage, the best has been Blue Cross Blue Shield of Michigan for more than 50 years. Now, through an industry rating change, AFD members can enjoy the benefits of being Blue for much less than before. You can enjoy:

- The most widely recognized and most widely accepted health card of all
- Choice of several benefit options
- Various levels of co-pays and deductibles
- Optional dental, vision, hearing and prescription drug coverage at a nominal extra charge

If you’ve wanted Blue Cross coverage but hesitated because of the cost, ask now about the dramatically reduced rates.

For information about AFD’s Blue health coverage options, call Judy Mansur
1-800-66-66 AFD

Blue Cross Blue Shield Blue Care Network of Michigan
McMahon & McDonald Merges With Confection Marketing Corporation

McMahon & McDonald, Inc., one of the Midwest's fastest growing food brokers continues to expand with the merger of Confection Marketing Corporation (CMC). “The merging of our two companies will result in an ongoing commitment to continue to provide our principals with the best possible sales, merchandising and marketing expertise in the Great Lakes marketing area,” said Chris Gahman from CMC.

CMC, a premier confectionery broker in the state of Michigan for the past fifteen years, will continue to operate as a division of McMahon & McDonald, Inc. from their current location in Plymouth.

Nash Finch buys Super Food Services

Nash Finch Company, the 4th largest public grocery wholesaler in the country, announced Tuesday it is acquiring Super Food Services Inc. for $173 million creating the third largest public grocery in the nation.

Super Food had sales of about $1.2 billion in fiscal 1995 while Nash Finch’s sales were $2.9 billion. Expected sales of the merger are $4.5 billion.

The acquisition has been approved by the boards of directors of both companies.

"With Super Food’s strengths in retail operations, produce marketing, technology and buying we will be significantly enhancing our operational and marketing opportunities,” said Al Flaten, president and chief executive officer of Nash Finch.

Flaten will remain as president of the merged company. Jack Twyman, chairman and chief executive officer of Super Food, will remain with the company to help with the transition.

Coca-Cola Foods becomes The Minute Maid Company

The Coca-Cola Company announced that its former Coca-Cola Foods division has become The Minute Maid Company. “Our objective is to be The Coca-Cola Company of juices, worldwide, and we are creating a company that will do that,” said Ralph H. Cooper, president and chief executive officer, The Minute Maid Company.

The goal of The Minute Maid Company is to create a business system that will capture the worldwide opportunity for refrigerated fruit juices. One thing that will not change is The Minute Maid Company’s role as an integral part of the Coca-Cola Company. “Just as The Coca-Cola Company is recognized for the best known soft drink brand in the world. The Minute Maid Company will be recognized for the best known fruit juice brand in the world,” said Cooper.
Bud Bowl '97 introduces first-ever cross-promotion with Frito-Lay

Bud Bowl is back with Bud Bowl '97, and this year the Budweiser Family of Beers is introducing a cross merchandising partnership with the Frito-Lay Company.

The Bud Family (Budweiser, Bud Light, Bud Ice and Bud Ice Light) will team with the hottest new snack on the market, Baked Lay's potato crisps, to offer consumers added value leading to the big game in New Orleans on Jan. 26. Consumers will find "buy one, get one free" coupons for Baked Lay's newly launched flavors, Sour Cream and Onion or K.C. Masterpiece flavors on Bud Bowl '97 game cards found inside specially marked Bud Family 12-, 18-, 24- and 30-pack can packages.

Bud Bowl '97—a return to the battle of the bottles between Bud and Bud Light—also marks the return of the popular Bud Bowl million dollar sweepstakes, which this year features a new twist: the $1 million cash prize will be split among 1,000 lucky winners. Never before has there been a better chance to win.

The Bud Bowl '97 perforated in-pack game cards will feature the Baked Lay's coupon along with a Bud Bowl Final score. When fans tune in to the big game televised by Fox Sports on Sunday, Jan. 26, they won't want to miss Bud Bowl '97, being touted this year as The Battle in the Bayou. If the score on a viewer's game card matches the final Bud Bowl '97 score, they send in their card for a chance at a share of $1 million.

Former NFL stars Howie Long and Ronnie Lott, now hosts of Fox NFL, will deliver the action of Bud Bowl '97. Long and Lott are also featured on off-premise displays promoting Bud Bowl '97, the Budweiser Family and Baked Lay's.

Budweiser will support Bud Bowl '97 to the hilt with $10 million in media advertising. Print, network/cable television and radio advertising will be used to promote Bud Bowl '97 beginning in December and continuing through the big game.
Ostrich, emu and rhea meat –
Get ready for consumer demand

by John Crawford

What are ostrich, emu and rhea meat worth to the retail grocer?

There’s new red meat entering the marketplace which is lower in fat than beef. Ostrich, emu and rhea are now being commercially farmed in the United States. Their meat tastes similar to beef: emu is darker, ostrich is milder and rhea is sweeter in taste than beef. They are comparable in price to lean meats. The meats became popular in England following the Mad Cow disease outbreak.

The ostrich is a 300-400 pound bird originating in Africa and now raised on farms throughout the United States, Canada, Mexico and a few other countries. The largest population of commercially farmed ostrich is in the United States. The emu is native to Australia. It is a distant cousin of the ostrich and weighs 120-150 pounds. Like ostrich, emus are farmed in the United States and other parts of the world. There are over a half million emus here today. The rhea, native to South America, can be found on farms across the country today. This rhea-like bird will range from 90-120 pounds.

The three birds belong to a family of flightless birds and are the largest living birds. The birds produce lean red meat, hides and oil which have commercial value. You may be most familiar with ostrich boots which have been popular for years for their distinctive look and durability. The oil products may be less familiar, but they are finding their way into cosmetic displays and health sections in outlets such as Kroger and Walgreen, as well as finding space in tanning salons and beauty parlors across the country. The oil products include shampoos and hair conditioners, tanning lotions, burn treatment creams, skin moisturizers, pain relief preparations and more.

Aside from the commercial value of the hides and oils, the real impetus for raising ostrich, emus and rheas in this country is the red meat. This is a red meat that is low in saturated fat, high in iron and essential minerals, and has the taste and texture consumers associate with the finest red meats.

The United States Department of Agriculture has formulated exacting testing procedures for federally licensed processing plants and issues special permits for ostrich, emu, and rhea processing. Each of the meats qualifies for the USDA inspected stamp. Those states with “state inspected” meat processors have generally issued special inspection procedures for these birds which assure quality in state inspected meat.

Ostrich, emu, and rhea meat is found with increasing frequency on restaurant menus and restaurateurs are reporting brisk sales.

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NUTRITIONAL COMPARISON CHART

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>MEAT DESCRIPTION</th>
<th>PROTEIN (%)</th>
<th>FAT (g)</th>
<th>CALORIES (KCAL)</th>
<th>IRON (mg)</th>
<th>CHOLESTEROL (mg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ostrich</td>
<td>Cut comp</td>
<td>26.9</td>
<td>3.0</td>
<td>142</td>
<td>32</td>
<td>81</td>
</tr>
<tr>
<td>Emu</td>
<td>Cut comp</td>
<td>23.1</td>
<td>1.8</td>
<td>105</td>
<td>49</td>
<td>57</td>
</tr>
<tr>
<td>Rhea</td>
<td>Cut comp</td>
<td>22.9</td>
<td>1.2</td>
<td>105</td>
<td>+</td>
<td>57</td>
</tr>
<tr>
<td>• Beef</td>
<td>Tenderloin (boiled)</td>
<td>28.1</td>
<td>105</td>
<td>209</td>
<td>30</td>
<td>83</td>
</tr>
<tr>
<td>• Veal</td>
<td>Ioin chop (braised)</td>
<td>33.9</td>
<td>9.4</td>
<td>225</td>
<td>12</td>
<td>124</td>
</tr>
<tr>
<td>• Pork</td>
<td>Ioin chop rib chop</td>
<td>26.3</td>
<td>15.2</td>
<td>256</td>
<td>11</td>
<td>94</td>
</tr>
<tr>
<td>Cow</td>
<td>Whole, no skin</td>
<td>28.9</td>
<td>7.4</td>
<td>190</td>
<td>12</td>
<td>89</td>
</tr>
<tr>
<td>Turkey</td>
<td>Whole, no skin</td>
<td>29.3</td>
<td>5.0</td>
<td>170</td>
<td>18</td>
<td>76</td>
</tr>
<tr>
<td>• Lamb</td>
<td>Ioin chop (braised)</td>
<td>30.4</td>
<td>9.4</td>
<td>215</td>
<td>12</td>
<td>95</td>
</tr>
</tbody>
</table>

Figures are based on a 100-gram serving.

---

Attention! The Michigan Coalition for Responsible Tobacco Retailing invites you to send your owners, managers, training coordinators, clerks and employees to a FREE training session.

Tobacco sales to minors is a very important issue in Michigan. This FREE training session will help you and your employees learn step-by-step how to prevent tobacco sales to minors.

Training seminars will be held in the following cities:

- **Detroit**
  - Thursday, January 30, 1997
  - Grand Rapids
  - Thursday, February 13, 1997

- **Fowl/Portage**
  - Tuesday, February 11, 1997
  - Inhane City
  - Wednesday, February 12, 1997

Call today! Reserve space for you and your employees.

Call toll free: 1-888-872-4603

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Warren, Michigan 48093

1-800-451-5918

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The best

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for as low as $8.99 a month.

For the highest dental benefits

and lowest out-of-pocket costs.

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Get with the program!

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[FOOD & BEVERAGE REPORT, JANUARY 1997]
Electric deregulation

A major evolution for the electric utility industry... And what it means to your business

With restructuring of the electric utility industry looming in the not-too-distant future, Detroit Edison customers can expect to see significant changes — and confront a series of important choices. And while the overarching goal is to foster greater competition within the industry, the most important concern for you is, “How will industry restructuring affect my business and its electricity bills?”

Powerline, a publication of Detroit Edison, offers this brief overview of key issues:

A deregulation progress report

Michigan is a leader in the electric utility restructuring debate. Recently, the Michigan Jobs Commission (MJC) suggested restructuring the state’s electric utility industry to promote greater competition. The MJC proposed that industrial and commercial customers be able to choose their energy suppliers by the year 2001.

Federal legislative initiatives, such as the 1978 Public Utilities Regulatory Policy Act and 1992 Energy Policy Act, have also moved the electric utility industry closer to a competitive environment.

Within the last decade, the federal government has mandated deregulation in several industries. For example, AT&T has been split into several very large companies. Airline deregulation has encouraged a host of new competitors to take to the skies. The ultimate result in both situations has been more options for consumers.

Neither of these industries, however, distribute their products as an electric utility does. To understand how restructuring might work in the electric utility industry, one must look at what occurred in the deregulation of the natural gas industry. While restructuring created competition among supply sources, it created virtually no change in natural gas distribution alternatives. In other words, your gas may have originated in the Western U.S. or in Eastern Canada, but it continued to enter your home or business via your local gas utility’s supply lines, as it always had.

A similar division of energy generation and distribution would result from electric utility deregulation. You might purchase electricity from a variety of sources, but a local utility would still own and maintain the lines and connections that feed power to your business.

How will restructuring impact you?

In the future, you will likely have the option of purchasing electricity in several ways. Among them: 1) you might buy electricity directly from a utility (Detroit Edison or other midwestern utilities) or from an independent power producer; 2) you could choose to have Detroit Edison purchase power on your behalf; or 3) you could buy from a broker who purchases and resells power from one or more power generators on behalf of a group of customers.

Yet in all these cases, the power you purchase will continue to flow through Detroit Edison lines to your utility bill will reflect “generation” charges for the electricity you use and “distribution” charges for the delivery of that electricity to your business.

Turning energy into solutions...

Detroit Edison

Improve your bottom line at lightspeed

The LightWise™ program from Detroit Edison delivers fast results!

Whether you're looking to improve lighting for appearance, productivity, security or savings, LightWise offers smart energy solutions that go straight to your business' bottom line.

- Professional lighting system evaluations
  - We'll recommend effective, cost-efficient improvements to reduce energy costs and improve light levels.
- Expert installation service
- Group relamping, cleaning and maintenance
- Convenient financing

Call 1.800.663.2263 today, and give your business the LightWise™ advantage.
AFD on the Scene

Happy New Year from the AFD staff!

(1 to r) Cheryl Twigg, Sylvia Youhana, Liz Arbus, Tom Amyot, and Danielle MacDonald

Not pictured: Judy Mansur, Dan Reeves, Sabah Brikho, Harley Davis, Michele MacWilliams and Ruel Williams

The AFD Christmas tree provided a festive feel to the office.

Working With CoreSource, Our Third Party Administrator

AFD Is Taking Workers Compensation Costs In A Different Direction

The CoreSource Approach

If you're buying your workers compensation management from the lowest bidder, then your costs are probably moving increasingly upward. In today's environment, quick fixes just don't work. At CoreSource, we focus on innovative up-front strategies to reduce total costs and increase productivity without sacrificing the quality of care for your employees. Our clients, through investments in innovative, comprehensive programs, are breaking industry trends and report that workers compensation costs as a percent of payroll are actually decreasing compared to a national increase of 12 percent annually.*

Our workers compensation programs not only pay claims, but focus on prevention and cost controls in all facets of the program. The results: fewer claims per employee, reduced lost time and lower overall program costs.

CoreSource combines the resources of a national operation with the responsiveness of a local company. From our 25 regional offices, we manage $2 billion in client programs covering 1.5 million lives.

Proven Results

On average, CoreSource program costs, as a percent of payroll, have dropped more than 36 percent over a three-year period.

The United States' workers compensation system is in crisis but we continue to find solutions. We're CoreSource. Let us build a solution for you.

*Social Security Administration

For More Information, Call Toll Free: 800 482 0615

CoreSource Clients
Average Workers Compensation Costs As a Percent of Payroll

Local Perspective, National Resources

1990 1991 1992
Note: Data taken from a sample of 76 CoreSource Workers Compensation clients.

Healthcare & Workers Compensation Solutions
ASSOCIATED FOOD DEALERS OF MICHIGAN

Buying Trade Show

- Do you buy products from any of the companies listed below? You will be able to purchase many products at special discounted rates that will only be available at the show.
- Exhibitors introduce new products and services at the show. Come see what's new and meet the movers and shakers in the industry.
- Save time and money at the AFD show; it's your one stop shopping place.

Monday, April 28, 1997 5 - 9 p.m.
Tuesday, April 29, 1997 1 - 9 p.m.
Burton Manor
Livonia, MI

Watch for more information!

A World Of Savings

Show Hours:

Seminars we're working on for you...

- MIOSHA
- Lottery Update
- WIC
- Food Stamps
- Liquor Issues
- MI Dept. of Agriculture
- Legislative Review
- Electronic Benefits Transfer
- Crime Prevention
- Financial Planning

If there is a topic that interests you, please call AFD so we can add it to the list.

Special hotel rates are secured for our out-state guests. Please watch your mail for more information.

Call Danielle with any questions at (810) 557-9600

7 UP Detroit
Absopur
Air Page
Anamco Foods
American Express
Anheuser-Busch
Arizona Beverages
Avery Bakeries
Bad Frog Beer
Bacardi Imports
Better Made Potato Chip
Blue Cross Blue Shield
Boston Beer Company
Brooke Bredner
Brown-Forman Beverages
Bunomen's
Brazil USA
Canadiana Wine Co.
Cellular One
Central Alarm Signal
Cheesman's
Coca-Cola
Cool Industries
CornSource
Dean Winter
Dennis City Dairy
Demitri Popcorn
E & J Gallo Winery
Equitable
Freygo Beverages
Frito-Lay
G & G Distributing
Garden Foods
General Wine & Liquor Co.
German Potashino Company
Great State Beverage
Hershey Chocolate USA
Hobart Corp.
House of Seagram
Items Galore
J. Lewis Cooper
Kar Nut
Kowalski Companies
Kraft Foods
Kramer Foods (16 Booths)
Lifestyle Beverage Corp.
London's Farm Dairy
Ludington Distributors
M & M / Mars
Machine Branded Wine & Spirits
Maxwell House
Melo's Farms

Merit Sales
Metro Beverages
Michigan Bankhead
Michigan Liquor
Control Commission
Michigan Lottery
Midwest Butcher & Deli Supply
Milk Brewing
Nikitas Distributors
North American Interstate
North Pointe Insurance
The Ohio Company
Owen Fresh Baking Co.
The Pendleton Corporation
Fepa Cola Co.
Philip Morris U.S.A.
Pointe Dairy
Point of Sale
POS Systems Management
Popa Joe's
R M Gilfigan
The Rib House, Inc.
S. Abraham & Sons
Salerno Foods
Sales Mark / Pleasher Company
Sam's Club
Sanderson / J.C. Distributing
Second Sight, Ltd.
Security Corporation
Sherwood Foods (20 booths)
Southern Sausage Company
Spartan Stores, Inc.
Staff & Company
Stroh's Mooney Ice Cream Co.
The Stroh Brewery Co.
The Stroh Brewery Co.
Superior Dairy
Taste of Bread / Metz Baking
Tom Davis & Sons Dairy
Tomra Michigan
Tony's Red Baron Pizza
Traveler's Express
Trist County Beverage
Unibev
Unibrew USA, Inc.
Union Ice
Universal Ginseng & Beverages
Variety Foods
Vitamix Snacks
Wonder Bread / Hostess Cake
Annual Turkey Drives proves successful once again

For 16 years AFD has raised money to provide turkeys to those who can’t afford to purchase them during the holiday season. AFD members worked together to provide 1,500 metro Detroit families with their Thanksgiving turkeys. A heartfelt thanks goes out to all those who donated the money to purchase turkeys and to those who donated their time, resources and talent to make this event possible.

The Associated Food Dealers of Michigan and The Chaldean Federation would like to thank the following for their contributions to the 16th Annual Turkey Drive:

Arizona Beverage
AirTouch Cellular
Banner Supermarket
Bellanca, Beattie & DeLisle P.C.
Bellino Quality Beverage
Best Buy Food Center
Blue Jay Market, Inc.
Bronco’s Party Store #1 & #2
Budget Pantry
Charmers Garden
Coca-Cola Bottling Co.
Concord / Wrigley Drugs
Crown Supermarket
D & L Market
Danny Hammama
Delpointe Food
Denny Savon
Fairway Foods
Follmer, Rudzewicz
Food Express Market
Food Lane
Food Town
Froote Ice Company
Giant Value
Golden Valley Food Center
Harper Food Center
Hiram Walker
Home Pride Food Center
House of Prime
Hubert Distributors
Independence One
In-N-Out (Livernois & Pembroke)
In-N-Out (Kelly & Morang)
Interstate Brands Corp. (Hostess)
Jay Food Mart
Joy Thrifty Scot
Kit Kat Market
Liberty Food Land
Liquor Express, Inc.
LuLu Party Store
Marty Reese
Mazin Food
Melody Farms Dairy
Metro Food Center
Metro Media
McMahon & McDonald
Michigan National Bank
New Super Fair Foods
Norquick Distributing
North Pointe Insurance
Orchard Food Center
Paddington Corporation
Page Tell Communications, Inc.
Parkway Foods
Paul Inman Associates, Inc.
Pepsi-Cola
Pete Scot Farm
Pied Piper
Pioneer Supermarket
REA Marketing
Regal Super
Robert Butts
Royal Food Center
Ryan Foods
Sales Mark / Pleister
Sam’s Market
Savon Food
Savon Foods Super Store
Sav-Mart
Savrite Foods
Security Express
Seven Stars Food Center
Special Way #2 & #3
Stroh’s Ice Cream
The Red Apple Supermarket
Thrifty Scot
Thrifty Warren
Tom Davis & Sons Dairy

Continued on next page
Turkey Drive recipients send their thanks

To the AFD:
On behalf of the members of the Mother’s Group, I would like to thank you, Mr. Mark Kanno, Terry Farida and on top the AFD for the generous gifts (12 turkeys) donated to the families. Those gifts brought joy and excitement to their hearts and families. Enclosed you will find a poster prepared by the members of the group to show their appreciation and thanks.

Again, thank you very much.
Sincerely,
Betty Dawisha, M.A., LLP
Clinical Psychologist
Chemical Dependency Program

To the AFD:
Please accept this correspondence as our thanks and appreciation for your recent turkey donation to Fellowship Chapel. We distributed these turkeys along with other food items to families-in-need, in the spirit of sharing and caring.

Again, thank you. We sincerely appreciate your kindness during this, the holiday season.
Yours for our community,
Reverend Wendall Anthony
Pastor
Fellowship Chapel

To the AFD:
On behalf of the recipients of the turkeys, I would like to express the profound appreciation of the clients of the Southfield Human Services Department. Without the support of organizations and individuals as yourselves, many families would not have had such a joyful holiday!
Your generosity does not go unnoticed. You touched the hearts of many during the Thanksgiving Holiday Season, this year as well as in the past. It is very obvious that you know the true meaning of Thanksgiving, giving thanks by giving to others that are less fortunate.

Again, many thanks go to each of you. Have a wonderful, healthy, happy and prosperous new year!

With Sincere Appreciation,
Gerald D Kuhn
Department of Human Services
Southfield Director

Here’s a wonderful letter!

Dear AFD:
Enclosed please find our check in the amount of $100.00 as our contribution to feeding the needy of our communities this Thanksgiving season. This has always been a good cause and one that we take pride in being a part of.

Thank you for including us among the organizations you contact each year to help those less fortunate to have a good holiday season. We are always pleased to be a part of such a wonderful undertaking and look forward to hearing from you next year. Hope you all had a Happy and Blessed Thanksgiving!

Sincerely,
Michigan National Bank
Walter C. Elliott, Jr.,
Cindy Jensen and
George Caracostas
Scenes from the Turkey Drive

A special thank you to the turkey drive volunteers:

Alaa Naimi
Dave Orlando
Dr. Jacoub Mansour
Dr. Roushdi Rifai
Dr. Sabri Akash D.D.S.
Eddie Zeer & his son Tom
Frank Manni
Gary Davis & his daughter Kristin
Hani Farida
Harry Gardner
Ikbatik Kouryakus
Jack Seman
Nick Kizi
Salim Abraham
Salwa Faraj
Sean Tominna
Rocky Husaynu
Hikmat Kiryakoza
Khalid Yono
Professor Harrison Gardner, MSU

COMPLETE LINE OF Coney Island restaurant equipment for sale. Grills, slicers, ovens, vents, etc. Fairly new condition. Sold only as a unit. For more information, please contact Jerry at (313) 491-5960.

WANT TO BUY: Colognes and aftershaves. Turn overstocks, slow movers and shopworn merchandise into cash. Fragrances Unlimited, Gary—(313) 434-0993.

BUSINESS OPPORTUNITY: Toledo developer, TOL-BAD, Inc., soliciting interest of experienced inner-city food retailers to develop a 30,000+ square foot grocery store in Toledo, Ohio central city shopping center. For more information, call Mike Duckworth at (419) 893-5578.

FOR SALE OR LEASE—Liquor store w/ lottery, beer, wine and grocery. Detroit. Completely remodeled last 3 years, all new equipment and counters. 2400 sq. ft. Many opportunities. Asking $295,000 or best offer. Contact Remax Executive Properties, Brian S. Yaldoo, (810) 518-4600 (voice mail/pager).

SUPERMARKET FOR SALE—Newly upgraded, 8 aisles (15,000 sq. ft.). Reasonable priced—located in Highland Park. Serious offers only. (313) 868-4433, ask for Joey.
Here's why the Philip Morris family of companies calls Michigan home.

The operating companies of Philip Morris Companies Inc.--Kraft Foods, Inc., Miller Brewing Company and Philip Morris U.S.A.--employ 1,740 people in communities throughout Michigan.

That means:

- $447 million worth of goods and services in the state, including $36 million worth of agricultural products from Michigan farmers.
- These purchases generate more than 1,140 jobs and $14 million in compensation.
- More than $514 million in federal and state taxes paid or generated in Michigan.*

We're proud to call Michigan home.

*Kraft Foods, Inc.
Miller Brewing Company
Philip Morris U.S.A.
AFD on the Scene

More Turkey Drive pics

42...FOOD & BEVERAGE REPORT, JANUARY 1997
also apply during this period by sending a written request for an application. Late applications will not be considered.

Neither the Michigan Department of Community Health 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, 1997 through June 30, 1999.

The following counties are included in the WIC contract cycle for the southern part of Michigan:

- Allegan
- Barry
- Berrien
- Branch
- Calhoun
- Eaton
- Gratiot
- Hillsdale
- Ingham
- Ionia
- Jackson
- Kalamazoo
- Kent
- Lenawee
- Livingston
- Macomb
- Monroe
- Montcalm
- Muskegon
- Oakland
- Ottawa
- St. Joseph
- Van Buren
- Washtenaw
- Wayne

Ostrich

Cont. from page 34

The meats have drawn the interest of small and midsize meat processors. How much interest? Well, the American Association of Meat Processors, representing approximately 1,800 small and midsize processors, makes available to its members a complete two video tape demonstration of ostrich processing and a brochure of standard meat cuts for ostrich, emus and rheas.

Since marketing of these meats is just starting, you can expect the distributors to provide purchasing incentives as well as extra promotional assistance including in-store tasting demonstrations. These taste demonstrations have been overwhelmingly successful in breaking down any barriers to consumers trying the meat for the first time. You can look for distributors to provide colorful menu items, signage, and cooking instructions as part of their point of sale assistance. And finally, for the most part, you can advertise and sell products that are produced and processed in your home state.

There is more than meat. You can profitably add full lines of ostrich, emu and rhea products to your HBC aisle. There is a full line of health, beauty and cosmetic items that are manufactured from natural ostrich, emu and rhea oil products.

When you are ready for more information and want a sales call at your place of business, you can call 800-242-7222 and a distributor that serves your area will give you a call. You can learn more about these red meats through the internet by visiting The Ostrich News site at http://www.ostrichnews.com.

Editor's note: The author, John Crawford, is the managing editor of The Ostrich News magazine. This monthly publication is the trade magazine for the ostrich, emu and rhea industry.

The Associated Food Dealers of Michigan cordially invites you to attend its 1ST ANNUAL TRADE DINNER AND NEW YEAR'S BALL Friday, January 17, 1997 6:00 p.m. Cocktail Reception 7:30 p.m. Dinner Reception Penna's of Sterling Heights 38400 Van Dyke, Sterling Heights, MI

Join over 1,000 industry leaders for a fun-filled night of cocktails, hors d'oeuvres, artists, friends, fabulous gourmet foods and entertainment by STEVE KING AND THE DITTLIES.

Tickets are $700 per table of 10 or $160 per couple. Call AFD Special Events Director, Tom Amyot at (810) 557-9600 now to reserve your seat at the New Year's Ball! Table sponsorships now available. Call AFD for more details.
Pepsi celebrates the holidays with Detroit school kids

On Friday, November 22, the management staff of Pepsi Detroit brought a little holiday cheer to some needy kids at Hubert Elementary School. Santa Claus brought gifts and hugs, Pepsi managers hosted a rally in the auditorium celebrating a drug-free holiday, and a wonderful Thanksgiving lunch was served by the Pepsi-Cola management staff. Afterward, they headed outside for a fun-filled game of dodge ball. This is the third year that Pepsi managers have donated their time and talent to make this event possible.
Farmer Jack Supermarkets opens 100th store

Farmer Jack Supermarkets recently announced a major expansion milestone plus plans for 12 additional stores within the next year.

With the announcement of the opening of the company’s 100th store in Chesterfield Township on December 4th, Farmer Jack officials took the opportunity to report 1997 store construction in Fenton, Caro, Northville, Flint, Troy, Taylor and Highland Park.

In addition, there are five stores in the negotiation and planning stages, bringing the total new store count to 12. New stores will range in size from 37,000 to 73,000 square feet and will employ a total of 600 full-time and 2,400 part-time employees.

With the proposed expansion, Farmer Jack Supermarkets will pump an additional $28 million into southeastern Michigan paychecks. This number does not even include the $5 million expanded in construction and expansion activity throughout southeastern Michigan.

The new Chesterfield Township Farmer Jack represents the company’s attention to innovative design carrying the retailer into the 21st century. The $3.6 million state-of-the-art, full-service store will give a look to the future with all new interior decor featuring a “farmers’ market” produce presentation, bold graphics, wide aisles and extensive product selections.

Michigan’s Leader in Liquor Liability for 9 years running!

Rated B+ (Very Good) by A.M. Best

Our outstanding service has made us #1

- Competitive Rates
- Endorsed by AFD for 8 consecutive years
- Never Assessable, no deductibles, policy fees or surplus lines tax
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1-810-357-3895 FAX
Admitted, Approved and Domiciled in Michigan

or call AFD at 313-557-9600 or 800-66-66-AFD
Bakeries
Ackroyd's Scotch Bakery & Sausage (313) 532-1181
A. C. Crilley Inc. (810) 692-6205
Avery Bakers Inc. (313) 499-6131
Dolly Madison Bakery (313) 591-4132
Interstate Brands Corp. (810) 219-2020
Kroger Bakeries, Inc. (313) 255-4417
Owen Ferry Bakery (810) 294-9106
S & B Distributing Co. (810) 328-0796
Sunshine/Salem (313) 470-2000
Taylors Bakers (313) 665-6456

Banks
Comerica Bank (313) 370-2104
First Federal of Michigan (313) 965-4400
First of America Bank & E.M. (810) 586-2480
Greenfield Mortgage Co. (313) 217-0455
Madison National Bank (313) 588-2200
N.B.A. (313) 225-5166
Standard Federal Bank (313) 637-2543

Beverages
Abel-Moore Corp. (810) 354-3164
Action Distributing (810) 591-3232
American Brokered Associates (313) 546-1550
Anahite Beverage Co. (810) 777-0066
Bacardi USA (313) 692-4399
Beltono Quality Beverages, Inc. (313) 667-5330
The Beurer Keg Corp (313) 642-5225
Binks Beever Beverage Co. (313) 677-2050
Coffee Bean Distributors (313) 341-3510
Canadian Arctic Beverage (616) 676-0701
Canandaigua Wine Co. (313) 755-7573
Cherry Bay Distributors (313) 865-0271
Coca-Cola Bottlers of MI (313) 397-2700
Consolidated Wine & Spirits (313) 947-9947
Coon Brewing Co. (313) 451-1499
Decantor Importer (313) 571-8664
E & E Beverages Co. (313) 873-9900
Eastward Distributors (810) 777-5550
Eagle Beverages, Inc. (313) 925-1600
Fleetwood Fine Wines (313) 657-8183
Genesee Pub Co. (313) 867-0271
General Wine (313) 867-3281
Great Lakes Beverages (313) 353-8980
Great Lakes Marketing (313) 577-1664
Guinness Import Co. (313) 786-1876
Harley Distributors, Inc. (810) 876-3525
Hiram Walker & Sons, Inc. (810) 942-8813
International Distributors, Inc. (313) 752-1375
Intermor Corp (313) 858-2340
J. Lewis Cooper & Co. (313) 354-6000
L & L Wine World (313) 586-2000
Laclede Marine Corporation (313) 283-1822
Seven-Up of Detroit (313) 937-3300
Stroh Brewery Co. (313) 346-2500
Thompson Beverage Co. (313) 439-2490
Tri County Beverage (313) 354-7800
Unidel Distributors (313) 389-7879
United Distillers (810) 625-7770
Winco Importers Inc. (313) 315-3165
West End Soda & Fruit Brew (313) 231-5593

Brokers/Representatives
Ark Rolle & Associates (313) 646-0795
DKM Corp. (810) 559-5930
The Greece Corporation (313) 605-6100
H. B. Rohan & Associates (313) 545-5379
J. B. Novak & Associates (745) 752-6451
St. Charles & Co. (313) 546-7750
McDonald & McDonald (313) 496-7100
Merici Sales Corp. (810) 300-5634
O'Brien Sales (313) 707-5950
Sales Mark (313) 427-7700
Sparta Sales (313) 456-3331
Tepco (313) 566-3661
UBC Marketing (313) 714-1700
PepsiCo Sales Professional (313) 646-4366

Candy & Tobacco
A. C. Crilley Inc. (313) 633-1318
Betty Crocker U.S.A. (313) 380-2100
M & M M&M's (313) 865-2707

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- Frizz Control
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- Infalyte
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- Keri
- Lactofree
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- Miss Clairol
- Mum
- Natural Instincts
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- No Doz
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