



ASSOCIATED FOOD DEALERS OF MICHIGAN

and its affiliate

PACKAGE LIQUOR DEALERS ASSOCIATION

FOOD & BEVERAGE REPORT

Associated Food Dealers
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August 1999

Working hard for our members.

Inside

The Beverage Industry -
Read about it in our special
section.

• **Beginning on page 4**

Bottles & Bytes chews up
illegal liquor sales

• **See page 6**

Five reasons to choose
AFD-endorsed Airtouch
Cellular

• **See page 13**

Meet Representative
Famice

• **See page 16**

Seniors to picnic on Belle Isle

Once again, AFD is sponsoring the popular Senior Picnic on Thursday, August 26 on Belle Isle. The theme for the 9th annual event: Business and Community Together. AFD is expected to feed approximately 3,000 seniors and always welcomes the help of its members. For more information, call Tom Amyot at (248) 557-9600.

Made in Michigan

Help us celebrate the bounty of Michigan products during our October Made in Michigan special section. Please call Ray or Tom Amyot at (248) 557-9600 or 1-800-66-66-AFD to become involved in this exciting edition.

Reminder:
September is
Food Safety
Month.

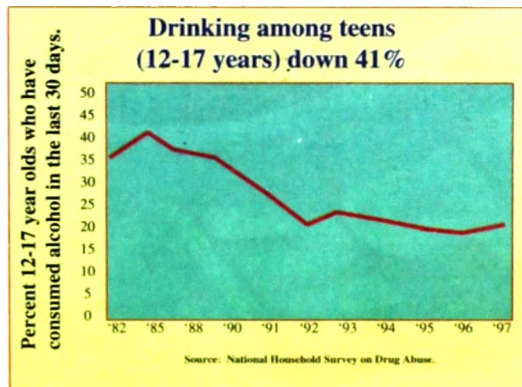
The Beverage Industry: A special report Trends in alcohol use and abuse by minors show improvement— Perception vs. Reality

Ask the average person on the street whether the incidence of the use and abuse of alcohol by underaged persons is increasing or decreasing, and most say "increasing." With all the recent media coverage given to problems on college campuses with binge and heavy drinking (and

unfortunately some tragic consequences from such abuse), it is easy to understand why this perception would be the case. However, the trends are actually improving!

Let's take a look at some of the "facts" and what can be

See alcohol trends, page 4



Comments from our members about the trends in the liquor industry:

Barbara Weiss-Street from UDV-North America:
"Consumers are purchasing more premium goods. Our flavored Stolichnaya Vodka is very popular (available in 10 flavors). Sipping tequilas from José Cuervo are also en-vogue."

Jay Donaldson from R.M. Gilligan, Inc.:
"Consumers today are more educated. They are also drinking less, but their drink choices reflect a desire for higher quality products. The super premium category including single malt Scotch and Canadian Club aged in sherry cask are in high demand. Luxury products like Chopin Vodka, Courvoisier XO, and Kelt Cognac are also becoming important faces in a stocked bar."

Steven Dodge of General Wine & Liquor Company:
"The Cognac category is highly fashionable right now. Sales for Remy Martin VSOP are up 220 percent. Cognac's with a fruit juice base are also a hot trend. Popular items include: Alize, Alize Red Passion and Remy Red. Finally, super premium imported vodkas, such as Grey Goose (France), Keel One, and Belvedere are in high demand with consumers."

For more on the trends in the industry, attend the AFD/ Beverage Journal Holiday Show on September 21 & 22, 1999 at Burton Manor in Livonia. Call Becky if you have any questions at (248) 557-9600.

Action needed on 1/2 mile rule

As reported here last month, the Michigan Liquor Control Commission is considering the elimination of the half-mile rule. AFD and over 4,000 Michigan SDD retailers oppose this rule.

We remind you that it is imperative that all SDDs fax their comments of opposition to the MLCC now.

The Lansing fax is (517) 322-5188. The Farmington Hills fax is (248) 888-8844.

Meet the AFD Scholars



Cynthia Stanfield, one of the AFD scholarship recipients. Cynthia's nomination was submitted by Farmer Jack and sponsored by Kowalski Companies. For a profile on all the AFD scholars, see page 22.

Electric de-regulation is here!

Look for AFD's new money-saving electric program soon. This exciting new program is guaranteed to save you money. In fact, you may cancel at any time.* This program may not be available in all cities and is limited on a first-come, first-served basis. For further information, please call Liz at (248) 557-9600.

* Must have 30-days notice to cancel program. Savings depend on your current rate.

Detroit Edison hosts lecture

On August 17, at 9:00 p.m., the CIAAM will host a lecture presented by the Detroit Edison Company. The topics will be:

1. Detroit Edison's Y2K readiness and other Y2K useful information for businesses and homeowners.
2. Electric Choice: Michigan's Electric Industry is changing. On January 1, 2002 all customers will have the option to choose their electric supplier.

For more details, call Southfield Manor at (248) 352-9020.

The changing face of the food industry

Our industry is changing rapidly. Each month we hear of another merger or acquisition, a new store opening, and another closing. Here are a few newsworthy changes that the AFD Food & Beverage Report is following:

• **Mega Market**, a price-driven retail concept of Fleming Foods, opened July 15 in Southfield. The 67,000-square-foot store is a marvel of retail efficiency (AFD Food & Beverage Report will feature Mega-Market in our September issue).

• **Spartan** is aggressively moving into the retail market. Although not confirmed as of press time, there are strong indications that Spartan will acquire D & W. (See story about Spartan's move to retail on page 18.)

• **Midwest Wholesale**, out of Flint, closed its doors—forcing many retailers to seek other suppliers, including Nash-Finch.

• **Ecco D'oro** recently closed its pasta facility in Warren. We will keep you posted as other news develops.

Visit our Web site at: <http://www.cstorecentral.com/afd.htm>

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Kalamazoo	(616) 226-6400
Lachine (Alpena)	(517) 379-3264
Lansing	(517) 321-0231
Milan	(734) 439-2451
Mt. Pleasant	(517) 772-3158
Petoskey	(616) 347-6663
Pontiac	(248) 334-3512
Port Huron	(810) 987-2181
Saginaw	(517) 755-1020
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President's Message

Eight reasons for association involvement



By Joe Sarafa

As we enter into the next millennium, the rules of business and communication will change drastically. I encourage you to embrace these changes by taking advantage of what the Associated Food Dealers of Michigan has to offer and make the most of your membership.

1. Interact with real people in the industry.

Despite the use of E-mail and web technologies for communicating with others, face-to-face interaction is not yet extinct, thanks in part to associations like AFD. While we're strong advocates of technological advancement, associations serve as your primary link to colleagues.

2. Sharpen your skills.

By attending educational sessions, industry events and shows, you'll stay on top of your professional game. Take advantage of association meetings, especially our annual Ball, AFD Trade Show, Scholarship Golf Outing, Beverage Journal Holiday Show, and T.I.P.S. Seminars.

3. Keep up with new laws and regulations.

Like it or not, we are in a world of increased government rules we all must abide by. Associations, such as AFD can help keep you informed of the ones most directly impacting your business.

4. Get AFD updates on industry change.

As change occurs at a faster pace, keeping pace will be difficult. However, you can stay on top of it all by reading the *AFD Food & Beverage Report*.

5. Increase your clout.

Whether it's in the legislative or regulatory arena or in a group-buying situation, working together with your AFD colleagues gives you strength in numbers.

6. Save time and money.

AFD offers a number of money saving group programs to assist members in today's business environment. From insurance and coupon redemption to credit card processing and cellular phone service, you owe it to yourself to check out the services. You could save time and money.

7. Find business partners.

As mergers and acquisitions occur at a more frequent pace, it is important to keep your eyes open for new partners. That is precisely why involvement in AFD activities can be a valuable resource throughout the year.

8. Anticipate and prepare for the future.

Associations envision how the industry will look in the coming years. While you're focusing on maintaining your daily operations, AFD is looking ahead in order to bring you timely conferences and information.

In closing, I want to take this opportunity to thank you for your participation in the Associated Food Dealers of Michigan. Be sure to make plans to attend our upcoming events. See you at the Beverage Journal Holiday Show sponsored by AFD, September 21 through 22 at Laurel Manor in Livonia; our annual Turkey Drive, November 23, and our Annual Trade Dinner and Ball, February 4, 2000 at Penna's of Sterling.

Thorn Apple Valley sells to Nebraska meatpacker

On July 22, Thorn Apple Valley, of Southfield, sold to IBP of Dakota, City, Nebraska. IBP is one of the country's largest meatpackers. Thorn Apple Valley, a 47 year old meat processing company, had endured years of losses and after the huge recall of 30 million pounds of meat in January, it filed Chapter 11 Bankruptcy in March.

The recall of potentially listeria-contaminated meat cost Thorn Apple Valley about \$5.1 million in lost production and sales, and a quarterly loss of \$19.2 million. There were no illnesses linked to the meat.

The sale was approved by Judge Ray Reynolds Graves in U.S. Bankruptcy Court in Detroit. He ruled that all proceeds will go to secured creditors.

The Grocery Zone

By David Coverly



FUTURE WINE expert

**Alcohol Trends,
Continued from front page**

characterized as "good news."

- According to information obtained by the National Household Survey on Drug Abuse, an annual survey conducted by the Substance Abuse and Mental Health Services Administration, the percentage of teens, ages 12 through 17, who report having "a" drink in the last 30 days is 41% lower in 1997 than in 1982.

- According to information contained in Monitoring the Future, a survey conducted by the University of Michigan for the National Institute on Drug Abuse, the percentage of high school seniors who report having had "a" drink in the last 30 days is 24% lower in 1997 than in 1982.

- According to information contained in Monitoring the Future, the percentage of high school seniors who report having five or more drinks in a row (commonly defined as binge drinking) in the last two weeks is 23% lower in 1997 than in 1982.

- According to The American Freshman Survey (1998), sponsored by UCLA and the American Council on Education, the percentage of college freshmen who say they drink beer frequently or occasionally is 30% lower in 1997 than in 1982.

- According to data compiled by the National Highway Traffic Safety Administration, 1998, driving fatalities involving intoxicated teen drivers were 63% lower in 1997 than in 1982.

The "facts" in no way eliminate the need to further reduce the incidence of underage drinking and the consequences which arise from that activity. The facts should, however, give encouragement to all those concerned with these problems that things are getting better and that the rather substantial efforts to inform and educate underage persons as a means of further reducing these problems is having a desired effect and should be continued.

-Reprinted by permission of the Michigan Beer & Wine Wholesalers Association.

Michigan liquor laws

Legal age to consume alcohol	21
Legal age to pour and/or serve alcohol	18
Legal age to sell alcohol	18
Limit for driving while intoxicated	.10
Driving while impaired	.07 and less than .10

State dram shop liability laws: Yes

Social host liability laws: Yes

Acceptable forms of identification: Michigan law does not specify certain forms of identification. Some recommended forms are a driver's license, birth certificate or state ID card with photo.

Hours for sale of alcohol

On-premise establishments: Monday through Saturday, 7:00 a.m. until 2:00 a.m. Sunday, 12:00 p.m. until 2:00 a.m. with Sunday sales permit.

Retail stores: Monday through Saturday, 7:00 a.m. until 2:00 a.m. Sunday, 12:00 p.m. until 2:00 a.m. with Sunday sales permit

Policies regarding ID confiscation: Michigan authorizes licensees to confiscate IDs they recognize as false.

Policies regarding minors: It is unlawful to serve or sell alcohol to anyone under the age of 21. If the person is under the age of 17, they must be with a parent in an establishment whose primary business is the sale of alcohol. City and town ordinances may also address this issue.

Laws regulating server training: Michigan currently does not regulate server training, nor does the state offer a training program for licensees.

Regulation of Non-Alcohol Beer and Wine: Under the Penal Code, non-alcohol beer and wine may only be sold to those 18 years of age and over if they contain any alcohol.

Summary of liquor liability laws: The penalty for serving an underage person or someone who is visibly intoxicated is a maximum fine of \$1,000 and/or license suspension or revocation. The penalty for selling alcohol after the permitted hours is a maximum fine of \$300.

Summary of Happy Hour Laws: Licensees may not offer single-priced, unlimited service drink specials, free drinks to patrons or two-for-one drink specials.

Additional Information: For more information, contact the Liquor Control Commission in Lansing, at (517)322-1353.

Calendar

September 21-22

Beverage Journal Holiday Trade Show, Sponsored by AFD
Burton Manor, Livonia
(248) 557-9600

October 2-6

National Frozen Food Convention
Boston, Massachusetts
(703) 821-1350

October 3-5

Human Resources/Training & Development Conference
Atlanta, GA
(202) 429-8479

November 7-9

Retail Food Safety Conference
Sheraton Inner Harbor Hotel
Baltimore, MD
Fax (202) 429-4529

November 9-10

Supermarket Foodservice Short Course
O'Hare Hilton Hotel, Chicago
(202) 862-1498

November 23

AFD Annual Turkey Drive
AFD & its members give turkeys to needy families across Metro Detroit
(248) 557-9600

Statement of Ownership

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AFD works closely with the following associations:



MADD and Coke promote safer summer travel

This summer when shoppers open a beer-cooler door they'll find the drink for the designated driver right at their fingertips.

This easy shopping choice and safety convenience is being introduced to Michigan consumers today, thanks to a major new promotion being piloted by Mothers Against Drunk Driving (MADD), Michigan, and the Coca-Cola Bottling Company of Michigan.

Just in time for summer and the start of the heaviest travel season of the year, MADD and Coca Cola have made it easier for shoppers and motorists to designate a driver.

Over 255 Michigan stores will participate in the three-month summer promotion, "Don't Forget the Designated Driver." The innovative program features easy-access, point-of-purchase display trays filled with Coke products,

placed inside on the door of the beer and wine cooler cases accompanied by a display sign with the slogan, "Don't Forget the Designated Driver." The traffic safety message is delivered directly to the potential drinking driver. MADD hopes the effort will help offset the seasonal increase in drinking and driving and the related rise in crash fatalities, injuries, and property damage.

Your rights as an Authorized Distribution Agent (ADA)

You are entitled to...

- Free weekly deliveries, if you order a minimum of one case with each ADA. That case can be made up of split items.

- A specified order day, and a specified delivery day. Delivery days must be no more than six days from your specified order day.

- 12 emergency orders per year, to be made available to you within 18 hours. You may have to pay up to \$20 if the ADA delivers the emergency order to you. However, the ADA cannot charge a fee if you are required to pick your order up at its facility.

- Purchase 9 liters of spirits per month from certain Off-Premise Licensees if you are an On-Premise licensee. Licensees must keep records verifying those purchases. Off-Premise licensees must meet federal obligations before selling to On-Premise licensees. Call the Bureau of Alcohol Tobacco and

Firearms at (513) 684-2807 for more information.

- Make payment, on delivery, with a check, bank or postal money order or cash, unless you are on Cash only basis. There may be cash handling fees if you choose to pay with currency. Please place your license number on any check or money order used to make payment. Also, make checks or money orders payable to:

The State of Michigan/MLCC.

Return Policy

Unsaleable items may be returned to the ADA for credit. Returnable items include damaged bottles, deteriorated products, leaking containers, bottles with damaged labels, and short filled bottles.*

Licensee ordering errors are also returnable, if the error is reported to the ADA within 48 hours.

You CANNOT return items which are overstocked, slow moving, opened, tampered with or because of a limited or seasonal demand for the product.

*This policy does not apply to voluntary returns of entire inventory.

—MLCC Bulletin #2948-17

Miller triples NFL™ excitement with new football guides

Miller Lite, the official sponsor of the NFL™, takes a great thing and triples it this year, adding two new companion pieces to its seasonal classic—the NFL™ Fan's Football Guide.

In addition to the original Guide, Miller Lite presents the NFL™ Fan's Guide and Super Bowl™ Guide, giving football enthusiasts a wealth of



football facts and data that cover the game from current and historical perspectives.

Specially-marked 12-, 18-, 24-, and 30-packs of Miller Lite and Miller Genuine Draft cans will contain one of the three guides, where legal, during the Labor Day selling period. Guides will be randomly seeded into packages.

Regardless of the nature of your business...



...Liquor law hassles can be a sobering experience.



When it comes to liquor law regulation, Michigan is one of the toughest states in the country. Bars and restaurants represent only a small fraction of the businesses affected. Airlines, retail department stores, hotels, non-profit organizations, political committees and a broad spectrum of other entities can be shut down for non-compliance.

The law firm of Abbott, Nicholson, Quilter, Eschaki & Youngblood PC, in Detroit is proud to announce that Thomas I. Giachino — a recognized Michigan liquor law expert — has joined the firm. A former Michigan assistant attorney general, Giachino represented the Michigan Liquor Control Commission for 23 years. He is qualified to help companies in metro Detroit deal with Michigan's regulatory and administrative liquor law hurdles.



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Bottles & Bytes takes a chomp out of illegal liquor sales

by Ginny Bennett

This is a story about one of our members, a Troy store owner who took his employee to court for selling alcohol to a minor. Going to court was the solution for Bottles & Bytes' general manager Wally Russell, in a proactive stance to protect his right to sell liquor. For the future he has implemented a new policy to prevent new hires from committing this unlawful act.

Russell believes that everyone should have to show ID to purchase liquor but until that happens he is sharing his story and his solution with other AFD members.



Troy Bottles & Bytes general manager, Wally Russell

Remember the carnival concession where the guy tries to guess your age? It is hard to beat that guy because he has had a lot of practice. So, usually you lose a few bucks.

Wally Russell says something similar may be happening in your store when your clerk tries to guess the age of someone who tries to buy alcohol. If your employee sells to a minor, you can be fined and your liquor license is put at risk. And in this case the tables may be turned – the person trying to convince your employee to sell alcohol to them may be the expert—a trained police decoy.

"After all," adds Russell, "what does 30 look like? A teenage decoy made up to look thirty can easily deceive an employee who must make a judgment call when they are busy, under pressure due to a line or unwittingly convinced by a trained government agent. Yet the buck stops here! If my employee sells to a minor, then I've sold to a minor."

This is exactly what happened at Bottles and Bytes.

Some store owners might feel that the use of police decoys is unfair and borders on entrapment. Russell doesn't go that far. He says, "morally, ethically and lawfully, we are responsible for what a kid does when he drinks alcohol we sell to him. I have a teenager and if someone sold to my child, I would be upset."

Bottles and Bytes had safeguards in place at the time of the citations. There was ample training for new employees, warning signs were posted to alert customers that ID would be checked and there was a "birthday button" on the cash register. Employees also were warned that they would be fired if they were caught overriding the button. As a further incentive Russell awards all employees with a \$25 bonus if the store is citation free for a year.

"I've been at Bottles & Bytes six years," says day manager Kim Lazar, "and we were citation free for 5 1/2 of them."

In spite of all precautions it still happened twice, with two new hires, within six months.

Says Russell, "I had reservations about the first employee even

before I hired him but I needed someone desperately. I anticipated problems, however I never expected that he would disobey me and the law to sell alcohol to minors. In the second instance, I was very confident of the new hire. She was a customer, a semi-professional and a person for whom I had high expectations. Yet this employee deliberately over rode the birthday button to sell to a minor—once again—a police decoy."

Typically the fine is \$500 to \$1000 plus a suspended license. The cost of Bottles and Bytes citation: \$1000 fine, \$1500 attorney fees, and \$2800 net revenue loss from a weeks suspended alcohol sales.

The ultimate cost is the possible loss of the liquor license for the third offense in a two-year period.

Consequently, Bottles and Bytes has implemented a new hiring policy. Every potential new employee must sign an applicants' agreement and if hired, an employee's contract, taking legal and financial responsibility in case they break the law.

Applicants know before they are hired that they will receive training and be held liable for any financial consequences.

"I ask every new hire, what is the most important thing to know about this store?" says Russell. "The answer is—to ask everyone for ID!"

In addition to the many precautions

Russell has taken to prevent citations, he went one step further to protect his business. He sued his employee in small claims court.

AFD legal counsel, James Bellanca, represented Bottles and Bytes in this case. Bellanca is aware that in this tight labor market it is difficult to hire, train and retain new employees. "We need to do something to help," says Bellanca.

"In our court case, we proved the employee committed the crime," says Russell. "We asked the judge to hold the employee accountable for an unlawful and illegal act. She was ordered to pay \$750 plus costs in civil court."

A possible solution, he continues, is a law that would require ID for any liquor sale. "Alcohol is a controlled substance, like prescription drugs. It would allow for the decision process to be made by someone besides an inexperienced employee. This is what we asked the Troy City Council for—to require ID for every alcohol purchase."

"A few stores do this," he says, "but many people resent being asked or are offended by it. Requiring ID for every purchase, by law, levels the playing field for everyone."

Russell believes that if everyone had to show ID it would end the carnival-like guessing game. He feels that our business is too important to leave these decisions to chance.



Kim Lazar (left) Bottles & Bytes manager and co-manager Colleen McFarland. The button on the back wall says "I'd card my own mother."

The LCC cracks down and so does one store owner

By: James V. Bellanca, Jr.

It should be of no surprise to you that law enforcement and particularly the Liquor Control Commission has made the sale of alcohol to minors a priority.

Time after time sting operations are being performed either by local police departments or by members, particularly in the last several months to represent their interests before the Commission.

As a result, the undersigned is aware of how difficult it is to hire and train responsible help, particularly in the party store environment. While the Liquor Control Commission understands the difficulties you are facing, their position continues to be that ultimate responsibility lies with

you, the licensee.

We recommend that you seriously consider formalizing your policy with your employees by requiring them to sign an agreement upon their hire that they will check I.D. and be responsible to the store for damages in the event that the store is ticketed for sale to minors.

Bottles and Bytes had such a policy in place as well as a "bonus policy" offering a \$25.00 award to all employees of the store if they went a whole year without being ticketed for a sale to the minor. In spite of this program and the agreement, the store was ticketed.

What the store owner did was

See LCC cracks down, page 36

CERVEZA

WITH THE TASTE OF

TEQUILA

AND

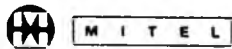
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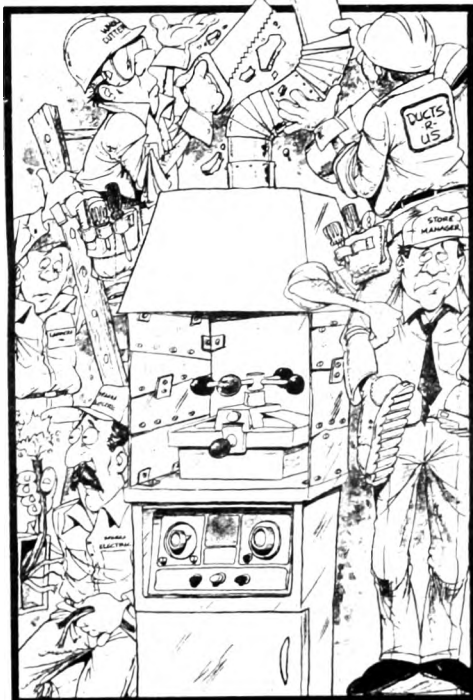
**Stoney Creek Brewing Company
to produce beer and bottle
water for new Detroit Casino**

On July 20, The Stoney Creek Brewing Company bottled the first batch of MGM Grand Lion Lager. This traditional, all malt lager is brewed with pure spring water, malted barley, aromatic hops and yeast. In addition to the lager, the casino will feature MGM Grand

Vanilla Porter on draft, the only draft beer available to guests at the casino. They will be promoted as the casino's "house" beers.

Taking advantage of the pure natural spring water used to brew the beer, Stoney Creek Brewing Company will produce a 16.9 oz (500ml) bottle package under the MGM Grand label. This natural spring water will be available to

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guests of the casino, diners in the three restaurants of the casino and in the gift shop. They will also be available to retail accounts in and around the Metro Detroit area who wish to take advantage of the excitement which is sure to build around the casino's opening. For more information, contact the Stoney Creek Brewing Company at (248) 347-1199 or Craft Distribution at (248) 344-9498.

**Philip Morris
responds to court
decision**

U.S. District Court Judge Frank Bullock, Jr. granted a preliminary injunction regarding the Philip Morris (PM) "Retail Leaders" program. PM is being sued by competitors R. J. Reynolds Tobacco Co., Lorillard Tobacco Co., and Brown and Williamson Tobacco Corp., who are charging that the "Retail Leaders" program, which pays retailers a per-carton rebate in exchange for devoting premium counter and display space to PM products, unfairly relegates competitors' products to the bottom shelves, out of customers' sight. The injunction was issued until a trial can take place on the suit.

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Congratulations
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Scholarship
Winners!

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Contact your local 7 Up representative

Sales reflect corporate spirits at Seagram's

by Ginny Bennett

AFD retailers have the opportunity to boost their spirits and, at the same time build their spirits business with the help of one of the oldest and most highly respected houses, Seagrams North America, part of Seagram's Ltd.

In today's competitive marketplace, Seagrams is dedicated to building their customer's volume and profit.

Working together with one vision, Seagrams and Frank Bodi, state general manager for Michigan and Iowa says, "our focus is on our customers: if they succeed, we succeed."

To that end Seagram's has dedicated 13 direct sales people to personally call on independent Michigan retailers with licenses to sell spirits in stores, hotels and restaurants.

National Wine and Liquor is Authorized Distribution Agent (ADA) for Seagrams.

Retailers look to Seagrams for the development of categories with clearly identified growth potential. Whether it is expanding on a successful brand or creating and acquiring new brands, Seagrams will capitalize on growth opportunities.

As we reach the end of the century nothing sells better than the premium brands, unless it is the trend that Bodi predicts will move us into the next millennium—new and flavorful products.

The resurgence of classic cocktails, like the martini and Chivas and soda have sparked cigar sales, caused numerous martini bars to open and reinstated "the cocktail hour." "Brown goods have stabilized which has helped stem the decline of spirits," says Bodi.

Scotch and soda, mud in your eye...

A popular song in the early '60s and a popular drink, too. Scotch and soda was a straightforward, no nonsense drink.

Due to a failing economy, health concerns and issues related to



Frank Bodi, State General Manager for Michigan and Iowa

drinking responsibly, the use of alcohol peaked in 1981 and continued to decline until 1995.

Since then, says Bodi, there has been a continuing steady increase in sales due to the "desire to drink less but drink better." Several studies have supported the health benefits of alcohol, the economy is booming and campaigns promoting responsible drinking have all contributed to the increase.

Total sales in Michigan were up 4.9 percent in 1998, higher than in the rest of the country which was up one percent.

Another reason for these gains can be attributed to new products and flavored adaptations of existing products which have emerged to satisfy a new generation's constant quest to try something different.

Dry martini, jigger of gin, oh what a spell I've got you in...

The popularity of martinis is only remotely related to the older generation's favorite drink from the sixties. Although still popular as a classic cocktail, the up-to-date version may be made with Seagram's new lime-twisted gin or served as a chocolate martini for an after-dinner drink. Not your father's martini, it mixes Absolut Vodka with Godiva

Chocolate liqueur for a dessert martini unlike anything our parents thought up.

Other new flavor introductions include Absolut Mandarin, with an orange flavor, Captain Morgan Original Spiced Rum, and Captain Morgan's Parrot Bay with a

coconut flavor. Lemony citrus flavored Absolut Citron has become the third best selling imported vodka in the state.

According to Bodi, retailers can maximize profits if they promote premium products. Since prices are fixed, the only way to increase revenue is to sell a customer up to a

premium brand like Absolut, which sells at \$18.45, is the fourth largest seller in Michigan. To increase the dollar profits, Bodi suggests, retailers can put premium products in a prime spot so customers will see them first. Displays of premium labels will offer more return to the retailer and sales will also be boosted by advertising and marketing support which helps the consumer make informed choices.

As a corporation, Seagrams chooses to strive for the highest standards of corporate citizenship. Seagram's advocates the responsible consumption of alcohol as they have done in an advertising campaign for more than sixty years. They also contribute generously to the communities where they operate. AFD projects are always well supported by Seagrams.

We'd like to thank the members of the AFD," says Bodi, "for their support and help in making Seagram brands among the most popular in Michigan." Seagrams has three of the top six bestsellers in Michigan. "Our commitment continues to our customers. We'll continue to offer new flavorful products that customers want and we'll continue to have a well-trained direct sales force for retailers."

The Seagram Company Ltd. has become positioned globally to lead in numerous ventures that are related to beverage alcohol and the field of entertainment. Seagram's is the parent company of Universal Studios, Inc., with music, movies, theme parks and television under its umbrella.

From the original small distillery founded by Joseph E. Seagram in 1857, to the 1924 founding by Samuel Bronfman, of the Distillers Corporation Ltd. in Canada, Seagrams has grown to become a \$9.7 billion business located in 150 countries worldwide. Still, Seagram's commitment to the small Michigan retailer gives the company and the retailer a common goal of succeeding in their respective markets, whether locally or globally.





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BATF approves health statement language for wine labels

On February 5, 1999, the Bureau of Alcohol, Tobacco and Firearms, U.S. Department of Treasury, approved the following statements which can now appear on wine labels:

- "The proud people who made this wine encourage you to consult your family doctor about the health effects of wine consumption."

- "To learn the health effects of wine consumption, send for the Federal Government's Dietary Guidelines for Americans, Center for Nutrition Policy and Promotion, USDA, 1120 20th Street, NW, Washington, DC 200036."

Approval of the label statements caps a multi-year campaign by the Wine Institute and other wine interests to obtain federal permission to inform the consuming public about the positive health effects which accrue with the moderate consumption of wine. The Wine Institute, as well as many members in the alcoholic liquor industry, have believed for some time that government should take a more balanced approach when informing the American public on the consequences associated with the consumption of alcohol.

In addition, they believe that the government should abandon the long held policy of linking these products with drugs and sin. Until recently, most government educational efforts were directed only at the "risk" component of the message, including requiring a series of warnings to be printed on the labels of the products.

This approach continued despite the steady accumulation of a substantial body of scientific evidence which clearly demonstrated positive health benefits were associated with the moderate consumption of beer, wine, and spirits.

A news release issued by the Wine Institute, John De Luca, President & CEO of the Institute states, "The label approval represents a defining new chapter in the evolution of federal policy towards wine in America. From the start, we have contended that the label is an essential educational component of our public policy mission to counter efforts in some quarters to mischaracterize wine as a 'gateway drug' and a 'sin' that warrants higher taxes, trade limitations, and advertising restrictions."

To those uneducated in the arena

The Wine Institute, as well as many members in the alcoholic liquor industry, have believed for some time that government should take a more balanced approach when informing the American public on the consequences associated with the consumption of alcohol.

of alcoholic liquor control policy, the newly approved statements could seem almost inconsequential.

What could be more innocuous

than a statement which advises a person to contact their doctor if they have a health question or to obtain a copy of dietary guidelines issued by

the federal government if they want to learn about the health aspect of consuming some food product?

In the arena of alcoholic liquor control policy, the answer is "everything".

The ink had hardly dried on the BATF's news release when Sen. Strom Thurmond (R-South Carolina), an outspoken proponent for "warnings" in alcohol advertising,

See Health statement on wine, next page



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receive E-mail messages right on your AirTouch phone, with no need for a separate E-mail service!

3. **Longer Battery Life**—Digital service uses less power with the same signal quality. That means more standby and talk time for you.

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between—and you've got some of the largest digital coverage areas in the combined Ohio and Michigan market.

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GREAT NEWS! AirTouch Cellular has new Association bundled

rates for both analog and digital service available to Associated Food Dealers members and their employees. If you are interested in migrating to AirTouch Digital, activating new service, or learning more about our new Association rate plans, visit your local AirTouch Sales & Service Center or Authorized Agent or call 1-800-AIRTOUCH. For more information call Liz at AFD (1-248-557-9600).

General Mills profits up

General Mills Inc., the No. 2 U.S. cereal maker, said fiscal fourth-quarter profits rose 14 percent on higher sales of breakfast cereals and new products such as Go-Gurt, yogurt in a squeezable tube.

Net income at the maker of Cheerios and Wheaties rose from \$91.8 million, or 57 cents, a year earlier to \$104.8 million, or 67 cents a share. It was expected to earn 66 cents, the average estimate of analysts surveyed by First Call Corp. for the quarter ended May 30.


The company boosted U.S. cereal sales even as the industry leader, Battle Creek-based Kellogg Co., showered retailers and customers with record levels of coupons and other promotions to win back sales lost to low-price cereals. General Mills gets about half its profit from cereals.


Health statement on wine continued from previous page

proposed three bills to: 1) reverse the BATF decision; 2) remove from the BATF their label approval authority; and, 3) increase the taxes on wine and earmark those additional revenues for treatment and prevention programs. In addition, Sen. Thurman demanded a government investigation to determine if the Wine Institute had engaged in unacceptable behavior in obtaining the approval for the statements.


Members of the beer industry, weary of generating the type of negative reaction evidenced by Sen. Thurmond, have not yet requested permission to put the newly approved labels on their products.


The BATF, whether in response to the negative reaction or for some other reason, has stated that any variation from the approved language contained in the statements would require a special review which could take many months. —Reprinted by permission of the Michigan Beer & Wine Wholesalers Association





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The logo for AFD (Associated Food Dealers) is prominently displayed at the top center in a large, bold, blue font with a white outline. The letters are slightly slanted and have a 3D effect.

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Representative Faunce is helping youth find the right path

by Kathy Blake

One thing State Representative Jennifer Faunce learned in court is sometimes people, especially youth, deserve a second chance. At the time, she was chief of juvenile court in the Macomb County Prosecuting Attorney's office. "Even in delinquency, there are some kids that straighten out with a one-time contact with the court," said Representative Faunce.

She found that to be rewarding although there were cases that wrought heartache when juveniles came back again and again. Faunce said she believes the system works and felt she was able to help juveniles and make a difference in the path of their lives.

Being in a position to make a difference is what spurred Faunce into running for political office when she ran for judge of Warren and Centerline in 1996. Even though she lost the race, she gained recognition and exposure. "Afterwards, people approached and asked me to run for the (29th district state representative) seat which opened due to term limits," said Faunce. She ran and was elected in 1998.

Faunce is chair of the Criminal Law and Corrections Committee and is a member of the Regulatory Reform; Senior Health, Security and Retirement; and Tax Policy Committees.

She represents the north end of Warren and Sterling Heights south of 16 Mile Road. The Republican representative is spending her summer session break going door to door in her district to meet her constituents. "I like to make sure I represent the people I'm representing," says Faunce.

Concerning her district is an issue with a big economic impact. There is trouble with the \$1 billion that GM is investing into its Warren and Pontiac facilities. The City of Troy is opposed to signing a release for GM to move approximately 1,500 employees out of its Troy facility into Warren and Pontiac sites.

Faunce is introducing a bill to



address this problem which is due to a state law PA-198 that prevents companies from moving large numbers of employees to another city and giving that company a tax break without the approval of the city which is losing the employees.

Another Tax Policy issue was resolved last month with the passage of the single business tax phase-out. The tax will be reduced by one tenth of one percent per year over the next 23 years until it is eliminated. Faunce said it's a slow but safe process. "It will bring more jobs, lower prices and higher pay," she projects. "The tax has always been controversial and unfair because it taxes companies on payroll instead of profits," says Faunce. Companies with \$250,000 and over in payroll are subject to the tax.

On the Criminal Law and Corrections Committee, which Faunce chairs, the primary issues included changing criminal sexual conduct code to eliminate the need to prove that an act was committed for the perpetrator's gratification and arousal. "Most sexual crimes are done for anger, power and control," Faunce explains.

The committee introduced home

invasion legislation that passed into law. The law makes it a 15-year felony to break into a home with intent to assault an occupant. Prior to this, it was a misdemeanor for this crime yet it was a 15-20 year felony for breaking into a home and burglarizing.

Representative Faunce graduated from Michigan State University with a Bachelor of Science-Pre Law in 1987 and received her Juris Doctorate from the University of Detroit School of Law in 1990.

She interned at the Macomb County Prosecutor's office in 1989 until May of 1990. Then she went to work as an attorney at Ogne, Alberts and Stuart for two years prior to returning to Macomb County Courthouse where she took the position of assistant prosecuting attorney and chief of juvenile court.

There she worked closely with local youth officers in youth community projects such as Drug Free School Zones; which doubles the penalties for selling controlled substances within 500 yards of a school.

She recently became a board member of Care House which is a facility for victims of criminal sexual

conduct. The facility is considering merging with a shelter. It is geared toward children and enables interviewing in a safe house atmosphere rather than a sterile police station, says Faunce. The interviews are conducted by a trained social worker who has a microphone and receiver to allow two-way communication with a prosecutor who can then determine whether there is enough evidence to allow prosecution of the perpetrator.

When asked whether she thought the system works for nabbing sexual offenders, Representative Faunce said she believes it does. "They have very stiff penalties for violators and we now register sexual offenders with the Michigan State Police, who publish it on the internet. Also, prosecutors can use hearsay evidence from children in testimony, which cannot be done with adults."

Faunce is very much concerned with the welfare of youth and has been a member of Big Brothers/Big Sisters for years. She says the little sister she adopted years ago is now 22 years old and doing well. She is the first in her family to go to community college. Faunce is very proud of her although she doesn't see much of her now that her little sister is older and busy with dating and college activities. Faunce is now on the advisory board of Big Brothers/Big Sisters and keeps working to help kids find the right path.

During her free time, Representative Faunce enjoys jogging, skiing, reading and fixing up her house. She has a dog from the Michigan Humane Society and she's active in her church.

To reach Representative Faunce, call toll-free: 1-877-FAUNCE2, or (517) 373-1772 or E-mail: jfaunce@house.state.mi.us or write Representative Jennifer Faunce, Michigan House of Representatives, P.O. Box 30014, Lansing, MI 48909-7514.



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Spartan changes with the times

A rapid move into retail ownership highlighted the fiscal year for Spartan Stores, Inc., the Grand Rapids based grocery wholesaler. Spartan has purchased 44 supermarkets since the beginning of 1999, and intends to continue seeking acquisition opportunities.

"We are re-inventing the company for the next century," President and Chief Executive

Officer James B. Meyer told shareholders at Spartan's annual meeting held today in Traverse City, Michigan. "Spartan is well positioned to face the future. The company has the financial strength and the human resources to meet and overcome the challenges. Spartan is reinventing itself to stay competitive and to effectively service the independent retailer of the future. We are committed to being a leader: to providing customers and

shareholders with increasing value."

Spartan recorded record sales of \$2.67 billion for the 1998/99 fiscal year which ended March 27, 1999, up just over 7% (\$182 million) from the previous fiscal year. During the shareholder meeting, Spartan officials announced earnings at a record \$14.8 million, up slightly over last fiscal year. The earnings



Spartan's James Meyer (left) and Kevin Schlosser



Growing up isn't easy.

Growing up in a complicated world isn't easy. And it's even more complicated for adolescents. It's a time when kids don't always follow the advice of grownups. A time when they especially need self-confidence, self-esteem, and strong judgement and decision-making

skills to help them make good choices.

Supporting positive youth development programs that can help youth improve these skills is just one of the ways in which Philip Morris USA is working to help kids make better choices as they grow up.



PHILIP MORRIS USA

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for the fiscal year equaled \$1.33 a share, 10% over last year and a 10.8% return on stock trading value. The book value for the fiscal year was \$11.16, up nearly 12% over the 1997/98 fiscal year.

Trading stock, set based on overall earnings, net earnings per share and forecasted earnings, was increased by \$1 per share, from \$12.30 to \$13.30. This increase was approved by the Michigan Corporation and Securities Bureau on June 14, 1999.

Contributing to the company's overall sales increases were new sales in the pharmacy area, and increased sales from the convenience store division. In addition, expanded promotional emphasis increased sales from the grocery store distribution segment.

Spartan Vice President Development Chuck Fosnaugh, in presenting the fiscal highlights, noted the purchase of the majority of the company's retail stores was completed early in the 1999/2000 fiscal year, therefore the sales from those acquisitions will impact next year's fiscal results.

"The acquisitions of Ashcraft's Markets, Family Fare Supermarkets and Glen's Markets have quickly positioned Spartan as a major retail force in Michigan," said Meyer. "But that is not our sole objective. In light of the mammoth changes in this industry, our objective has been and will be to assure sales volume from the warehouse and secure the greater efficiencies that arise from this structure."

"Spartan Stores can no longer function solely as a wholesaler/distributor," he continued. "If other wholesalers or retailers employ a retail acquisition strategy, we must not allow them to consolidate our customers into their operations."

The future, Meyer said, will focus on strengthening Spartan's purchasing power and turning the company into a high performance, high commitment organization that

See Spartan, page 32

Dearborn students gobble up tips on cafeteria tour at Detroit Edison headquarters

DETROIT—Dearborn high school students turn the financial tips they earn by working at The Wheel Inn, the restaurant they run at Fordson High School, into verbal tips to help them succeed in the food service business.

Each month, students from Edsel Ford, Dearborn and Fordson high schools, who are enrolled in Dearborn Schools Food Management/Hospitality Program, pool their tips to afford a field trip to tour the food preparation, cooking and serving areas of restaurants, hotels and cafeterias. At these locations, the students talk to food service professionals, and get an inside look as to how these businesses operate.

"The students learn so many new, good tips when on these field trips," said Eleanor Shepherd, who is teacher of the three-hour-long, five-day-a-week course at Dearborn schools.

"But also, the students hear a lot of the same advice from other chefs and food service professionals that I give to them, and it reinforces its value to hear from someone besides their teacher," Shepherd said. Recently, 17 students from the program toured Sodekho Marriott Services cafeteria, located on the ninth floor of Edison Plaza, Detroit Edison's downtown Detroit headquarters.

"This is our first tour of an operating cafeteria; we've seen lots of restaurants," said Shepherd, a certified culinary educator and certified working pastry chef.

Arranging the tour at Detroit Edison headquarters and also accompanying the students was Naeem Saroya, ethnic marketing representative at Detroit Edison. Saroya also serves as a liaison to Fordson, one of Detroit Edison's partnership schools. The utility's ethnic marketing department was created in 1998 to address the energy and energy service needs of various ethnic communities in Southeastern Michigan, including the African-American, Latino, Asian and Arab/Middle Eastern communities.

"The students asked intelligent questions of Sodekho Marriott Services chef Michael Gardner. I was impressed," Saroya said. In addition to the restaurant the students run at Fordson High School they operate a bakery and catering business on that Dearborn school's campus, too.

Saroya recalled, "I know the students' work to be excellent in taste and presentation." The Dearborn School Food Management/Hospitality Program students participated in a poster contest for the December 1998

ceremony in which Fordson and Detroit Edison officials, including Saroya, signed a partnership agreement, in which Fordson became Detroit Edison's 31st partnership school in Southeastern Michigan. The Detroit Edison Partners In Education program was created in the early 1980s. Detroit Edison forms partnerships with Southeastern Michigan schools to enhance

educational opportunities for students as well as develop the most talented, educated and diverse workforce for Michigan's future. The utility has more partnership schools than any other business in Michigan.

As part of Detroit Edison's support of Fordson High School, the utility presented a \$5,000 check to purchase 65 computer licenses for business software that will further the

education of students in Fordson's engineering and technology academy. In addition to financial support, the utility also provides the school's staff and students with various on-going educational opportunities including seminars, summer internships, mentoring, job shadowing and tours of the utility's nuclear and fossil fueled plants.

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Meet the AFD Scholars

The Associated Food Dealers of Michigan, in support of higher education, is proud to award these 32 students with AFD Scholarships.



Lauren M. Abro

**Submitted by Boji's Food Center
Sponsored by Eastown
Distributors**

Lauren graduated from Mercy High School in Farmington Hills and will be a freshman at the University of Michigan in Ann Arbor, majoring in mechanical engineering. During high school she achieved the Third Place Advanced Yearbook Design Award, the Junior Varsity Spirit Award, and the Loyola Academic Award. She was also a four year Honor Roll Recipient, and on the National Honor Society for two years.



**Rachael L. Adamczyk
Submitted by Spartan Stores
Sponsored by North Pointe
Insurance Co.**

Rachael is a sophomore at The University of Michigan in Ann Arbor majoring in mathematics. She graduated salutatorian from Hopkins High School in Hopkins, Michigan. During high school, she received math, science and computer literacy awards. She was the National Honor Society President and copy editor for the yearbook, as well as being a member of the Quiz Bowl Team, the drama club, Junior Achievement and Students Against Drunk Driving (S.A.D.D.).



**Miriam Asadi
Submitted by Monitor Sugar Co.
Sponsored by AAA of Michigan**

Miriam is a sophomore at Albion College in Albion where she is majoring in biology and plans on being a physician assistant. She graduated valedictorian from Croswell Lexington High School in

Croswell. She was a member of the National Honor Society, Student Council, S.A.D.D. and received first place in English Academic Games. She was a volunteer candy striper at Port Huron Hospital. Miram is now on the Dean's List at Albion College and participated in Sleight Leadership Program.



Dru N. Bernthal

**Submitted by Bernthal Packing, Inc.
Sponsored by Meadowbrook
Insurance Group**

Dru will be attending Michigan State University this fall as a freshman, and plans to major in horticulture. She graduated from Frankenmuth High School in Frankenmuth. She was a member of the National Honor Society, the student council secretary, and was a part of Students Against Drunk Driving. She received the National Merit Science Award and was the captain of varsity soccer where she received All-State Honorable mention.



**Elizabeth C. Brennan
Submitted by Pepsi-Cola
Sponsored by Pepsi-Cola**

Elizabeth will be a freshman this fall at the University of Michigan, Ann Arbor and plans to major in pre-medicine. She graduated with high honors from Lapeer West High School in Lapeer where she was 6th in her class. She was a National Honor Society member, core team member of a local youth group, and played tennis.



Kenya Y. Brock

**Submitted by Philip Morris USA
Sponsored by Philip Morris USA**
Kenya will major in communications

at Boston University in Boston, Massachusetts as a sophomore this year. She graduated from the Seven Hills Upper School in Cincinnati, Ohio where she was on the honor roll and/or the Merit Honor Roll throughout high school. She played varsity basketball and played forward/center. She participated in varsity track and junior varsity tennis. She plays piano, violin and viola, and has volunteered at a nursing home and a tennis center. She is now on the Track and Field Team and won 6th place in the shot put America East 1999 Indoor and Outdoor Track and Field Championship.



**Ryan R. Bronz
Submitted by Nash Finch/
Super Food Services
Sponsored by United States
Tobacco Company**

Ryan is a junior at the University of California in Berkley where he is majoring in chemical engineering. He graduated valedictorian from Heritage High School in Saginaw. Ryan was on the honor roll all four years of high school, was a quiz team member, and played tennis. He now fences and is the treasurer of Delta Tau Delta, is a high school chemistry tutor, and is on the honor roll.



**Angela M. Frost
Submitted by Faygo Beverages
Sponsored by Faygo Beverages Inc.**

Angela is majoring in Human Biology at Michigan State University in Lansing as a sophomore. She graduated from Plymouth Canton High School in Canton where she was on the principal's honor roll and a member of the National Honor Society. Angela was on the girl's swim team all through high school and received an athletic scholar award and a Plymouth Women's Club award. She was on the Dean's Honor List fall and spring semester 1998-99 at MSU. She is now in the

Honors College, Lyman Briggs School Dean's List, and a member of the National Society of Collegiate Scholars.



**Roland D. Gardner
Submitted by The North Pole
Sponsored by
National Wine & Spirits**

Roland will be a freshman at the University of Michigan, Ann Arbor this fall. He graduated from Plainwell High School in Plainwell where he was a DAR recipient, on the honor roll for four years, and received an academic letter. Roland was a National Honor Society member and played football and basketball.



**Tara N. George
Submitted by Melody Farms
Sponsored by Melody Farms**

Tara will attend the University of Michigan in Ann Arbor as a freshman next fall and plans to major in engineering/space and atmospheric sciences. She graduated Magna Cum Laude from Mercy High School in Farmington Hills. Tara was a National Honor Society member, a French honor society member, a competitive scholar, and a member of the human relations council. She also received the President's Educational award.



**Joseph A. Hakim
Submitted by Emily's Deli
Sponsored by Kar Nut Products Co.**
Joseph will be a freshman this fall at Wayne State University in Detroit planning to major in medicine. He graduated Magna Cum Laude from De La Salle Collegiate High School in Warren. Joseph was a member of

the National Honor Society both his junior and senior year, an academic honor in mathematics and Spanish and was on the academic honor roll. He received the Brother Bernard Guziewicz Service Award.



Amanda M. Jensen

**Submitted by Jensen's Party Mart
Sponsored by Anheuser-Busch Inc.**
Amanda will be a junior this fall at Huntington College in Huntington, IN majoring in educational ministries. She graduated in the top ten from Blissfield High School in Blissfield where she was the yearbook editor and the class president. Amanda has been on the volleyball team and in band. She is now on the Dean's List, student senate, and is a resident assistant.



Tanya M. Koko

**Submitted by King's Market Inc.
Sponsored by Laysee Bread/
Metz Baking Co.**
Tanya will be a freshman at Pennsylvania State University University Park, PA planning to major in pre-medicine. She graduated from Flushing High School with high honors. She was a member of the National Honor Society and a D.A.R.E. Role Model. Tanya was also on the class board, the varsity club, and was a cheerleader for Flushing High School.



Aaron A. Knapp

**Submitted by Shopper's Market
Sponsored by Petitpre, Inc.**
Aaron will be a freshman at Loyola University in Chicago, IL studying pre-medicine. He graduated Summa Cum Laude from University of Detroit Jesuit High School in Detroit where he earned the President's Award for Educational Excellence and the National Merit Commendation. He participated in the National Honor Society. He received the Loyola University Dumen Scholarship, and the Loyola University Chicago Jesuit BYM Sinters of Christian Charity Scholarship.

**Akila T. McAllister
Submitted by NAACP/Detroit
Sponsored by Brown Forman
Beverage Co.**

Akila will be a sophomore this fall at Florida A&M University, majoring in Business Management. She graduated salutatorian from Cass Tech High School. She was an attendance clerk for Forum Inc. and a SGA volunteer for "Voter's Comedy Jam" promotional team. She's received the Rosa Parks Scholarship, the Black Metropolitan Professional Women Scholarship, and the Mayor Coleman A. Young Scholarship. Akila also was an Exam Experts-Mentoring Program Motivational speaker for local high schools.

**Noura Mikah
Submitted by University Food Center
Sponsored by Progressive Ten**

Noura will be a freshman this fall at Detroit College of Business, and plans to major in computer information systems. She graduated from Pershing High School. She moved from Iraq to Michigan only five years ago. To prepare herself for a business career, she signed up for an optional technical skills program. For two years, she spent her early mornings at Golightly Career and Technical School, and her afternoons attending regular classes at Pershing. Noura has worked in a grocery store since she moved here, in fact, she participated in the AFD Best Bagger Contest three years ago.



**Priscilla A. Moseley/Atchco
Submitted by Mc K's Wine Shop
Sponsored by Frito Lay Inc.**

Priscilla plans to study Engineering as a freshman at the University of Michigan in Ann Arbor. She graduated from Marian High School in Bloomfield Hills. She was the president of the National Honor Society, all school board vice president, and a member of the Spanish National Honor Society. Priscilla also participated in Students Against Drunk Driving.



**Darnika J. Rhodes
Submitted by Metro Foodland Inc.
Sponsored by American Bottling
Co./7 UP Detroit**

Darnika is a sophomore at the University of Michigan in Ann Arbor majoring in chemical/biomedical

engineering. She graduated from Renaissance High School in Detroit. She was Vice President of the National Honor Society and is an active participant in church. She was on the Honor Roll, and graduated with honors. Darnika participated in cheerleading, track, and cross country. Now a K-grams pen pal, Darnika volunteers at Mott Children's Hospital, and has acquired a job.



**Erik J. Ripley
Submitted by I&L Jiroch Dist. Co.
Sponsored by Paul Inman
Associates**

Erik majors in mechanical engineering as a junior at Tr-State University in Angola, IN. He graduated from Grandville High School in Grandville. During high school, he played football, track, tutored, and was a member of the National Honor Society. He now is the secretary of Delta Chi Fraternity, secretary of student senate, and the vice president of American Institute of Aeronautics and Astronautics. He was on the Dean's List for two years and on the President's List for one year.



**Adam J. Romoslawski
Submitted by Frankenmuth IGA
Sponsored by CROSSMARK Sales
& Marketing**

Adam is majoring in pre-law at Michigan State University as a sophomore. He is a graduate of Flushing High School in Flushing.



**Sarah E. Rozga
Submitted by Kroger
Sponsored by General Wine &
Liquor Company**

Sarah is a sophomore at Eastern Nazarene College in Quincy, MA majoring in social work. She graduated salutatorian from Eaton Rapids High School in Eaton Rapids, MI where she was a part of her church youth group, and student council. Sarah was a scholar athlete, and took part in cross country, and track. She is now on the Dean's List, ran cross country, and has volunteered in a soup kitchen, nursing

home, Best Buddies program for mentally impaired, Heart and Hands ministry for homeless, and this summer is in a traveling children's ministries team in New England.



**Michael K. Safa
Submitted by Bennett Lake Market
Sponsored by Arbor Mist Winery/
Canadaigua Wine Company**

Michael will be a freshman at the University of Michigan in Ann Arbor this fall majoring in biology. He is a graduate of Linden High School in Linden. He played soccer, and track. Michael was a Student School Board Rep., Scholar Athlete, and an academic award winner.



**Kate C. Shores
Submitted by Book Mart, Inc.
Sponsored by Coca Cola Bottling
Company**

Kate will be a sophomore at Michigan State University in Lansing majoring in microbiology/pre-med. She is a graduate of Caro Community High School in Caro. She was a member of the National Honor Society, English team captain, and was National Laureate of the National French Contest. She is now on the Dean's List, Lower Guard member, and an AIDS semi-finalist (Advanced Placement). She received the Saginaw News Service writing award and performed continual community service through Girl Scouting.



**Angela M. Smith
Submitted by Hobart Corp.
Sponsored by Detroit Edison
Company**

Angela will be a freshman at Eastern Michigan University in Ypsilanti planning to major in education. She graduated with highest honors from Belleville High School in Belleville, MI. She was a member of National Honor Society and the Vice president of BHS Marching Band. Angela received the Eastern Michigan University Regents Scholarship.

**See Scholarships
Page 34**

JEC finds Estate Tax has 'no redeeming qualities'

Dan Miller, an economist speaking on behalf of the Joint Economic Committee (JEC), a bipartisan House/Senate committee, told the N.G.A. Government Relations Council, "The estate tax has no redeeming qualities." He encouraged N.G.A. members to speak out loud and clear about the negative impact the estate tax has on the American economy and their

retail and wholesale grocery businesses.

The most common argument for the tax, said Miller, is that it acts to create equality by redistributing wealth, but he stated that there "is no empirical evidence" to prove that it has impact in equalizing the economy. "It actually encourages large-scale consumption by the wealthy, who'd rather spend it than

The \$23 billion it raised in 1998 amounts to just 1.4% share of federal revenue.

give it to Uncle Sam," he added.

"As for the argument that we can't afford to lose the revenue this

tax generates," said the economist, "the \$23 billion it raised in 1998 amounts to just a 1.4% share of federal revenue, and I don't think it raises any real revenue at all as the cost of collection is about equal to what's collected. For every dollar raised, the estate tax costs the government a dollar."

In addition to the tax dollars that the estate tax takes from family businesses, it also adds cost to the business. Miller reported that a recent Gallup survey found that the average family-business's expenditure on estate taxes comes to

The Joint Economic committee found that since its enactment the tax has reduced the stock of capital in the economy by \$497 billion.

\$15,000 for lawyers, \$14,000 for accountants, and \$2,400 for others.

Further negative impacts of the tax were noted in the Joint Economic Committee study, *The Economics of the Estate Tax*, which found that since it was enacted the tax has "reduced the stock of capital in the economy by \$497 billion, discouraged savings and investment, been a leading cause of the dissolution of family-owned businesses, and costs the government as much revenue as it generates."

The study concluded that the estate tax is extremely punitive, with marginal tax rates that range from 37 percent to almost 80 percent, and violates the basic principles of a good tax system by being "complicated, unfair, and inefficient."

"The estate tax is an unfortunate feature of the current federal tax system," said the report. "The estate tax's punitive tax rates are not only the highest of all federal taxes, but are imposed at the most inappropriate of times—the death of a loved one. As if mourning such a loss were not enough, the federal government worsens the pain by seeking to confiscate upwards of one half of all the decedent's accomplishments and successes."

See Estate Tax, page 33



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Wage hike would hurt business and job-seekers

Increasing the minimum wage would not only hurt business, it would hurt those most in need of a job.

That was the point made by Harold Kelloff, president of Kelloff's Food Markets in Alamosa, Colorado, and chairman of N.G.A.'s Public Affairs Committee. He backed up that claim with a statement from the nation's premier financial manager, Federal Reserve Chairman Alan Greenspan. Greenspan, noted Kelloff in

addressing the Public Affairs Assembly, has been quoted to the effect that while an increase in the minimum wage probably would not push inflation up, the main concern is the impact on those who are not qualified for minimum wage jobs. Raising the minimum won't provide jobs for them, they still have to learn how to make a wage. Raising the minimum wage will not of itself provide them with the ability to get the training needed to move up the

ladder, or even to get a minimum wage job.

Notwithstanding the advice from this respected economist, and despite their professed concern for those in need of job opportunities, Senator Edward Kennedy and his pro-labor allies are again calling for an increase in the minimum wage—particularly those that are labor intensive and/or have narrow profit margins.

Given the impeachment proceeding debacle and concerns

about the congressional elections next year, it is already being reported that Republicans and conservative Democrats, who would normally oppose another increase in the minimum wage, are poised to do the same thing they did before the 1996 election—vote to increase the minimum wage. And on top of that, Jack Quinn, a Republican from a normally Democratic district in New York, has introduced legislation to index the minimum wage to the cost of living. A minimum wage is no more than a government-mandated benefit, and we should not allow political pandering like this to harm the economy, destroy job opportunities, and even create what would amount to a new entitlement program.

Raising the minimum wage would not only inhibit progress on school-to-work initiatives that provide students with job skills before they enter the workforce, but would also threaten efforts being made by the business community to move people off welfare and into jobs. The very people the proposed increase purports to help would be the ones hurt most—teenagers, individuals on welfare, and those with limited education. We need to insist on political responsibility.

Those of us in business, especially the grocery industry, have our work cut out for us. We brought our message to Capitol Hill when N.G.A. staff and members attending the Public Affairs Assembly met with members of the House and Senate. Now, we are entering the second phase of an all-out campaign to make sure that Congress lives up to its responsibility and does not shut the door to job opportunities by imposing an excessive financial burden on the nation's grocers. Our staff is now embarking on an aggressive blitz of phone calls and letters to key members of Congress, and we are calling on you for the grassroots support that will help us win this battle.

Following is a list of the representatives whose support will be crucial when minimum wage legislation comes up for a vote. Call, fax, write them—even if they're not from your district. Make sure that they know the harm that another minimum wage increase will do to your business, your entry-level workers, the young people in your community who need part-time jobs to help pay for their education, and ultimately to your shoppers.

Speaker Denny Hastert (R-14-IL).



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See Wage Hike, page 33

Cigarette smugglers change with the times

Michigan cops are targeting a new breed of cigarette smuggler that has cropped up since a state tax stamp law went into effect a year ago.

The cigarette tax stamp has all but eliminated small-time smugglers, but organized criminals are producing fake stamps with home computers or sealing authentic stamps and ironing them onto contraband packages of cigarettes in basement labs. Police are reporting a sharp rise in cigarette truck hijackings.

These are signs, police say, that smugglers are determined to stay in business despite the new tax stamp, which some hoped would mark the end of Michigan's multimillion dollar cigarette black market.

Smugglers are determined to stay in business, despite the tax stamp.

Cigarette smuggling exploded in Michigan in 1994 when the state tripled its excise tax to 75 cents a pack. Smugglers created a pipeline to Michigan from low-tax states such as North Carolina and Kentucky.

At the time, Michigan cigarettes had no tax stamps so there was no ready way for police to distinguish which cigarettes had been smuggled from out of state.

Last year, with Michigan losing as much as 30 percent of the tax revenue from the \$1 billion worth of cigarettes sold in the state, the Legislature passed a law requiring the maroon, dime-size tax stamps on every pack sold.

The impact was immediate. The stamps helped bring in about \$70 million more in tax revenue than the previous year, bolstered wholesalers' business and gave police a fighting chance against smugglers.

But authorities admit they are a long way from snuffing out a problem that is costing the state, which uses cigarette tax revenue primarily for schools and public health, and local businesses millions.

By tripling the excise tax, Michigan created an opportunity for anyone who understands the laws of supply and demand. Michigan's 75-cent tax is the seventh highest and more than twice the national average.

State economists figure the stamps are generating more than \$100 million in additional revenue per year, said Mark Haas, director of the state Office of Revenue and Tax Analysis.

Tobacco wholesalers say their sales immediately increased.

Possession of counterfeit stamps is a 10-year felony in Michigan while possession of contraband cigarettes is a five-year felony. The risk vs. reward for smuggling cigarettes is more attractive to many than dealing drugs.

So far, the tobacco tax team is responsible for \$3 million in tax assessments, has seized \$4 million worth of contraband tobacco products and has arrested 340 people, Langham said.



Michigan Liquor Control Commissioners at the June hearing in Traverse City, where Joe Sarafa testified against the elimination of the half-mile rule between SDDs. Don't forget to fax your opposition to this rule change! (See front page story.)

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Co-Founder of Borders launches online megagrocer

Louis Borders' latest project is Webvan Group Inc., an Internet megastore that aims to sell \$300 million a year of groceries from a single, giant warehouse in Oakland, California.

Another warehouse in Atlanta will open a few months later. Down the road the former chairman of Borders Books plans for a least 20 more such facilities throughout the U.S.

Webvan, according to the *Wall Street Journal*, has already attracted \$120 million in funding—a huge amount for a start-up—from such high-profile backers as CBS Inc., Knight-Ridder Co., Softbank Co. of Japan and two of Silicon Valley's top venture-capital firms. Nearly half that money has been spent already, much of it on the Oakland warehouse, a 330,000-square-foot building with five miles of conveyor belts and \$3 million of electrical wiring.

Different from the troubled existing on-line grocers, Webvan has spent two years building an elaborate, mechanized warehouse instead of individual shoppers who stroll through a grocery store or warehouse filling each customer's cart by hand.

Machines will zip groceries around with hardly any human intervention. A single worker, standing at Pod 3 in the midst of the Oakland warehouse, is surrounded by motorized carousels holding 8,900 grocery items, legions of conveyor belts, a host of electric-eye bar-code scanners and 16 bins that collect shoppers' orders.

In a single hour, Webvan officials say, that worker should be able to pack 450 grocery items for shoppers—nearly 10 times the productivity of a traditional "shopper" wheeling a cart through a store or warehouse. Kevin Czingier, the company's chief financial officer, predicts that the automated warehouse will give Webvan a 10-percentage-point edge in profit margins over traditional supermarkets, allowing the company to keep prices down, avoid surcharges and cover its delivery costs with ease.

If everything goes according to plan, Border believes, his Oakland facility should be profitable within six to 12 months, and other Webvan warehouses might break even in as little as 60 days.

The company plans to run its own

adjusting prices, but they claim they will be competitive with local grocery stores and occasionally somewhat cheaper.

Webvan says it won't charge users any membership fees and will waive delivery fees on orders over \$50. The company claims that it can schedule deliveries within a 30-minute window of customers' choosing. That's much more precise than other online grocers offer, and it will require a complex, hub-and-spoke delivery system. To meet its schedule, Webvan will use big trucks to deliver dozens of grocery orders from the Oakland warehouse to 14 staging areas in the San Francisco Bay area. There, goods will be reloaded in smaller vans and taken to customers' doorsteps. Webvan says it thinks each of its 70 drivers can handle about 20 deliveries a day—though rush-hour snarls could stymie that goal.

Borders says his ultimate goal is to use Webvan's home delivery network to handle a much wider range of items than grocery products, including dry cleaning services and books.

Coalition launches initiative to prevent illegal tobacco sales to minors

Prominent Michigan retail associations representing thousands of retailers, wholesalers, distributors and grocers launched a series of statewide training sessions designed to educate retail employees in preventing underage tobacco sales. The group, known as the Michigan Association for Responsible Tobacco Retailing, said that free training workshops would be held in three cities. Other sessions will be held in Flint and Lansing. Nearly fifty retailers attended the first two-hour, "Under 18, No Tobacco: We Care" training session at the Holiday Inn in Southfield.

Participants included top law enforcement officials: Oakland County Sheriff Michael Bouchard and Wayne County Sheriff Robert Ficano who discussed the importance of cooperation between the retail community and local police. They also reviewed the penalties that await store owners who get caught selling to minors, as well as techniques for stopping youngsters from gaining access to tobacco products.



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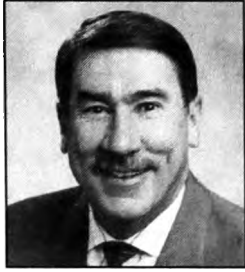


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Summer Sales, Instant Winners and National News



by Commissioner Don Gilmer

Despite the traditional summer slowdown, Lottery ticket sales for fiscal 1999 are more than 5 percent ahead of last year (at press time).

When sales are up, commissions are sure to follow. Lottery retailer commissions are better than 5 percent ahead of the same time period last year. At the current pace, retailers stand to collect more than \$120

million in commissions for the sale and redemption of Michigan Lottery tickets— another record amount.

However, if your store is experiencing a slight dip in sales this season, don't worry. There are steps you can take to correct any downturn, and your Lottery representative is always available to offer solutions.

Be sure to carry the latest tickets. Research shows that variety is the key to keeping your customers interested, and with a new instant ticket introduced nearly every week, there's no shortage of games to satisfy your customers' different play-style preferences.

August is no exception — five new instant games are set for introduction this month including: Aug. 2, "Honey Money" with a \$3,000 top prize; Aug. 9, "The Big Dog" with prizes up to \$25,000; Aug. 16, "Cha-Ching" with a \$5,000 top prize; Aug. 23, "Jewelry Box" \$4,000 top prize; and Aug. 30 rounds out the month with "Treasure Wheel" that boasts a \$35,000 top prize

National News

Media scrutiny has been focused recently on the gambling industry, with many reports, studies and polls offering a variety of opinions. The most publicized has been that of the National Gambling Impact Study Commission, a nine-member panel appointed by President Clinton to research the facts — both positive and negative — surrounding gaming in the United States.

After roughly two years of research testimony and debate, the NGISC released its report earlier this summer. Fortunately, many of the things recommended in the report — careful review of advertising expenditures; involvement with and financial support of, compulsive gambling programs; and background checks for retailers and contracted vendors — have been in practice for many years here in Michigan.

The Gallup Organization recently delivered more good news from a spring poll which examined the public's preferences and attitudes about gambling. Questions covered a wide range of issues including use of revenue, approval of certain types of gambling, and proximity of gambling outlets.

According to Gallup, roughly two-thirds of Americans approve of legalized gambling, while "serious reservations remain about the impact of legal betting on sports events, the effects of casinos on local communities, and the growth of youth gambling." And, perhaps the most telling finding of the Gallup poll is that fully 75 percent of the respondents supported lotteries as a means of generating revenues for the state. It's hard to argue with those numbers!

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Explaining the Michigan Economic Development Corporation

by Doug Rothwell

In April, I was hired to run the new Michigan Economic Development Corporation. As the former head of the now-defunct Michigan Jobs Commission, I have worked with many of you over the years. But today, we have an even better structure for helping businesses grow in Michigan.

Governor Engler decided to split the Michigan Jobs Commission into two parts: the Michigan Economic Development Corporation and the Michigan Department of Career Development. While growing a business and having skilled workers to support it are closely related, the mechanisms by which state government can impact the two issues are different. While economic development requires quick action to generate quick results, workforce development requires systems change in order to provide a mix of both short-term and long-term answers to the needs of our workforce. The Michigan Jobs Commission was simply becoming too big to handle both those issues as well as we would like. Thus the split.

Today, however, I want to introduce the Michigan Economic Development Corporation and let you know that, like the Jobs Commission once was, we are now your one source for help with business retention and expansions. In addition, the Michigan Economic Development Corporation will serve as your advocate on any business issue involving state government, regardless of the agency involved.

Lottery.

continued from previous page

Here at home, I have carefully considered these and other gambling summaries and how they relate to the Michigan Lottery. I'll soon take part in an upcoming study commissioned by the National Council of Legislators from Gaming States (NCLGS). This study was designed and is being overseen by the Public Sector Gaming Study Commission (PSGSC). Unlike the NCLGS panel, PSGSC is comprised of members with vast experience at the state and local levels, ensuring that issues of state concern are adequately examined — a key concern among U.S. lotteries.

It's important for you to know that the economic development staff of the former Michigan Jobs Commission has been inherited by the Michigan Economic Development Corporation. This means that your account manager, if you already have one, will likely not change. It also means that the staff brings with it all their years of

knowledge and experience (more than any other state agency in the U.S.), but now they're able to work in a quicker, more flexible environment. While we always strove to act like a corporation, we can quickly respond to changes in the marketplace.

I, for one, am energized by this new assignment. I believe it will allow us to serve Michigan businesses better

than ever before. If you need anything to help you grow in our great state, please don't hesitate to call us at (517) 373-9808 or view our web site at www.michigan.org. I look forward to working with you as the new Michigan Economic Development Corporation.

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Spartan

Continued from page 18

is "literally obsessed with customer service at the lowest possible cost."

Chairman of the Board Russell VanGilder of V.G.'s Markets supported Spartan's re-entrance into retail ownership. "We all benefit from the purchasing clout realized by maintaining and growing the volume through Spartan," he told the shareholders. "Size leverages better deals that help everyone. Size also strengthens our overall market presence. And the volume created enables Spartan to seek ways to gain efficiencies throughout their

operations."

Other endeavors highlighted during the annual shareholder meeting included Spartan's plans to build a new distribution facility in Toledo, Ohio, the centralization of supplies and services purchasing, the introduction of new distribution/purchasing programs to build efficiency in supplying stores and the company's successful sales promotions.

Re-elected to the Board of Directors for Spartan were the following individuals:

James G. Buick, former President & Chief Executive Officer of The

Zondervan Corporation. Buick, of Grand Rapids, has served on the Board since 1995.

Martin P. Hill, President of Harding & Hill, Inc., a grocery retailer in Southwest Michigan, and Director, Secretary and Treasurer of Harding's Markets - West, Inc. Hill has served on the Board since 1996.

Dan R. Prevo, President of Prevo's Family Markets, Inc., based out of Traverse City. Prevo has served on the Board since 1996.

Russell H. Van Gilder, Jr., Chairman of the Board of V.G.'s Food Center, Inc., based in Fenton, MI. Van Gilder has been on the board since 1970, served as Vice-

Chairman from 1992-1998, and as Chairman since December of 1998.

Spartan Stores, Inc., headquartered at 850 76th Street, Grand Rapids, MI, is the 10th-largest grocery wholesaler in North America.

State Representative gives birth

State Representative Ruth Johnson recently gave birth to her first child, Emily Ann Johnson Nanney, on her 20th wedding anniversary.

The baby was born June 22, weighing in at 6 pounds, 8 ounces. Mother and baby are healthy although Representative Johnson was on bed rest for the last month of her pregnancy.

Johnson, 45, is a freshman representative serving the 46th district in northwest Oakland county.

Benecol Spread can reduce cholesterol levels

Great news for health conscious Americans who are concerned about their cholesterol levels. Benecol is a unique spread that with regular use will reduce cholesterol levels, and tastes great.

Over one million people in Finland have used Benecol since 1995, consuming over 260 million servings. To date there have been nearly two dozen studies with 2,000 participants published in scientific journals extolling the praises of its cholesterol lowering capabilities. Benecol is a very versatile product, that can be substituted for butter, margarine and cream cheese. It is produced in both regular (45 calories and 5 grams of fat) and light (30 calories and 3 grams of fat) forms for those calories conscious individuals. Regular Benecol spread can be used for cooking and baking.

The secret of Benecol's ability to lower cholesterol levels is one of its ingredients, stanol ester. Stanol ester is derived from natural plant sources. It can be found in small amounts in foods such as corn, wheat, rye, oats and olive oil. *New England Journal of Medicine* reports that plant stanol esters reduced total cholesterol levels by an average of 10 percent and LDL, or "bad cholesterol" by 14 percent. With 60 million cholesterol-concerned adults in the US it is a product with enormous marketing possibilities.



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OPEN EARLY FALL OF 1999

Wage Hike, Continued from page 26

Representatives Mike Castle (R-At Large-DE), Gary Condit (D-18-CA), Bud Cramer (D-5-AL), Pat Danner (D-6-MO, Cal Dooley (D-20-CA), Amo Houghton (R-31-NY), Chris John (D-7-LA), Nancy Johnson (R-6-CT), Rick Lazio (R-2-NY), Frank Lucas (R-6-OK), Mike McIntyre, (D-7-NC), Jim Moran (D-8-VA), Bob Ney (R-18-OH), Collin Peterson (D-7-MN), Tim Roemer (D-3-IN), Marge Roukema (R-5-NJ), Chris Shays (D-4-CT), John Shimkus (R-20-IL), Bennie Thompson (D-2-MS), Fred Upton (R-6-MI), Jack Quinn (R-30-NY), Ellen Tauscher (D-10-CA), and Jim Turner (D-2-TX).

Make sure that these legislators know that small businesses have been leaders in job creation and the training of entry level workers. These businesses, many of them family-owned, employ almost 60% of the nation's workforce and have created some two-thirds of all the new jobs created in the U.S. since the 1970's. Another wage increase, with

Estate Tax Continued from page 24

No growing business can remain competitive under a regime that imposes such taxes on the death of the owner. It is cheaper to sell the family business before death instead of passing it on to the next generation.

It's been repealed before.

Repeal of the estate tax is hardly a new idea. It's been repealed three times—in 1802, 1860, and 1902. Each time the tax had been enacted to fund military needs, as it was again in 1917 when the U.S. entered World War I. However, this time it has stayed on the books for more than 80 years.

After all those years, now is certainly the time to press for the elimination of the estate tax. The House and Senate Budget Committees just recently approved a budget resolution for fiscal 2000 that would safeguard Social Security and cut taxes by nearly \$800 billion over the next 10 years.

"That budget plan," says N.G.A. President CEO Thomas K. Zaucha, "makes a real commitment to fiscal restraint and clears the way for economic growth. Of particular importance to family-business owners and the American economy, it also sets the stage to eliminate the estate tax. This is in direct contrast to the Clinton administration plan that would tweak the law in ways that would effectively increase the financial burden placed on families by this onerous death tax.—NGA

its impact on the cost of health insurance and other benefits, will make it more and more difficult for these businesses to provide such job opportunities.

Forestalling the adverse effects of a minimum wage increase is, along with the elimination of the estate tax and achievement of a level playing field for all segments of this industry, a top priority for N.G.A. It is also one that requires a high level of grassroots activism as we approach another presidential election year.

Remember, Congress approved the last minimum wage increase in another presidential election year—1996.—NGA



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Katharine E. Sophia
Submitted by Rumors

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Katharine will attend Michigan State University in Lansing as a freshman majoring in pre-law/political science. She is a graduate valedictorian of Ferndale High School in Ferndale, where she was accepted in the National Honor Society for three years. She was the treasurer of her class in 9th grade and for her next three years she was the president of her class. Katherine was in the Northeastern Suburban Swim League, varsity swim team, and varsity track and field all through high school. She also received the National Honor Society award and NISCA Academic-All-American Recognition.



Cynthia M. Stanfield
Submitted by Farmer Jack
Sponsored by Kowalski Companies

Cynthia will be a freshman at the University of Michigan in Ann Arbor, MI. She plans to major in computer science. She graduated valedictorian from Cody High School in Detroit where she was a member of the National Honor Society. She was on All-City Volleyball, Basketball, Volleyball, and Softball teams.



James M. Stanis
Submitted by Stephen's Nu-Ad
Sponsored by AirTouch Cellular
James has been accepted as a freshman at Michigan State University and plans on majoring in communications. He graduated from Stevenson High School in Sterling Heights. James was a member of the National Honor Society.



Kimberly L. Stanisky
Submitted by Oak Ridge Market
Sponsored by J. Lewis Cooper Co.
Kimberly plans to major in Pharmacy this fall at Wayne State University in Detroit, as a freshman. She graduated Summa Cum Laude from Center Line High School in Center Line. She was in National Honor Society, S.A.D.D. (Students Against Drunk Driving), YABA Bowling League and the Science Club. Kimberly received the American Citizenship award, a academic letter, pin, and 2nd pin.



Bridgette H. Thom
Submitted by Interstate Brands/
Wonder Bread/Hostess Cakes
Sponsored by Interstate Brands/
Wonder Bread/Hostess Cakes
Bridgette will be a freshman at New York University in New York, New York where she will major in Journalism and International Relations. She graduated valedictorian from Shrine High School in Royal Oak, MI. She was on the varsity soccer team, swimming, student government, and was editor of the school paper. She received the National Merit Commended student and the Radio Shack Tandy Scholar.

Elizabeth D. Whittaker
Submitted by NAACP/Detroit
Sponsored by Motor City Casino
Elizabeth plans to attend Northwestern University majoring in Industrial Engineering. She graduated from Cranbrook Kingswood Upper School. Elizabeth is ranked number two in the state of Michigan for poetry performances. She likes to perform poetry, learn, move people towards a positive change, and play tennis. She tutors for the Detroit Public Library, is a member of the Cranbrook Conduct Review Board, and is the 4th vice-president of the Co-Elite Club, Inc.



Nicholas S. Yeldo
Submitted by Food Basket I & II
Sponsored by

Central Distributors of Beer
Nicholas attends the University of Michigan and will be a sophomore this fall. He is a graduate of Andover High School in Bloomfield Hills. He received an Academic All-State for hockey and received a Red Cross Achievement Award and a State of Michigan Academic Award. He volunteered his time at St. Joseph Hospital. He is now a member of the fraternity Phi Gamma Delta, and achieved acceptance into the National Society of Collegiate Scholars.



Vivian Yono
Submitted by Chaldean Federation
Sponsored by Security Express
Vivian has been accepted to Wayne State University and will be a freshman majoring in Pharmacy. She graduated from Pershing High School in Detroit and held a 4.0. She has been published in Who's Who Among American Students, a member of National Honor Society, and Compact.

Awrey Bakeries names Curtin new president

Awrey Bakeries Inc., Livonia last week announced John Curtin was named president of the company. He is the former senior vice president of production and logistics at The Stroh Brewery Co. Curtin, who served on Awrey's board of directors for the past 14 years, was hired about two months ago but didn't want an immediate announcement.

Chairman and CEO Robert Awrey had served as president until Curtin's arrival.

CLASSIFIED

MAYFAIR MKT. FOR SALE—Detroit location, Grand River at W. Chicago. 10,000 sq. ft. Supermarket, SDM, Lottery, WIC. Building optional. Serious, qualified inquiries only. Call Pete or Paul George at (313) 933-6151.

DOWN RIVER PARTY STORE FOR SALE—High traffic area. Well established - in business for 42 years. SDM, SDD, Lotto. Building and business. Terms available. Contact Mike Nally, State Business Brokers (810) 469-3333.

FOR SALE—LIQUOR PLUS—High traffic location in the heart of the New Center Area. Upscale liquor, beer, wine & lotto. Full line of groceries plus deli. Very well established business. Serious inquiries please. Ask for Adnan (Eddie) Najor at (313) 871-5355.

EQUIPMENT FOR SALE—Check out, shelving, meat, deli & dairy cases plus 36-door zero-zone freezer as well as all walk-in freezer systems. Call Wilson at (248) 582-9088.

FOR SALE BY OWNER—2000 sq. ft. Party Store on lake in Irish Hills. Great location on major road (US12). Just miles from Michigan International Speedway. Beer, Wine, Liquor, Deli and Bail. 2000 sq. ft. living quarters plus 2 lots w/lake access. \$350,000 plus inventory. Call Sandy at (517) 431-2525.

GROCERY STORE FOR SALE—One of a kind. Great Birmingham area location with tremendous opportunity. Full line of groceries, meats, produce, liquor, beer & wine. Currently not open evenings, Sundays or holidays. 3,800 sq. ft. w/full basement. Great lease. Asking \$395,000 plus inventory (\$100,000 or less). Volume over \$800,000. Call (248) 644-4925 for more information.

FOR SALE—Ice cream dipping merchandiser. Master-Bilt model #DD88 (91" w x 28" d x 37" h). Stainless steel top with white exterior body. Displays 16 flavors and stores 14. Excellent condition. \$1,195 or best offer. Call (713) 723-5500 and ask for Dave.

PARTY SHOPPE—Beer & wine, grocery, lotto, frozen Coke, money orders, fax. Store sales \$10,000/week. Lottery sales \$3,800/week. Business \$160,000 w/ \$80,000 down. \$1,425/month lease. Call (248) 545-3500.

FOR SALE—Bagel & Donut shop. Troy area (19 Mile & Dequindre). All new equipment. Turn key operation, just walk in and take over the register to start making money today! Asking \$84,861. Terms available. Call Foster Realty at (810) 463-1000.

FOR SALE—Transformer 750KVA, 26-door frozen cooler, almost new w/compressor. Call Kenny at Xtra Foods, (313) 824-1144.

WATERFORD PARTY STORE—Beer, wine, lotto & more. Great location near lakes! All new equipment. Turnkey operation 1976 sq. ft. Asking \$179,000 + inventory. Business only. Call Re/Max Exec. Properties, Brian Yaldin (248) 737-6800.

MARKET DELI FOR SALE—3,300 sq. ft. Ann Arbor, central University of Michigan campus location, student clientele. Owner is retiring. All newly remodeled including new equipment. Call (734) 741-8303, ask for Bill.

FOR SALE—2 each, walk-in coolers, 8' x 10'—\$1500, 8' x 14'—\$2500. Bernie's Country Store (517) 592-8221, 557-9600.

LIQUOR STORE, PHARMACY w/LOTTERY
FOR SALE—5,000 sq. ft. Between Chalmers & Conners. Ask for Mike at (313) 331-0777.

ITALIAN MEAT MARKET & SPECIALTY STORE—in Warren. Beer, Wine & Lotto. 3,100 sq. ft. free standing building w/plenty of parking. Low hours. Lots of potential. Serious calls only at (810) 470-0762.

AL'S PARTY STORE—2,400 sq. ft. Beer, wine and lottery. Lottery sales \$4,500/wk, store sales \$8,000/wk. Asking \$7,500 for business, and \$120,000 for building. Call Al, (313) 864-4078.

FOR SALE—Chester Fried Ventless Fryer (older model) \$2500, (4) door reach-in cooler \$1200, (4) door reach-in cooler \$500. Call Sam Sheena at (248) 288-4774.

ESTABLISHED PARTY STORE—Port Huron, MI. Highly populated, high traffic area. SDD, SDM and Lotto. Owner retiring. Call (810) 988-5702, leave message.

ROCKY'S PARKVIEW PARTY STORE—Beer, wine & grocery plus lotto, money orders, Western Union & check cashing. Credit cards accepted. Same owners for 12 years. Business \$90,000 w/\$40,000 down plus inventory. Call (248) 548-2030.

RESTAURANT FOR SALE—Starting's Next Restaurant & Driving Range. Convenient location in the heart of the Irish Hills. Excellent opportunity to own a well-established restaurant/lounge with driving range. High traffic exposure in a growing community. Additional 50+/- commercial acres available. \$88. Information also available. Contact Patricia Korcan at (800) 458-3787 / (800) 312-2910.

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LCC Cracks down continued from front page

particularly interesting. He not only terminated the employment of the clerk who sold the alcohol, but also sued the clerk in small claims court for the damages associated with the fine the store received and attorney fees on account of the clerk's violation of the agreement of employment.

The District Court ruled that the contract was valid and the clerk had violated the contract to the detriment of the store. Damages were assessed at \$1,750.00. A strong message was sent to not only the clerk, who

violated the contract, but also, all employees of the store. Check I.D. or pay the consequences!

I know that it is difficult to implement these types of policies and keep track of them. This is particularly true when unemployment is so low and the hiring of competent personnel continues to be a problem, but so long as the Liquor Control Commission is going to hold you responsible for all sales to minors, your very livelihood requires that store personnel understand their responsibility.

As part of their crackdown, the LCC has increased their fines and is more likely to give a suspension in

addition to a fine, even for a first or second offense. This is particularly true where the minor is below the age of 18. With increased surveillance and sting operations, the problem of three violations within a two-year period also must be considered. Under current Liquor Control Commission Rules, if the store is ticketed three times within a two-year period for violations and is found guilty, the store's license must be suspended or revoked. If you would like to get some further information about the kinds of policies that other store owners have put into place, feel free to call AFD or Jim Bellanca at (313) 882-1100.

Gallo takes a stab at producing fine wine

Ernest and Julio Gallo built the world's largest wine company in the 1930s from a \$6,000 investment. Gallo was never known as the best wine until recently when granddaughter Gina Gallo began producing hand-crafted, small-batch varietal wines.

The San Francisco International Wine Competition named Gallo of Sonoma the winery of the year in 1998 and awarded it five double gold medals. Also, the International Wine and Spirits Competition in London named Gallo's 1995 Estate Chardonnay the best chardonnay worldwide. The award-winning chardonnay and Estate Cabernet Sauvignon wines retail for \$30 to \$50 a bottle.

Gina Gallo, 32, is making other more affordable wines using her state-of-the-art facility, wine-making skills and Sonoma County's grapes. "If you have the right grapes growing in the right places, that's the most important thing. Then it's how you handle them," she says.

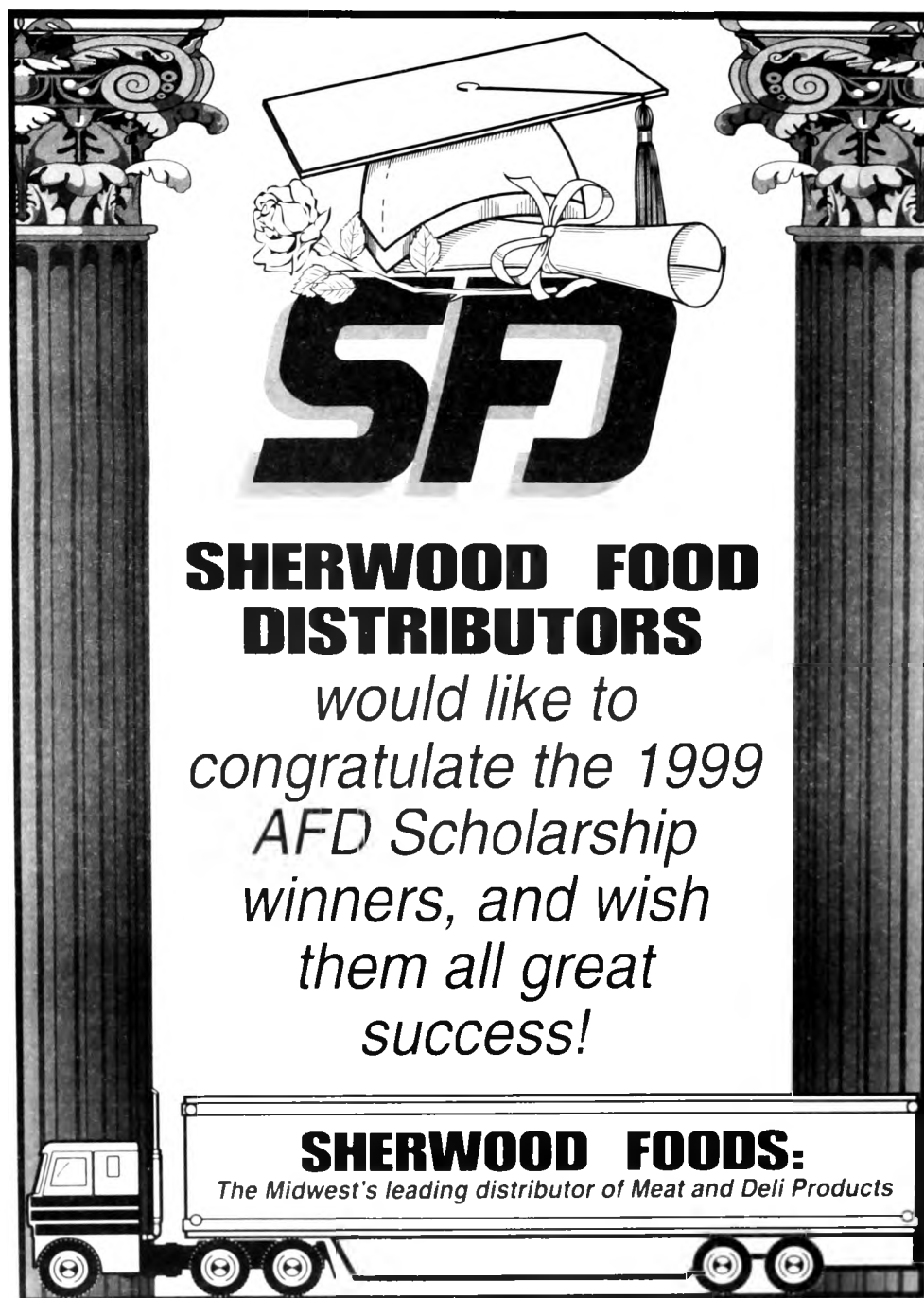
The Gallo of Sonoma Single Vineyard Series is made from grapes grown on the Gallo estate and retails for \$16 to \$18 a bottle. The Gallo of Sonoma County Line at \$10 to \$12 a bottle, is made from grapes that are grown on the estate and other nearby properties.

Urban supermarkets, trends for future growth

Supermarket development in urban areas is not new—some stores have been serving inner cities for decades—but urban neighborhoods do seem to be gaining attention as potential growth markets.

A new booklet available through the Food Marketing Institute (FMI) profiles urban supermarket projects around the country and provides an overview of the key issues affecting urban development.

To order a copy, please call FMI's Publications and Video Sales Department at (202) 429-8266.



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Jerome Urcheck, CPA (248) 357-2400, x257
Karoub Associates (517) 482-5000
Law Offices Garmo & Garmo (248) 552-0500
Market Pro (248) 349-6408
Merchant Card Services (517) 321-1649
Metro Media Associates (248) 625-0700

MoneyGram (800) 642-8050, x6951
Nationwide Communications (248) 208-3200
Nextel Communications (248) 213-3100
Paul Meyer Real Estate (248) 398-7285
POS Systems (517) 321-1646
Prudential Securities, Inc. (248) 932-4400
Quality Inventory Services (810) 771-9526
Retail Accounting Service (313) 368-8235
REA Marketing (517) 366-9666
Frank Smith's Red Carpet Keim (248) 645-5000
Sal S. Shimoun, CPA (248) 593-5100
Southfield Funeral Home (248) 569-8000
Harold T. Stulberg, R.E., Broker
24 Hours (248) 351-4366
Telecheck Michigan, Inc. (248) 354-5000
Travelers Express Co. 1-800-328-5656
Western Union Financial Services (248) 888-7422
Whitey's Concessions (313) 278-5207

STORE SUPPLIES/EQUIPMENT:

Belmont Paper & Bag Supply (313) 491-6550
Bollin Label Systems 1-800-882-5104
Brehm Broaster Sales (517) 427-5858
DCI Food Equipment (313) 369-1666
Envipco (248) 471-4770
Great Lakes Gumball (248) 723-5113
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Kansmacker (517) 374-8807
National Food Equipment
& Supplies (248) 960-7252
North American Interstate (248) 543-1000
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Plex-Lab Corp. (810) 754-8900
Refrigeration Engineering, Inc. (616) 453-2441
Serv Tech Cash Registers (313) 581-6340
Taylor Freezer (313) 525-2535
TOMRA Michigan 1-800-610-4844

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Central Foods (313) 933-2800
Consumer Egg Packing Co. (313) 871-5005
Dairy Fresh Foods, Inc. (313) 868-5311
Detroit Warehouse Co. (313) 491-1300
EBY-Brown, Co. 1-800-532-9226
Family Packing Distributors (248) 644-5335
Fleming Company (303) 879-5801
Flippin Distributing (906) 789-9962
Garden Foods (313) 584-2800
Gourmet International, Inc. 1-800-875-5557
Great Lakes Wholesale (616) 261-9385
Hamilton Quality Foods (313) 728-1900
J & K Distributing (313) 491-5930
LC's Distributing (810) 776-7447
J.F. Walker (517) 787-9800
Jerusalem Foods (313) 538-1511
Kaps Wholesale Foods (313) 567-6710
Kay Distributing (616) 527-0120
Keebler Co. (313) 455-2440
Kehe Food Distributors 1-800-888-4801
Kramer Food Co. (248) 851-9045
Lipan Foods 1-810-447-3500
McInerney-Miller Bros. (313) 833-8600
Midwest Wholesale Foods (810) 744-2200
Norquick Distributing Co. (313) 522-1000
Pointe Dairy Services, Inc./
Vie De France (248) 589-7700
Robert D. Arnold & Assoc. (810) 635-8411
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SuperValu Central Region (937) 374-7874
Tisco's Frozen Pizza Dough (810) 566-5770
Trepco Imports (248) 546-3661
Value Wholesale (248) 967-2800
Weeks Food Corp. (810) 727-3535
Ypallanti Food Co-op (313) 483-1520

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American Synergistics (313) 427-4444
Canadian Consulate General (313) 567-2200
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