

ASSOCIATED FOOD DEALERS OF MICHIGAN

PACKAGE LIQUOR DEALERS ASSOCIATION

Associated Food Dealers 18470 W. 10 Mile Rd. Southfield, MI 48075

Address Correction Requested

BULK RATE U.S. Postage PAID Permit No. 36 Detroit, MI

MC Michele MacWilliams Metro Media 7164 Deer Lake Court Clarkston MI 48346



WOL 11 NO 8

An official publication of the Associated Food Dealers of Michigan and its affiliate, Package Liquor Dealers Association Working hard for our members.

August 2000

Inside

Preventing cross contamination • See page 4

Kraft looks to center store success • See page 22

Meet Rep. Ehardt • See page 26

Seminars on new food law offered • See page 34

Two Jackson stores give **EBT** high marks • See page 32

Meet AFD's Scholars • See page 28

Legislative Update

Senate votes for estate tax repeal

The Republican-led U.S. Senate last month voted to abolish estate taxes, sending the bill to President Clinton. who called it a "budget husting" tax cut for the rich that he pledged to veto.

The Senate voted 59-39 for the bill that would phase out gift and estate taxes over 10 years, but the tally was short of the two-thirds majority needed to override a veto

Nine Democrats broke with the White House, which argued that only 2 percent of estates ever pay the tax, and joined the Republican majority to support the bill. Four Republicans joined the Democratic opposition. The House passed identical legislation in June, with 65 Democrats joining the Republican majority to support repeal, and the bill now goes to the president's

In a statement, Clinton

See Legislative Updates Page 10

A great day for golf



Golfers had a great day at the AFD Golf Outing held at Wolverine Golf Course. The skies were blue, the greens were green and the sun was shining brighter for all the 32 AFD Scholarship award winners. Look for more pictures of the July 20, 2000 event in next month's Food & Beverage Report.

Made in Michigan

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

Keck leads liquor board

The acting chairman of the Michigan Liquor Control Commission has been announced. Walter Keck will replace Chairwoman Jacquelyn Stewart after her untimely

A commissioner since October 1997, Keck has had several roles at the commission including COO. deputy director of enforcement, and supervisor of hearings and appeals.

Seniors to picnic on

Belle Isle

Once again, AFD is sponsoring the popular Senior Picnic on Thursday, August 16 on Belle Isle. The theme for the 10th annual event is **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

Guest Editorial

Illegal temporary signs once again a problem

by Marsha S. Bruhn, Director **Detroit City Planning Commission**

Many of us remember in 1994 the clutter that surrounded many party stores and gas stations because of product banners that were strung up and around a business's building, fences, poles, and walkways.

For customers they were confusing and unsightly and for merchants they were often an unwanted hassle. The image created along the commercial strip was a negative one

As a result, Detroit City Council, with the support of the Associated Food Dealers. enacted Ordinance No. 28-94 to generally prohibit outdoor temporary signs and banners throughout Detroit. The

effect was noticeable. By the time the ordinance went into effect on July 8, 1995, most of the illegal banners had come down-the reason for the improvement: cooperation. Since most of the illegal, temporary signage came from beverage and food distributors, as well as the Michigan Lottery, once the decision-makers in those agencies got the word, the flow of illegal banners to merchants stopped.

The ordinance didn't prohibit temporary signs altogether, though, Merchants who want to

See Illegal signs, page 5

Get ready for the holidays!



Get holiday "spirits" at "Stocking Stuffers," Michigan's premier holiday trade show. Taste new products, and buy them in a convenient, time-saving, one-stop shopping spree.

Start your holiday season with the AFD/Beverage Journal Holiday Show on September 27 & 28, 2000 at Burton Manor in Livonia. See ad page 15 for details



JOIN IN THE AFD/PEPSI SCHOLARSHIP
CHALLENGE DRIVE.

PLEASE CALL LIZ ARBUS AT AFD TO MAKE A DONATION: 1-800-66-66-AFD.





POTENTIAL MADE POSSIBLE.

PEPSI, PEPSI-COLA and the Pepsi Globe design are registered trademarks of Pepsi of

OFFICERS

Sam Dallo, Chairman In 'N' Out Foods, Region 4 Terry Farida, Vice Chair, Future Planning Value Center Markets Fred Dally, Vice Chair, Legislation Medicine Chest Gary Davis, Vice Chair, Membership

Tom Davis & Sons Dairy Co.

Ronnie Jamil, Treasurer

Mug & Jug Liquor Stores

Chris Zebari, Secretary

New Hudson Food Market

EMERITUS DIRECTORS

Bill Viviano
House of Prime
Mark Karmo
Golden Valley Food Center
Nabby Yono
Orchard Food Center
Frank Arcorl
V.O.S. Buying Group
Amir Al-Naimi
Jov-Thrifty Scot

RETAIL DIRECTORS

Phyllis DeSmet Spanan Stores, Inc. Region 3 Jim Garmo hopper's Valley Market, Region 2

iopper's Valley Market, Region James Hooks Metro Foodland Raad Kathawa Ryan's Foods, Region 1 Alaa Naimi

Thrifty Scot Supermarket
Vic Ventimiglia, Jr.
Vic's World Class Market
Thomas Welch
Hollywood Super Markets
Brian Yaldoo
Woodward Long Lake Shell
Jerry Yono

SUPPLIER DIRECTORS

Brian Belobradic
Anheuser-Busch, Inc.
Frank Bodi
Seagram Americas
Al Chittaro
Fayge Corp.
Earl Ishbia
Sherwood Food Distributors
Marty Miller
Coca-Cola, Region 6
Mike Roach
General Wine & Liquor Co.
Tom Waller
CROSSMARK, Region 5

ADVISORS

Tom Simaan Lalayette Park Market Alan Stotsky F&M Drugs Sam Yono Ramada Southfield

AFD STAFF & CONSULTANTS

Joseph D. Sarafa
President and Publisher
Daniel Reeves
Deputy Director
Judy Shaba
AFD Service Group
Elizabeth Arbus
Services Manager
Harley Davis
Coupons
Danielle MacDonald
Special Events Consultant
Rebecca Henrich
Special Events Manager
Tom Amyot

Special Events and Advertising
Ray Amyot
Advertising
Cheryl Twigg
Office Manager
James V. Bellanca Jr.

Bellanca, Beattie & DeLisie Legal Counsel Michele MacWilliams Metro Media Associates, Inc.

Public Relations,
AFD Food & Beverage Report Edito
Karoub Associates
Legislative Consultant
Gadaleto & Ramsby
Health Care

Pat Gregory
Folimer, Rudrewicz & Co. P.C.

President's Message

Success in our industry means knowing what your customers want



By Joe Sarafa AFD President

I seem to read a lot of doom and gloom stories about the food industry, as we begin this new millennium. For those wholesalers, retailers and manufacturers who don't look for new solutions and operate under a "business as usual" motto, doom and gloom may be around the corner.

However, I feel strongly about the opportunities that lie ahead for the independent retailers who embrace change and shape their futures by being entrepreneurial, understanding consumer needs, finding a niche to fill

and providing great customer service.

With every challenge comes opportunity. Those independent retailers who take advantage of the opportunities will be successful. I recently read about two Baltimorearea businesses that are good examples: Eddies of Roland Park and Woodburn's of Solomons. Eddies found their niche in gourmet and prepared foods. Their baggers carry packages to cars and employees will shop for and deliver groceries. Woodburn's was competing with Food Lion. When Food Lion first opened, Woodburn's lost half its business. They decided to undertake a complete makeover rather than compete on Food Lion's terms. Today Woodburn's has expanded their store and operates an upscale gourmet and natural foods store They offer prepared foods, have fullservice seafood and deli departments and operate a gourmet coffee bar. Their business is now ahead of where it was before Food Lion opened.

Locally, an opportunity exists for a new form of grocery sales – off the Internet. Still in its infancy, some savvy retailers are looking at Internet sales as a new way to provide extended customer service and increase sales.

A former Internet executive with a California biotech company, Francie Black, plans to launch a Web site designed to allow local grocery stores to offer online sales. Her new venture, GroceryStreet.com offers grocery stores an outsource alternative to online sales.

Scheduled to go live on August 22, retailers including Value Center Markets located in Livonia and Warren, Shopper's Market in Center Line, Vegas Market in Warren and Hollywood Market in Troy have signed on.

Perhaps Internet shopping isn't your store's niche. Maybe prepared foods and gourmet coffees aren't right for you either. These are just a few examples of how some stores have evolved to survive in our competitive marketplace; but there are many ways retailers can change today to be successful in the future. Finding a need and filling that niche can help retailers stay on the road to success.

The crazy days of summer

When you read this, our annual golf outing will be just another good summer memory. Hopefully everyone had a great time meeting with old friends and making new ones. We were very impressed with the deserving scholarship winners that AFD supports through this event.

We all look forward to summer but it always goes too fast. Maybe we can still get in a golf game or a trip to the beach and a family picnic before summer ends.

Unlike the grasshopper who played all summer and had no food stored for winter, here at AFD we are mindful that winter is coming and are preparing for all that fall and winter bring.

Our big AFD/ Beverage Journal Holiday Show is September 27 and 28 at Burton Manor and Toast Michigan, an October 27 Wine Tasting event at Excaliber in Southfield, will be coming up before we know it. Please see pages 5 and 15 for more information on these exciting events.

Lots of work has taken place throughout the summer to make these events a big success. Be sure and plan ahead to make these important AFD dates part of your upcoming schedule. Fall will be here before we know it

The Grocery Zone

By David Coverly



Preventing cross contamination key to keeping foods safe



By Katherine Fedder, Director. Food and Dairy Division Michigan Department of Agriculture

Clean, well-organized food preparation areas not only give customers a favorable impression of your facility, but also play an important role in controlling cross contamination — the unintended transfer of harmful substances to food. There are three categories of food contaminants that can be transferred to food: physical agents such as glass or metal fragments; chemicals; microbiological organisms like viruses, bacteria, and parasites

Because microbiological organisms are the root of most foodborne illnesses, this article will focus on ways food retailers can prevent this type of contamination.

Raw foods of animal origin (meat, poultry, shell eggs, and seafood or fish) naturally contain large numbers of potentially disease-causing microorganisms. A common way microorganisms are transferred is from raw meats to ready-to-eat foods or other meats that will not be cooked to sufficient temperatures to kill the microorganisms (cooking temperatures are outlined in Chapter 3 of the 1999 Food Code). However, there are other sources of contamination such as unclean employee hands or clothing and unclean food contact surfaces (equipment/utensils). Because cross contamination can occur from multiple sources, there is no single, easy step food retailers can use to control it. Therefore it's up to store operators to ensure preventative practices are used routinely.

Food safety information and training programs

Several excellent food safety training programs are available that identify practical steps for preventing cross contamination in retail food facilities. The Michigan Department of Agriculture (MDA) has a list of training programs that is currently available via MDA's Web site at www.mda.state.mi.us/food/mufl/ foodservice.html.

The Food and Drug Administration's (FDA) 1999 Food Code is also an excellent food safety resource, and it identifies the legal regulatory standards for retail food establishments. The Code's Annexes contain valuable information including: references to scientific studies that relate to Code requirements (Annex 2) as well as explanations for the public health reasons behind many of the requirements (Annex 3). *See below for information about how to obtain a copy of the Food Code.

As a reminder, Michigan's new food law clarifies Food Code requirements regarding bare-hand contact with ready-to-eat foods, consumer advisories, plan review for grocery and convenience stores, and demonstration of knowledge. (MDA will soon be sending each licensed food establishment a newsletter highlighting these changes.)

1999 FDA Food Code requirements

The 1999 Food Code is adopted as part of Michigan's new food law and takes effect on November 8, 2000. It identifies key steps retailers can use to prevent cross contamination. Important sections include:

Section 2-103.11 of Chapter 2 (Management and Personnel) identifies the food safety responsibilities of food management.

Section 3-302.11 of Chapter 3 (Food) identifies how to prevent contamination of foods and food ingredients.

The following is a short checklist of some of the requirements that relate to controlling cross contamination:

General requirements:

Operators must ensure that the facility is adequate in terms of size and design for the food operations present. This may include:

Plan review (voluntary for some grocery and convenience stores) is strongly recommended before starting a business or adding new types of food operations;

Sufficient cold holding and food

preparation spaces must be present to segregate raw foods from ready-to-eat foods; food storage areas must minimize potential exposure to environmental sources of contamination (example: no foods stored in toilet facilities).

Operators must provide training for employees on the following procedures: proper handling of foods; cleaning and sanitizing; meeting requirements for personal health and

Operators must establish clear procedures that employees understand and follow. These include: hand washing (the Code specifies when and how to wash hands); minimizing bare hand contact with ready-to-eat foods; Exercising good personal hygiene. A work smock can easily become contaminated if worn to the toilet room or while emptying the trash: cleaning and sanitizing procedures (preferably written) for all food preparation areas and contact surfaces; separating raw foods and ready-to-eat foods during storage. preparation, holding, and display; monitoring employees to ensure that established procedures are being followed

Specific requirements:

Store equipment and utensils in ways that prevent contamination (between uses, and while food preparation is taking place); use packaging, covered containers, or wrappings to protect exposed foods; clean food containers that are visibly soiled before opening; thoroughly wash raw fruits and vegetables before use; separate unwashed fruits and vegetables from ready-to-eat foods; store products that are being held for credit, redemption or return to a distributor (damaged, spoiled, or recalled foods) in designated areas that are separated from foods and food contact surfaces; prevent "case cuts" in food containers that are soft

MDA encourages you and your food establishment to do a self inspection using these check lists today! It will help you assess how your food operation stacks up against Michigan Food Law 2000 and FDA 1999 Food Code requirements and may help you to identify potential weak links in this important area of your food safety program. As always, please feel free to contact us toll-free by calling (800) 292-3939 or visiting our Web site at www.mda.state.mi.us.

Calendar

August 10 - 15 American Cheese Society National Conference Sonoma County, CA (262) 728-4458

August 16 AFD Senior Picnic Belle Isle, Detroit (248) 557-9600

September 27 - 28 AFD/Beverage Journal Holiday Show "Stocking Stuffers" Burton Manor, Livonia (248) 557-9600

October 20-24 NACS Show 2000 New Orleans, LA 1-877-684-3600

October 27 AFD's Toast Michigan: Savor the Flavor of Michigan Wines Excalibur, Southfield (248) 557-9600

November 12-15 Retail Store Development Conference San Diego, CA (202) 452-8444 www.fmi.org

Statement of Ownership

The AFD Food & Beverage Report (USPS 082-970; ISSN 0894-3567) is published monthly by the Associated Food Dealers of Michigan at 18470 W. 10 Mile. Southfield, MI 48075 Material contained within The AFD Food & Beverage Report may not be reproduced without written permission from the AFD

The opinions expressed in this magazine are not necessarily those of the AFD, its Board of Directors, staff or members. Bylined articles reflect the opinions of the writer.

POSTMASTER: Send address changes to AFD Food & Beverage Report, 18470 W. 10 Mile, Southfield.

ADVERTISERS: For information on advertising rates and data, call AFD. Ray Amyot, 18470 W. 10 Mile, Southfield, MI 48075, (248) 557-9600 or (517) 386-9666

AFD works closely with the following



FOOD INDUSTRY ASSOCIATION EXECUTIVES

Illegal signs, from front page

advertise a "Grand Opening" or special seasonal sale can still obtain a permit for temporary signs or banners from the Buildings and Safety Engineering Department. However, the permit for such signage is only valid for fifteen (15) days and not more than two (2) times a year. The size of the temporary sign or banner can't be more than ten percent (10%) of the area of the building façade next to a public street.

On the fifth anniversary of this ordinance, Detroit is again awash in illegal temporary signage-not the banners that were the problem in 1994 but bottle-shaped signs strapped on to poles, cigarette signs on sidewalks, and outdoor beer ads. The concerns over the illegal signage is much the same as in 1994, but the consequences are now even greater.

Since the 1995 ordinance, City Council enacted a "Protection of Minors" ordinance that has generally made it illegal to advertise alcohol or tobacco products within one thousand (1,000) feet of schools, parks and playgrounds, child care centers, libraries and similar places where children congregate (Ordinance No.

Although it may be distributors that push the signage, it will be the retailer who is ticketed and taken to court for violations. If inspectors had been present at one east side gas station they could have written one violation for displaying a sign without a permit, a second violation for placing the sign on a Public Lighting Department light pole, and a third because the sign was advertising cigarettes less than one thousand (1,000) feet from a school. And that was just one of several illegal temporary signs on the premises that could have been ticketed.

It's time to take stock again in the appearance of our commercial strips and to make some quick changes to improve the look of the City:

Distributors should stop putting their retailers at risk and should stop providing illegal temporary signs.

Retailers should take down any sign for which they did not get a permit before they are ticketed and should decline to accept any more of the signs from distributors

City inspectors should enforce the temporary sign laws vigorously and

Customers should applaud and patronize businesses that comply with the signage laws and report those that

If you are interested in more information about the ins and outs of Detroit's signage laws, feel free to call the City Planning Commission, (313) 224-6225. If you would like to report illegal signage, call the **Buildings and Safety Engineering** Department, (313) 224-3212.

"Toast Michigan" at AFD's wine tasting

Mark your calendars! Friday, October 27 is AFD's new winetasting event, Toast Michigan: Savor the Flavor of Michigan

The night of wine, specialty hors d'oeuvres and music by Trinidad Tripoli Steel Band will be hosted at the Excalibur Banquet Hall in Southfield from 5:30 to 9:30 p.m. Over 50 Michigan wines will be

available for tasting. In addition, every guest will receive a souvenir wine glass as a remembrance of the evening, and a special offer from Excalibur Restaurant.

Wineries participating in the event include: Bowers Harbor Vineyard, Chateau Chantal, Fenn Valley Vineyards, L. Mawby Vineyards and Zafarana Vineyards.

"Michigan has some wonderful

wineries. Many people don't know about the great wines that our state produces. This event is designed to showcase our best," says Joe Sarafa, AFD president. He adds that a portion of the proceeds will benefit Forgotten Harvest.

Tickets are just \$25 per person and are available by calling AFD at (248) 557-9600 or 1-800-66-66-AFD.



Where is Margaritaville?

There's no passport required. And you don't have to be a navigator to get there. There's a seat with your name on it at a thatched-roof bar perched on the edge of a torquoise sea. Where is Margaritaville? It's in your mind. It's in this tequila

Mi casa es su casa.





Olin's In Mann Hamarita

Search for your lost shaker of salt. Rub rim of glass with lime wedge and dip into salt Fill shaker with ice Add 1 oz Margaritaville Oro Tequila 1/2 oz. triple sec and juice from two lime wedges. Shake. Flip shaker in mid-air twice. Three times if you're a pro-Strain into glass over ice or savor straight up. Your call. One sip and you'll know

How Available in Michigan!

Oro		Base	On-Premise	Off-Premise	Shelf	Blan	co	Base	On-Premise	Off-Premise	Shelf
Size	Code	Price	Price	Price	Price	Size	Code	Price	Price	Price	Price
50 ml	8726-3	\$1.10	\$1.03	\$1.05	\$1.24	375 ml	8525-0	\$6,45	\$6.13	\$6 25	\$7.35
200 ml	8546-0	\$4.20	\$4.00	\$4.08	\$4.79	750 ml	8537-0	\$12.25	\$11.64	\$11.87	\$13.95
375 ml	8556-0	\$7.85	\$7.45	\$7.60	\$6.93	50 ml	8516-3	\$.95	\$.91	\$ 93	\$1.09
750 mi	8569-0	\$14.05	\$13.34	\$13.60	\$15.99	TO ORDER CALL:					
11.	8613-0	\$17.55	\$16.67	\$16.99	\$19.97	1-888-NWS-MICH OR 1-888-MICH-NWS					
1.75 L	8620-0	\$26.35	\$25.02	\$25.51	\$29.99		. •••	697.64		42.4607	

ERJOY BOD BOOLITY DESPONSIBLY

MANGARATAURUS TERRIBA - 46% ALC. 87 ADL - IMPRATER BY MANGARITAURUS IMPRATO CO. - NEW YEAR, NY

Guest Editorial

Assistance from the Office of Financial and Insurance Services

by Frank M. Fitzgerald, Commissioner, Office of Financial and Insurance Services

Insurance is an intangible but indispensable product. Whether you purchase health, homeowners, auto, or business liability coverage, it is purchased with the hope it will never be used.

When you need insurance to cover a claim, you want to receive the coverage you purchased. Statutorily, the Office of Financial and Insurance Services is charged with providing the most fundamental consumer protection: making sure that companies have financially sound practices and will be there to pay your claim.

Perhaps as important, the Michigan Office of Financial and Insurance Services can assist retailers in a claims situation. While it is not possible to determine or dictate what retailers should accept for settlements, we can serve as a resource if an insurance claim is denied or if you have problems settling a claim.

If you disagree with a settlement offer, the most important thing that you can do is to read your policy. This will provide you with an understanding of your coverage and could also give you direction on where to take your grievance. For instance, some commercial policies

have arbitration clauses written into them.

Next, remember the Office of Financial and Insurance Services—our consumer services staff is available to review contract language, assist in understanding coverage and determine if a claim is being handled reasonably. The Office of Financial and Insurance Services Consumer staff can be reached at 1-877-999-6442 or via the complaint form on the web at www.cis.state.mi.us/ins.

Two food industry associations form Internet Trading Exchange

Food Distributors International (FDI) and the Food Marketing Institute (FMI) have agreed to form a business-to-business online exchange for non-consumer goods and services.

This service is designed for FMI's and FDI's foodservice and wholesaler members, along with the retailers they serve, including independent operators. Together the two trade associations and their retail, wholesale and foodservice members represent the approximately \$800 billion North American food industry. As part of the strategic business plan, broader applications within the industry will be developed after discussions with the global retail exchanges now being formed.

The two associations plan to launch the site later this summer. FMI and FDI have selected IBM as their solutions coordinator. IBM will manage the activities of the alliance partners, including i2 Technologies, Inc. (ITWO), and Ariba, Inc. (ARBA), as well as participation of viaLink Co. (VLNK), and the Ernst & Young consulting company. Collectively, this group currently operates in excess of 150 Internet exchanges across multiple industries.

"E-markets are exploding. This alliance between FMI and FDI gives its members the opportunity to use Internet technologies to create new cost structures, to open new distribution channels, to transform competitiveness and change the industry," said Christian Nivoix, general manager. IBM's distribution sector, the part of IBM focused on the retail and consumer goods industries. "That's the real impact of the Internet," Nivoix said.

"We see this as a dynamic electronic marketplace for our industry," said FDI President John R.

See Internet trade, page 31



2 LOCATIONS

Metro Detroit

Suburban News

24808 Romano Warren, MI 48091 810-756-4000 Fax 810-756-4060



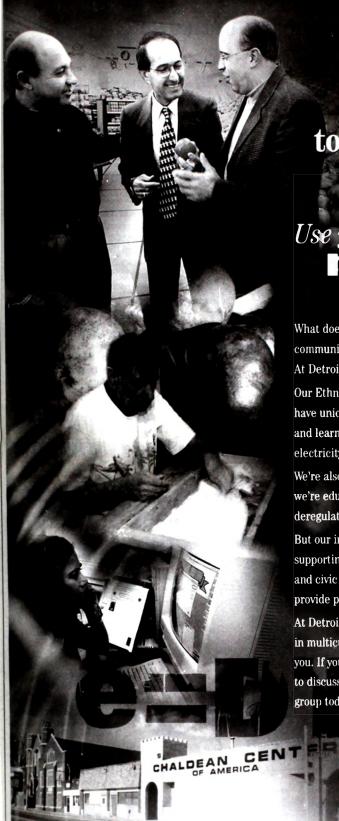
NEWS

Wholesale Distributor

Flint & Saginaw

Suburban News

2320 W. Pierson Unit 15 Flint, MI 48504 810-785-4200 Fax 810-785-4100



Use our energy to power your business.

Use yours to manage it.

What does it take to become a vital energy resource for a diverse community? A willingness to listen, learn, and become involved. At Detroit Edison we're doing all three.

Our Ethnic Marketing group understands that small business owners have unique needs. That's why we're listening to local entrepreneurs and learning about their specific needs — to help them maximize electricity efficiency and minimize costs.

We're also working with large- and medium-sized businesses and we're educating business owners about electric utility industry deregulation, so that they understand their options in the future.

But our involvement stretches beyond the bottom line. We're supporting cultural diversity by dedicating resources to educational and civic groups and organizations. It's all part of our efforts to provide personalized service to a very valued group of customers.

At Detroit Edison, we're excited about becoming more involved in multicultural business communities. We're waiting to hear from you. If you have an energy-related issue or concern that you'd like to discuss with a representative, contact our Ethnic Marketing group today. Call 1.888.777.6996.

Detroit Edison



A DTE Energy Company

www.detroitedison.com

Convenience Store Corner

Convenience store merchandise sales weaken slightly for 1st quarter

Despite another strong increase in merchandise sales — 9.2 percent for the first quarter of 2000 compared to the same quarter in 1999 — the convenience store industry's overall merchandise sales may be slowing down, according to the National Association of Convenience Stores' (NACS) 1st Quarter State of the Industry (QSOI) report.

The report, released July 7, found that for the first time in more than a year the increase in convenience stores' merchandise sales was not in double digits. "These double-digit sales gains of 1999 were due, in part, to higher cigarette prices as a result of the 1998 tobacco settlement," said Bob Swanson, NACS' director of research and statistics.

NACS' quarterly State of the Industry reports are based on retailer responses to questions about sales, profits, and trends in the industry.

The 1st Quarter 2000 SOI reported that gasoline margins dipped 2.6 percent for the quarter, in spite of a 42.6 percent increase in motor fuel prices, the largest increase since the

QSOI was instituted in 1992. "As is usually the case, higher prices at the pump meant lower margins for retailers as consumers resist the higher prices and retailers aggressively try to hold on to their customers by accepting lower margins," said Swanson.

In addition, merchandise margins also dropped 0.5 percent, the fifth straight quarter of decline. "Much of this decline is due to lower cigarette margins, as prices have surged in that category," noted Swanson. He added, however, that this quarter's margin decline is the lowest of the last five quarters.

In spite of the lower margins, gross profits increased by 6.6 percent for the quarter, the best since the second quarter of 1999. Merchandise profits rose a strong 8.7 percent, the eighth consecutive quarter of at least 6.2 percent growth in merchandise profits. Meanwhile, motor fuel profits rose a miniscule 0.1 percent, solely on the strength of a 3.0 percent increase in motor fuel sales.

In addition to sales and profit

figures, the QSOI also found that labor is an overriding concern of retailers. "Low unemployment has meant a small labor pool to draw from and higher costs to retain employees. Retailers expect wage rates to be a problem, and hiring, keeping, and training new employees to be difficult for the foreseeable future," said Swanson. Other retailer concerns included tight motor fuels margins, rising interest rates, credit card fees, and competition from hypermarkets.

Perhaps because of these concerns, overall, retailers are less confident about the next 12 months. Survey respondents reported that they are less optimistic about the industry's future, as well as their own company's, compared to the responses from the previous quarter. On a seven-point rating scale, retailers rated their company's business prospects a 5.1, compared to 5.39 last quarter. Meanwhile, the overall industry's prospects were rated at 4.69, a drop from the 4.88 measured last quarter.

The Quarterly State of the Industry Report is published each quarter by NACS, with data assembled by Arthur Anderson LLP. The report can be accessed on line at www. cstorecentral.com/register/resource/resource/gsoist2000.html.

Bogus FedEx checks circulated

Federal Express has informed AFD that approximately 50 convenience stores have fallen victim to bogus Federal Express payroll checks. Women dressed in Federal Express shirts have asked to cash what appears to be their payroll check. Counterfeit checks have been drawn to Tina Ballard, check number 03258467; Angie McIntosh, check number 03256428; and Carol Martin, check number 03253457.

If someone tries to cash one of these checks, Federal Express asks you to detain the subject, and call 911 to have the person arrested. If you have any questions, you may also call Kevin Talley in FedEx Security at 1-888-751-5172.

Free Online Beverage Ordering Services Easy to use • Easy to learn Free Service to Retailers One-Stop Shopping Increases Efficiency Order at Your Convenience Ordering process before Eskye Customizable Order Guide Printed Order Record to Verify Pricing and Delivery Delivery From Current Distributors • Links to Industry Information Promotions and Programs Notifications e/kye-com Visit us at the LIBERTAL AFD Holiday Ordering process with Eskye Beverage Show, Booth 142 "Your single source Internet-based ordering system for beverage alcohol." To find out more call us directly at (877) ESKYE COM or visit us at our website at www.eskye.com

THEY SAY GENTLEMEN ARE MAKING A



COMEBACK

(HOW CONVENIENT FOR US)

J. Lewis Cooper Co.

SALES 313-278-5400



ORDER ENTRY 1-888-440-0200



CUSTOMER CARE 1-888-990-0600

Johnnie Walker® Black Laber® Blended Scotch Whisky. Imported 12 year old. 40% Alc./Vol. (80 Proof) © 1997 Schieffelin & Somerset Co., New York, NY

Legislative Update

Senate votes to block OSHA Ergonomics regulation

The U.S. Senate voted 57-41 to join the House and block funding for the proposed OSHA ergonomics regulation. Retail and wholesale grocers were front and center in fighting for passage of Senator Michael Enzi's (R-WY) amendment while attending the Public Affairs Assembly, sponsored by National Grocers Association (NGA), Food Distributors International (FDI) and Food Marketing Institute (FMI).

Three Democrats, Breaux (LA), Lincoln (AR), and Hollings (SC) joined 54 Republicans in passing the amendment. Senator Specter (PA) was the sole Republican to vote against the amendment.

In spite of President Clinton's threatened veto, the food industry will continue to encourage members of Congress to ultimately pass into law the prohibition of OSHA from promulgating the ergonomics standard.

Estate tax, from front page

said he would veto the tax cut that he said would benefit about 3,000 families annually.

"While I am willing to support targeted and fiscally responsible legislation that provides estate tax relief for small businesses, family farms and principal residences, the estate tax repeal passed by the Senate is a budget-busting bill that provides a huge tax cut for the most well off Americans at the expense of working families," Clinton said.

After voting to phase out gift and

estate taxes over 10 years, the Senate took up a Republican-backed proposal also opposed by Clinton that would eliminate the so-called marriage penalty by raising the standard deduction and expanding the 15 percent and 28 percent tax brackets. (See related story below.)

The Senate action on the two tax cuts, which together would cost the federal treasury more than \$350 billion over 10 years, lays the groundwork for a political skirmish over taxes as the two parties prepare to hold their August conventions to nominate their presidential candidates.

Verizon Wireless

Work. Play. Live. You decide in what order.

Simplicity and peace of mind. It's what everyone wants. That's the beauty of Verizon Wireless. With great service plans and knowledgeable representatives, you can balance both work and play. Join in.



Ask

about our special NEW rates for Associated Food Dealers members and their employees!

Endorsed By:



Call Verizon Wireless today at 1-888-772-2355

1-888-772-2355

join in.



Senate passes marriage tax cut

Trumpeting the growing budget surplus as a signal to slash the tax burden, Republicans won Senate passage on July 18 of a bill that would eliminate the "marriage penalty" by cutting taxes for virtually every married couple.

Shrugging off President Clinton's veto threat and Democratic criticism that the bill is skewed to the wealthy, the Senate voted 61-38 for the legislation that would reduce government revenue by \$248 billion over 10 years.

Differences must still be worked out with the House, which passed a 10-year, \$182 billion version earlier this year, but GOP leaders expect an agreement soon. As of press time, Republicans planned to send the bill to Clinton before the Republican National Convention begins on July 31. This would force a high-profile veto confrontation. Republicans may also hold back a bill repealing estate taxes (see story above) until

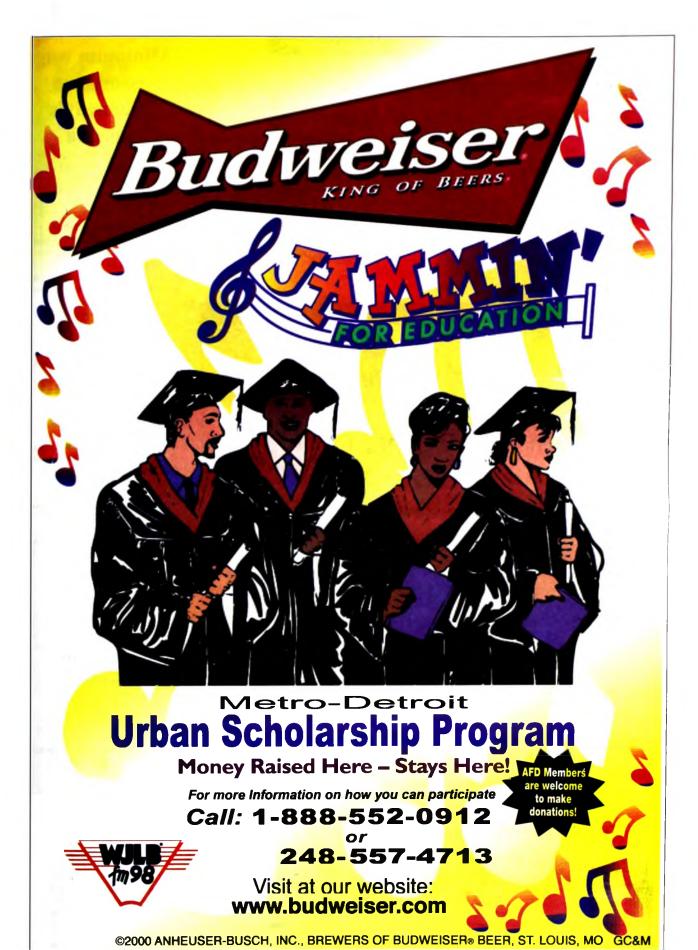
muddied for the public.

The Congressional Budget Office now projects an enormous budget surplus of \$2.17 trillion over the next decade, far above previous forecasts.

September so the issues don't get

The bill would:

- Gradually enlarge the 15 percent and 28 percent income tax brackets for married couples so they are roughly twice the size of those for single people. The House bill only widens the 15 percent bracket.
- In 2001, boost a couple's standard income tax deduction so it is equal to those of two single people. In 2000 dollars, that's an increase from \$7,350 to \$8,800.
- Raise by \$2,500 the income cap for couples who want to claim the earned income tax credit.
- Ensure that certain personal credits, including the \$500 per-child tax credit, don't ensure taxpayers in the complex alternative minimum tax.



Legislative Update

Could Democratic Plan For Estate Tax Reduction Be Better For Small Business?

A report in the New York Times states that while small business owners overwhelmingly support the estate tax repeal plan backed by Congressional Republicans, they are ignoring the legislation backed by President Clinton and Congressional Democrats. The irony, according to the Times, is that the democratic plan would exempt almost all of them from the tax starting in 2002 - as opposed to the GOP plan, which phases in

relief slowly between now and 2009.

The difference, apparently, is that the GOP supports repealing the tax completely, albeit slowly; the Democrats don't want to repeal the tax, but rather adjust its parameters. However, the Times notes, "had the Democratic plan been law in 1997, the last year for which estate tax return data is available from the Internal Revenue Service, the estates of fewer than 1,300 closely held

businesses and 300 farmers would have owed the tax." The Times says that 95 percent of the farmers who paid estate taxes that year would have been exempt under the democratic plan; 88 percent of the small business owners who paid estate taxes would have been exempt.

Republicans say that the estate tax is so complicated that complete repeal is the only legitimate option.

Minimum wage issue is on Kennedy's agenda

Senator Edward Kennedy (D-MA) has stated his intention to use every effort possible to amend Senate legislation with a minimum wage increase of \$1.00 per hour over two years.

This means that the Senate leadership will be forced to contend with the senator's efforts to amend future legislation.

Earlier this year the Senate passed a \$1.00 increase over 3 years. A vote on a minimum wage increase could come at any time that the Senator deems it to his political advantage.

WIC letter circulated

During the Public Affairs
Assembly, retail and wholesale
grocers petitioned their
representatives to sign onto a letter by
Representatives Howard P. McKeon
(R-CA) and Matthew Martinez (DCA) that opposed USDA issuing a
final rule to limit the number of
retailers eligible for the Women,
Infants and Children (WIC) program.

The letter states, "This proposed rule will limit the number of retailers eligible for the WIC program, thereby limiting competition and restricting access to program benefits by those most in need. The proposal will needlessly burden the WIC program, harm recipients, punish innocent vendors, and limit access to this much needed program."

The National Grocers Association strongly opposed the vendor limit proposal in comments it filed with USDA and supports the efforts of Representatives McKeon and Martinez to stop the vendor restriction language that was not passed by Congress.

Get ready for the holidays!

It's only August, but the holiday season will be here before we know it. Plan to attend the AFD/Beverage Journal Holiday Show, "Stocking Stuffers" and you'll be ready for holiday profits!

The Show runs September 27 and 28 at Burton Manor in Livonia. See page 15 for more details.

Group Savings Group Savings Individual Service Individual Service







AAA Michigan is pleased to announce a partnership with the AFD which allows us to offer you and your employees the opportunity to join the state's leading membership organization, at a special group rate. Benefits include:

For Your Business

 A highly-perceived employee benefit at no administrative cost to you

For You and Your Employees

- Eligibility to apply for group discounted auto and home insurance[®]
 via convenient automatic account deductions
- 24-hour, prepaid Emergency Road Service
- Free TnpTiks*, TourBooks* and maps, plus member-only values on cruise and tour packages
- Exclusive savings of up to 20% or more at thousands of retailers across Michigan and the U.S.

In partnership with

To find out more or to enroll your company, call Judy Shaba at 248-557-9600 Services

*Insurance underwritten by Auto Club Insurance Association family of companies



2220 Raymond Drive Lansing, Michigan 48906

Phone 1-800-379-8666, ext. 101 • Fax 1-517-374-7595 Ask for NICK YONO

grocers for over 15 years!



Team "Ball Park" gets ready to tee up at the D.A.G.M.R. Golf Outing on June 6

News Notes

Philip Morris agrees to acquire Nabisco

Philip Morris Cos., in a deal that will significantly bolster its food business and have far-reaching consequences for the broader industry, has agreed to acquire Nabisco Holdings Corp. for \$55 a share, or \$14.91 billion, plus the assumption of \$4 billion in debt, the Wall Street Journal reported.

In a related move, Philip Morris,

owner of Kraft Foods, is considering an initial public offering of less than 20% of its food business. Such a decision would be of huge significance, since it could pave the way for an eventual split of Philip Morris's food and tobacco businesses. An IPO of less than 20% allows companies to eventually spin off the remaining stake to shareholders.

General Mills to buy Pillsbury

General Mills Inc. said it plans to buy Pillsbury from British food and beverage group Diageo Plc in a \$5.35 billion all-stock deal that further consolidates the food industry and bolsters the cereal giant's leverage with supermarkets.

General Mills reached a definitive agreement to buy Pillsbury from Diageo in a deal that also includes Pillsbury's debt of \$5.1 billion.

Under the deal, Diageo will retain an initial 33 percent stake in the merged business, which will have annual sales of \$12.8 billion General Mills said it plans to sell Pillsbury's North American dessert business and Green Giant canned vegetable line by the end of fiscal 2002.

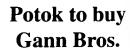
General Mills, said the deal with Pillsbury should help achieve cost savings of \$25 million in fiscal 2001. It expects to save \$220 million in 2002 and \$400 million by 2003.

Combining forces will enable General Mills and Pillsbury to achieve faster growth than either could accomplish separately. General Mills Chairman and Chief Executive Steve Sanger said.

The merger could give General Mills more leverage with increasingly bigger food retailers and bolster its competitive position in the rapidly consolidating sector, analysts said.

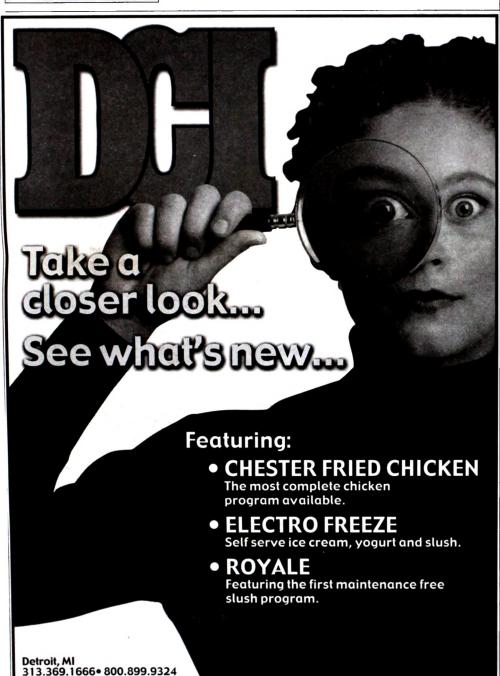
The deal could also spawn more mergers in an industry that has already seen Unilever announce its intent to buy Bestfoods for \$20.3 billion and Philip Morris make plans to buy Nabisco Group Holdings, the largest U.S. cracker and cookie maker, for \$14.9 billion.

Analysts said companies such as General Mills' closest rival, Kellogg Co., H.J. Heinz Co., Campbell Soup Co., and Quaker Oats Co. could all be looking for partners.



An acquisition by Potok Packing Co. and Detroit based Gann Bros. Farm Style Brand Sausage Co. is in the works. Max Fynke, president of Potok reports that until the completion of the deal the two companies will operate as a joint venture, and there will be no layoffs.

Gann Bros' Michigan Avenue plant will be included in the deal. Potok already owns Alcamo's, Meal King, Kennedy's and Virginia sausage brands. Fynke became interested in Gann Bros, because it was the only sausage maker in the Detroit area to use fresh-cut pork in fresh sausage, a type known as hotboned, a whole pork sausage.



Grand Rapids, MI • 616.243.8863



News Notes

Ketchup goes green

The Year 2000 has brought with it many changes, but few of us expected this one. H.J. Heinz Co. has reintroduced ketchup, green ketchup that is. "Green is gong to be a shocker for a lot of adults. But kids don't have those hang-ups," said Casey Keller, the point man on a world wide push to reintroduce the condiment as a hip part of everyday meals.

Kids eat more than half of all ketchup in the United States and it is Heinz's hope that this consumer segment will enjoy decorating their hot dogs and burgers with its unexpected color and plastic bottle, which squirts a stream so thin kids can draw with it. Have no fear the flavor stays the same even if it is the color of spinach.

The 131-year old food company last year embarked on a new ketchup campaign after its share of the US. ketchup market dropped to about 43 percent in the late 1990s. Heinz targeted teens, advertising in shows such as "Dawson's Creek" and "Party of Five."

Customer awarded \$273 for 10-cent overcharge

Steven Wrathell taught a stubborn gas station manager an expensive lesson about consumers' rights.

In June a Madison Heights judge awarded him \$273 for being overcharged 10 cents for a burrito for the Quik Stop Total at 12 Mile and John R.

Steven Wrathell, a certified public accountant for Sterling Heights, said a scanner charged him 59 cents for a 49-cent burrito.

Wrathell was refunded the dime, but not the \$1 he was entitled to under state consumer law. He sued in 43rd District Court.

The Michigan Pricing and Advertising of Consumer Items Act says anyone overcharged can collect 10 times the difference, up to \$5. If the retailer refuses, the consumer can sue in small-claims court for \$250, plus fees. Wrathell, 40, said he hopes this educates other consumers about their rights and teaches retailers about their responsibilities. "All he had to do was give me a dollar," Wrathell said.

Class action lawsuit begins against Visa-MasterCard

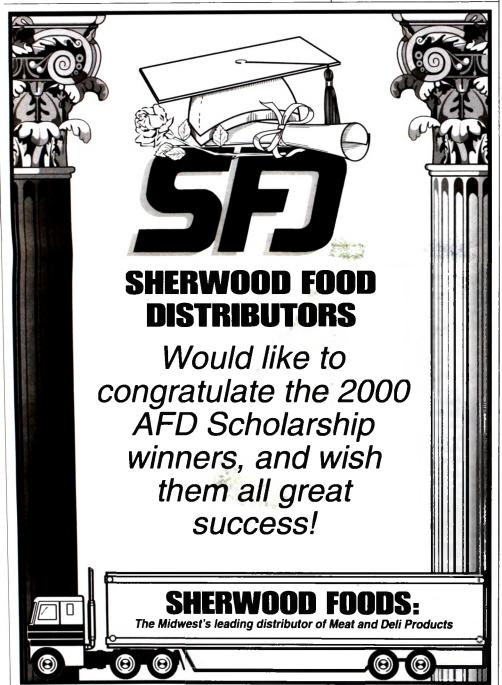
The Department of Justice trial began against Visa and MasterCard last month. The government contends that Visa and MasterCard's governing agreement, which allow banks that sit on their boards to issue a large number of cards on one another's networks, has reduced competition, and stifled the rollout of products that would benefit consumers. The outcome of this trial could have implications for the way Visa and MasterCard conduct their respective businesses and for the class-action lawsuit filed by retailers against Visa and MasterCard.

The class action lawsuit could entitle convenience store retailers to sizeable damages. Since convenience stores have low average ticket prices and high volumes of business, this industry is likely to pay a greater portion of revenues. If Visa and MasterCard are found to be anticompetitive, convenience store retailers may be in a position to gain a greater portion of the damages.—NACS

USDA to require labeling of fresh meat

The USDA will propose that packaged meat and poultry products sold in retail stores must come with nutritional labels. Retailers currently voluntarily post nutrition facts on beef, veal, pork, lamb, chicken and turkey. USDA's latest survey shows that less than 60% of retailers surveyed did post the nutritional labeling for meat; therefore, it is USDA's intention to propose mandatory nutritional labeling on fresh meat and poultry products.

A proposed regulation has been submitted to the Office of Management and Budget for approval before publication. The regulation could substantially increase the regulatory burdens and costs on retailers to comply, which was the basis for the original voluntary program to post nutrition information in a single location in meat departments.





AFD Food & Beverage Report, August 2000.....17

News Notes

Gentle man breaks, and kills

Two U.S. Department of Agriculture and one state inspector were killed last month by the owner of a San Leandro, California sausage factory. Stuart Alexander, 39, had complained that he was being harassed by the government over health violations. The plant had just recently reopened after being cited for not properly heating sausage that was labeled as fully cooked and for not using expiration dates on meat products.

The plant had been in the family

for three generations and Alexander felt that he was being unduly harassed by inspectors. A sign left outside the plant reflected his feelings of frustration. "To all our great customers: The USDA is coming into our plant harassing my employees and me, making it impossible to make our great product," wrote Alexander. "Gee, if all meat plants could be in business for 79 years without one complaint, the meat inspectors would not have jobs. Therefore, we are taking legal action against them."

Police report that Alexander shot and killed three health inspectors while a fourth fled. He turned himself into the authorities a short time later.

Farmer Jack grows

Farmer Jack Supermarkets has acquired three Felice Food Markets in the metro Detroit area. The stores in Waterford Township, Sterling Heights and Macomb Township opened as Farmer Jack Supermarkets in July.

Wal-Mart's problems could someday be yours

It's always fun to see the big kid on the block get some lumps, and many community-focused independents have probably gotten a wry smile out of Wal-Mart's recent sparring sessions with the United Food and Commercial Workers. But, welcome as may have been the site of Wal-Mart under assault by the UFCW, those smiles might best be accompanied by some thoughts about the union's strategy, as it was outlined recently in a report for N.G.A. by Seyfarth, Shaw, Fairweather & Geraldson, N.G.A.'s labor counsel which has offices in 10 cities and has represented management in labor and employment law since 1945.

Earlier this year, meat cutters at a Wal-Mart superstore in Jacksonville, Texas became the first US. Wal-Mart employees to vote in favor of union representation by the United Food and Commercial Workers. That "first" was the union's first victory in what it has acknowledged is a nationwide organizing campaign focused on the meat departments in 23 Wal-Mart

Why the meat department? It seems evident that the UFCW targeted the meat department for this major campaign against Wal-Mart for two reasons:

- 1. Defining the bargaining unit: The greater the similarities in hours of work; job duties; compensation; tools, equipment, and skills; overall supervision; production methods; and transfer policy between departments, the more likely a department is to be targeted as a bargaining unit.
- 2. Predisposition of meat employees: Even in non-union work environments, most skilled employees have previously worked in a union environment. If an employer does not have an effective employee relations program, those who have worked in a union environment are apt to be more pro-union and proactive for the union.

Wal-Mart's counterattack in the Battle of Jacksonville was, just two weeks after the vote for union representation, to announce that it was switching to pre-packaged, caseready meat. The UFCW, of course, filed an unfair labor charge with the NLRB over this maneuver by Wal-Mart, and that filing awaits a ruling by the Board.

Whatever the outcome, nonunion retailers should watch this situation carefully and assess their current associate relations program and dedicated management, to ensure that they have a positive work environment. For all retailers, with the Wal-Mart and Kroger forays into case-ready beef, is it time to start reviewing case-ready beef's potential?"—NGA



Feel the Power!

Now you can Choose AFD as Your Electric Provider!

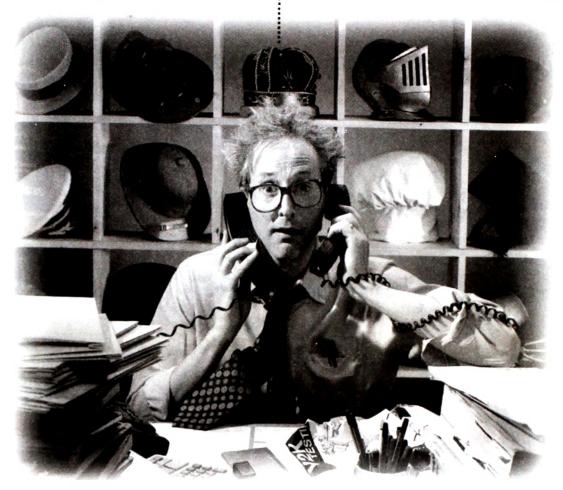
Thanks to AFD's efforts, members could save 20% on their Electric Bill!

AFD has established an electric-buying partnership with Nordic Electric/IQ Solutions to improve your bottom line. To see if you qualify, fill out the form below. Attach a copy of your current utility bill, then mail or fax to:

AFD Electric Program 18470 West Ten Mile Road Southfield, MI 48075

usiness Name:
usiness Type:
contact Name:
ddress:
city/State/Zip:
Phone:Fax:
-mail:
Electric Utility:
IO Solutions will require a 12-month usage history of all your electric accounts to complete a saving analysis.

Production needs new equipment Accounting wants positive cash flow



... And you forgot your referee's hat

Now you can give them both what they want. Business Leasing from Michigan National lets you boost productivity while managing cash flow. To learn more or to apply today, call George Caracostas at (248) 473-2785 or Cindy Jensen at (248) 615-5863.



HERE ARE 25,000 REASONS FOR YOUR CUSTOMERS TO PLAY THE DAILY 3&4!



The Big Hit is the latest second chance sweepstakes from the Michigan Lottery Dally 3 & 4 Games. One hundred thirty players will win \$500 every week for six weeks. The 780 players who win \$500 will then be entered into the grand prize drawing for \$25,000 which will be televised on the "Road To Riches, September 9, 2000. Check your local listings. Two non-winning

Mid-Day and two non-winning Evening tickets are required to enter. Entries can be mailed in, or dropped off at any of the convenient drop boxes. See the official entry forms for locations. Players can enter as many times as they want through September 1, 2000. Encourage your customers to play the Daily 3 & 4 Games often for a chance to hit big for \$25,000.

JULY 17-AUGUST 26, 2000

It You Bet Moris Than Tou Can Afford To Lose, You've Got A Problem. Call 1-800-270-7117 For Confidential Help. Daily 3 Odds: Straight: 1 In 1,000; 3-Way Box: 1 In 2,500; 6-Way Box: 1 In 1,666; 12-Way Box: 1 In 833; 24-Way Box: 1 In 416.



Coca-Cola Bottling Company of Michigan

Alpena Sales Center 171 North Industrial Highway Alpena, Mi 49707 (517) 356-6115

ca-Cola Bottling Company of Michigan

Flint Sales Center 2603 Lapeer Road Flint, MI 48503 (810) 234-4608

oca-Cola Bottling Company of Michigan

Madison Heighte Sales Center 32500 North Avis Madison Heights, MI 48071 (248) 585-1248

Coca-Cola Bottling Company of Michigan

Soo Sales Center 4760 Curtis Road Kinchlos, MI 49788 (906) 495-2261

Coca-Cola Bottling Company of Michigan

Auburn Hills Sales Center 880 Dorie Road Auburn Hills, MI 48326 (248) 373-2653

Coca-Cola Bottling Company of Michigan Grand Rapide Sales Center

3741 Patterson Avenue Grand Rapids, MI 49512 (616) 942-8380

Coca-Cola Bottling Company of Michigan Mount Pleasant Sales Center

808 South Adams Mount Pleasant, MI 48858 (517) 773-6951

Coca-Cola Bottling Company of Michigan Traverse City Sales Center

1031 Hastings Road Traverse City, MI 49686 (616) 947-4150

Coca-Cola Bottling Company of Michigan

Bay City Sales Center 2500 Broadway Bay City, MI 48708 (517) 895-8537

Coca-Cola Bottling Company of Michigan

Kalamazoo Sales Center 216 Peekstock Road Kalamazoo, MI 49001 (616) 343-1277

Coca-Cola Bottling Company of Michigan Petoskey Sales Center

1884 Harbor Springe Road Petoskey, MI 49770 (616) 347-3242

Coca-Cola Bottling Company of Michigan Van Buren Sales Center 100 Coca-Cola Drive Belleville, MI 48111 (734) 397-6541

Coca-Cola Bottling Company of Michigan

Detroit Sales Center 1600 East Grand Blvd. Detroit, MI 48211 (313) 571-2250

Coca-Cola Bottling Company of Michigan

Lansing Sales Center 3300 South Creyts Road Lansing, MI 48917 (517) 322-2600

Coca-Cola Bottling Company of Michigan Port Huron Sales Center

1608 Dove Street Port Huron, MI 48060 (810) 982-8501

Kraft initiatives are aimed at center store growth

By Michele MacWilliams Headquartered in Northfield, Illinois, Kraft Foods is the North American food business of Philip Morris Companies Inc. It traces its history to three of the most successful food entrepreneurs of the late 19th and early 20th centuries: J.L. Kraft, Oscar Mayer and C.W. Post. Today, Kraft is the largest packaged food company in the U.S. and Canada

I spoke to Bob Cole, Detroit regional manager (he actually covers all of Michigan) about the new initiatives that Kraft is taking and how these can aid the retailer. Over the past 10 years, Cole has seen a great deal of competition working to move market share away from traditional grocery stores. His challenge is to arm the retailer with the ability to survive and thrive in the competitive retail food business.

Kraft operates through ten husiness divisions: Beverages. Desserts & Snacks, Boca Foods, E-Commerce, Maxwell House & Post, Kraft Canada, Kraft Cheese, Kraft Food Services, The New Meals Division, Oscar Mayer Foods and Pizza. Kraft Foods North America employs approximately 36,500 with a 3,500-person retail sales force.

Kraft offers more than 70 major brands including: Kraft cheeses and dinners, Oscar Mayer meats, Maxwell House and Nabob coffees, Post ready-to-eat cereals, Jeli-O desserts, Kool-Aid beverages, Philadelphia cream cheeses. Tombstone pizza. Stove Top stuffing mixes and Miracle Whip salad dressing.

Cole says that Kraft's strategy to aid retailers is multi-faceted and includes a combination of center store marketing, category management and supply chain assistance. Through the use of studies generated from Kraft's data collection, the company is able to offer retailers up-to-date information on consumer behavior. The Kraft Kitchens expertise in developing recipe ideas that are relevant and meet consumer needs also help to "move product." Bringing it all together, Kraft is introducing new concepts that make shopping easier for the customer and increase sales for the retailer.

"Our Meal Solution Center is an innovative concept which combines integrated merchandising and quick

Kraft's new

display unit combines a dry grocery rack and a door cooler

recipes to deliver convenience and one-stop-shopping for busy consumers," says Cole.

Kraft is now testing a display unit, that combines a dry grocery rack and a door cooler. This small, 24" x 48" unit operates on 110V and can hold a variety of merchandise, making it a one-stop-shopping display for quick and easy meals.

I saw one of these units at the FMI Show in Chicago. It was filled with products that, when purchased together, made an entire meal, including dessert. As an example, taco sauce and kits were displayed on the lit shelves, while the taco cheese

was stored in the mini cooler unit. Cheesecake mix was on the shelf and cream cheese in the cooler.

"We're center store focused," said Cole, meaning that Kraft concentrates on building sales volume in the center of the store, where packaged goods and groceries are

traditionally displayed. To drive center-store movement, emphasis. "Only a grocery store can bring it all together for the consumer. Grouping items is one way that we can help the grocery store maintain market share," Cole adds. A strategy that Cole says can help

strategies with meal solutions as an

increase market share for the grocery retailer is to increase the number of featured items, so that the store "shouts to the consumer that there is value at the traditional grocery store."

Leveraging the information obtained from Kraft's successful consumer Internet site, the company is now implementing a new business-

> to-business site to help retailers increase center store sales. The new website (www.kraftplus.com) helps retailers easily obtain displays, racks and shippers. Point-of-sale and module information along with the Kraft Plus merchandising solutions that appear in Kraft's trade advertising are also online.

Available to customers this summer, it helps retailers learn about the latest tools to help build their business.

Coming scon,

www.kraftplusezserv.com is another Internet-based tool that will allow retailers to access a secure, proprietary website to quickly answer customer questions and communicate supply-chain opportunities and customer-service updates. KraftPlus ez-Serv™ will give retailers immediate, electronic access to information and services customized for their specific business needs.

"KraftPlus ez-Serv is the on-line evolution of our commitment to meeting retailer needs," said Mark Pettie, vice president, Category Sales Management & Strategy at Kraft. "The Internet will build the value of our Kraft Plus tools by offering merchandising, purchasing, supply chain, accounting and store operations data with one click of the mouse.''

Kraft will be gathering input from a few retailers through the end of 2000 to enhance the site's effectiveness. When KraftPlus ez-Serv™ rolls out nationally in 2001,> retailers will be able to obtain quick and timely sales updates, review proprietary data to help make decisions regarding products and services, and tap into a wealth of general business information. A tremendous asset for the day-to-day management of center store business, the site is passwordsecured and can be personalized for an individual retailer's or chain's information needs.

Always something new

Bob Cole believes that a very important way for traditional grocery retailers to remain competitive is with new product introductions. "It's the lifeblood of our business," he adds. "Consumers know they can find new products at their local grocery store before they hit the. shelves of warehouse clubs." He points to the 30 new products that Kraft is introducing this year, as well as new shippers and other merchandising vehicles that draw attention to products.

"Food choices will always be about taste, but our consumer research shows that new products today must meet one of four very diverse consumer needs in order to succeed," says Pettie. Kraft's research shows that Americans are

See Kraft, page 24

Kraft Facts: • 99 percent of North Americans are Kraft Foods consumers

- North America enjoy at least
- · Kraft Foods is the leading marketplace innovator in the food industry, with nearly

Kraft has set up a channel of

Old No. 7



Now Serves 8

IK DANIEL

JACK DANIELS

The Others Don't Have Jack.

Kraft continued from page 22

looking for food products that are convenient, offer a health/wellness benefit, provide a positive experience and are personalized or customized to individual tastes.

"Today's busy consumers simply don't have the time for extensive food preparation, thus making quick meals a necessity. And, grab-and-go snacking options are equally as important," continued Pettie, "Finally, consumers are taking health messages to heart and searching for foods that offer an additional nutritional or functional boost. Kraft is focused on delivering new products that meet these criteria to help families connect over food."

Kraft has launched or is launching an array of new products in 2000 that fall into these categories. Bob Cole is particularly excited about three products geared to breakfast consumption: Oscar Mayer Cinnamon Roll Lunchables, Post Cinna-Cluster Raisin Bran and Starbucks coffee.

"Oscar Mayer continues to innovate within the meal-combinations category with Cinnamon Rolls Lunchables for breakfast," says Cole. Four cinnamon rolls are paired with do-it-yourself icing and applesauce. "It's a great go-anywhere breakfast."

Another cinnamon-flavored product that Cole believes will become a favorite is Post Cinna-Cluster Raisin Bran. The newest addition to the growing branded raisin bran category, it extends the Post Raisin Bran trademark. "When shown the concept, nearly 70 percent of consumers indicated they would probably buy Post Cinna-Cluster Raisin Bran," Cole enthuses.

Other new products for 2000 nelude:

- Athenos Travelers an innovative hummus snacking kit.
- Balance Gold Bar a triple layer energy bar with chocolate, caramel and nuts that provides 15 grams of protein and 23 essential vitamins and

minerals:

- DiGiorno Half & Half Rising Crust Pizza – a rising crust pizza offering two great toppings side-byside:
- Kool-Aid Blast-Offs Soft Drink Mix - two new flavors, Solar Strawberry Starfuit and Blue Moon Berry
- Kraft Blue's Clues and Kraft Pokemon Macaroni & Cheese Dinners - adding sizzle to the Mac & Cheese shapes line are two of the hottest children's cartoon characters:
- Kraft Cheez Whiz the new wide mouth jar and ready-to-dip formula makes it more convenient for dipping and pouring;
- Kraft Dips six varieties of dips with fresh flavor personalities;
- Kraft Light Done Right salad dressing – with half the fat and 33 percent fewer calories than regular dressing;
- Louis Rich Beef Steak Strips convenient, fully-cooked beef strips are ready for immediate use for meals in minutes;
- Oscar Mayer Lunchables Mega Pack - new larger variety is geared to kids with growing appetites and active lifestyles;
- Philadelphia Snack Bars cheesecake bars for indulgence on the go:
- Post The Wild Thornberrys Crunch Cereal - limited edition cereal brings this popular children's show to the breakfast table;
- Stove Top Oven Classics two new potato varieties expand this Meal-in-a-box line;
- Taco Bell Home Originals Pour 'N Simmer Taco Seasoning - this easy-pour jar of sauce makes seasoning tacos easy;
- Taco Bell Home Originals Enchirito Kit - a cross between an enchilada and a burrito, this hot Mexican food sensation can now be made at home in minutes.
- Tang Ready-to-Drink Juice
 Drinks extreme, offbeat and very cool refreshment in five, portable pouch flavors;
- Taste of LifeTM Salad Dressing:

 the first national salad dressing line to provide 50 percent of the daily value for vitamin E in every serving:
- Tombstone Dipping Ring ready in 20 minutes, this donutshaped pizza crust is loaded with pizza fillings and comes with a side of tomato dipping sauce.

Mark your calendar for these important AFD events!

August 16 -AFD Senior Picnic

September 27 & 28 - AFD/ Beverage Journal Holiday Show "Stocking Stuffers"

October 27
AFD's Toast Michigan:
Savor the Flavor of Michigan
Wines



from National Wine & Spirits

Lottery Lowdown

By Commissioner Don Gilmer
For the last ten years, the
Michigan Lottery has given
Lottery players the opportunity to win
thousands of dollars while appearing
on its weekly television game show.
That game show has been called
several different names over the
years, including "Fame & Fortune,"
"Megabucks Giveaway," and most
recently, "Road to Riches."

As the popular saying goes, one day all good things must come to an end, and that is soon to be the case with the Lottery's "Road to Riches" television show. The last "Road to Riches" show will air on Saturday, September 9, 2000. The last "Road to Riches" contestant drawing will be held on August 23, 2000. Players interested in appearing on the show should send their entries in to the Lottery prior to that date.

The weekly shows have always stemmed from the Lottery's instant games. Players entered the drawings to become a contestant on the show by sending in three non-winning tickets, one from each of three different instant games. From those entries, six lucky winners were chosen to appear on the show.

What was once the most popular television show in its time slot has now dropped dramatically in popularity with viewers all across the state. Contestant interest in the show has dropped off significantly as well, causing repeat contestants to become more common.

As retailers, I am sure you understand the importance of advertising. The "Road to Riches" show was initially created to help the Lottery advertise the Lottery's instant games. We have gone from offering between ten and 20 new instant games per year to offering 60 games per year, making the "Road to Riches" show a lot less effective vehicle for instant ticket promotion.

Because many retailers allow Lottery players to drop off their "Road to Riches" entries in their stores, please be sure that all entries arrive in Lansing before the final drawing on August 23.

Additionally, because of the show's cancellation, beginning on September 16, 2000, Saturday

Lottery's "Road to Riches" television game show set to end on September 9

evening drawings will be televised at 7:28 p.m. as they are for the Monday through Friday drawings.

Second-Chance Sweepstakes. The Michigan Lottery's latest second-chance sweepstakes offering — the "Big Hit" — is clearly a big hit with Lottery players all over Michigan! Hundreds of cash prizes have already been awarded to winners all across the state.

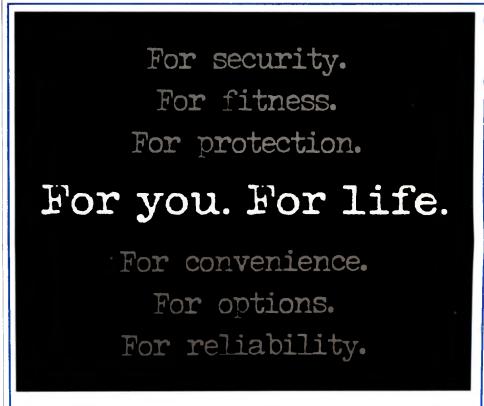
The "Big Hit" sweepstakes will not only award 780 qualifying cash prizes of \$500 each over the six-week period, but will also qualify those 780 winners for a final \$25,000 grand-prize drawing!

Players enter by sending in two non-winning Daily 3 or 4 mid-day tickets and two non-winning Daily 3 or 4 evening tickets for drawings conducted between July 17 and August 26, 2000.

I urge you to continue to display your "Big Hit" point-of sale promotional items throughout the course of the sweepstakes. Your help in promoting the Lottery's secondchance sweepstakes offerings makes them the great successes they are!

New Instants. Retailers all over

See Lottery, page 37



For so many reasons, choose



For information about Blue Cross coverage available to AFD members, please call Judy Shaba at 1-800-66-66-AFD.

www.bcbsm.com

Blue Cross Blue Shield of Michigan and Blue Cara Network are independent licensees of the Blue Cross and Blue Shield Association © 1998 Blue Cross Blue Shield of Michigan

Legislator Profile

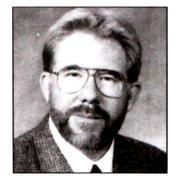
Representative Ehardt fills the prescription for good government

by Kathy Blak

State Representative Stephen R. Ehardt (R-83) is a pharmacist and business owner as well as a politician. He opened his first pharmacy in 1981 and now he co-owns three drug stores and one hardware store. He employs 44 people and wisely shares responsibilities for day-to-day operations with his partners and employees. Ehardt works as a pharmacist at one of the stores on a daily basis although he spends most of his time making policy in Lansing.

"Professional trust is high for pharmacists," says Ehardt. "Pharmacists are doing more good today than ever in the health care arena. They are the most accessible health care professionals," says Ehardt.

His business specializes in patient care services and has grown into a successful multi-store group. In 1994, Ehardt's Pharmacy, Inc. was listed on Drug Topics "Outstanding Community Pharmacy" honor roll. Ehardt has instructed nursing



pharmacology for University of Michigan-Flint and pharmacy technology at St. Claire County Community College. In May 1997 Ehardt was chosen by the American Pharmaceutical Association for its single annual Distinguished Achievement Award in Community Pharmacy Practice. In 1997, he was elected by his peers as president of the Michigan Pharmacist Association.

Representative Ehardt graduated from Croswell Lexington High School and in 1978 he graduated from Ferris State University with a Pharmacy degree.

Ehardt represents the 83rd district which covers all of Sanilac county and the northern half of Lapeer county. He serves on the following House committees: Agriculture and Resource Management, Health Policy, Insurance & Financial Services and he's the vice-chair of Veteran's Affairs.

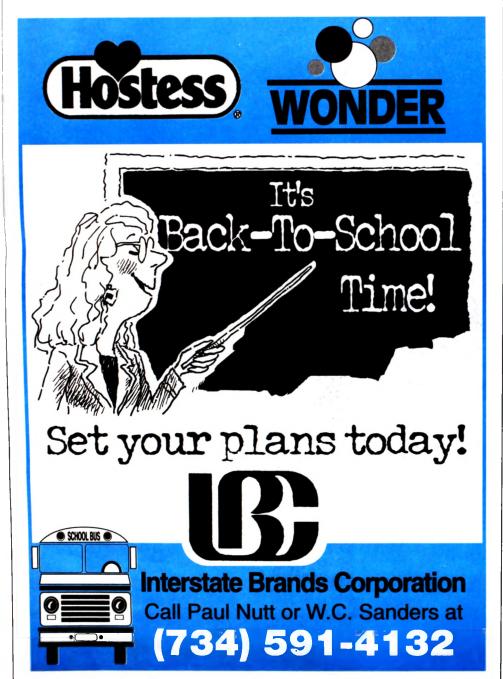
"I went to Lansing with a working knowledge of small business, health care, agriculture and local government and focused on these areas. I feel I need to be an expert on the subject of the committees on which I serve," explains Ehardt. "I believe in the committee process. It enables us to be good stewards."

As a businessman, Representative Ehardt saw needs in his Thumb area community. His philosophy on government is, "You can either throw up your hands in disgust or roll up you shirt sleeves, get involved and make it better." He had the desire to be involved and make sure the community develops in the right direction. He started by becoming a member of the Chamber of Commerce and during the past 17 years, he held the positions of treasurer and president. He was a member and past chairman of the Lexington Planning Commission for four years and 10 years as Lexington Village Trustee.

The city, which is located midthumb on Michigan's eastern coast, became a vibrant port. With the current low lake levels, there is legislation to help marina owners receive low-interest loans for dredging.

The largest industry in his district is farming with tourism in second place. He says there are Renaissance zones in four communities. "In agricultural zones, there are tax incentives to help bring in processing plants in the vicinity of farms," says the representative. "This brings more jobs and additional tax base to the area."

Ehardt supports the Thumb Oil Producers Cooperative, a group of oil producers and farmers who are using vegetable oil to make automotive lubricants. Ehardt said that he uses the products in his car. "We have asked the state to be more involved in using



It's Free! Ask Me How.



Call us today to get more information on how this Mini Hot Dog Cart can be yours for free!

Jim Blain (313) 873-8200

Rep. Ehardt, from page 26

agriculture-based fuels and lubricants."

With 44 employees, Ehardt took an interest in workforce development. In 1996, he was appointed by the Sanilac County Commissioners to the Thumb Michigan Works Community Advisory Board. This board manages unemployment training and job placement, welfare work, and summer work programs.

He was appointed by Governor Engler to serve as the house liaison on the Michigan Welfare Development Board (MIWORKS).

He is chairman of the house subcommittee dealing with watershed management. On this committee, he helped revise the drain code which had not been updated since 1946. After 60 hours in committee, the bill emerged in a 25-chapter legislation. "The bill passed the house with a broad spectrum of support, 103-5," he said.

On the Insurance and Financial Services committee, Ehardt and his peers have been working on the banking code. "We're trying to keep in line with federal mandates in regard to multi-state bank groups, without taking away control that the state should have. We are trying to provide the best working environment possible for the banking industry," he

said

Ehardt lives in Lexington with his wife and two children. In his spare time, he enjoys tennis, racquetball, golf and downhill skiing, but his passion is sailing. He also has an airplane pilot license and flies regularly. He is active with the United Methodist Church of Lexington.

To reach Representative Ehardt, call (517) 373-0835, email sehardt@house.state.mi.us or write State Representative, The Honorable Stephen R. Ehardt, P.O. Box 30014, Lansing, Michigan, 48909-7514.

MLCC implements automated phone line

The Michigan Liquor Control Commission recently launched a new Automated Product Ordering Information Line and Fax Back Service (1-800-473-1497), which allows licensees to access automated information 24-hours a day about products, prices, and Authorized Distribution Agents. The commission has also begun distributing the MLCC Bulletin via an automated electronic subscription service for those who prefer to receive the bulletins by e-mail rather than the U.S. mail.

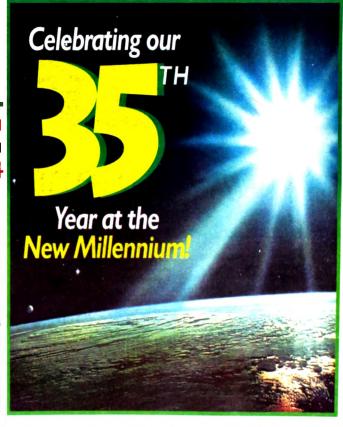


Electronic Design, Imaging & Printing

17630 East Ten Mile Road • Eastpointe, Michigan 48021 Phone (810) 777-6823 • Fax (810) 777-1434

Visit our Website: http://www.nuad.com E-mail: help@nuad.com

- Full Service Printing
- Full Service Design Team
- Insert Advertising a Specialty
- State-of-the-Art Electronic System
 - World-Class Printing at a Down-To-Earth Price!



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. They were presented with their scholarships at the AFD Annual Scholarship Golf Outing on July 20.



Kenya M. Alexander Submitted by NAACP Sponsor: Verizon Wireless

Kenya is attending Wayne State
University School of Medicine in Detroit.
Her focus is pediatric care. She is a WSU
Emerging Scholar and a National Honor
Society member. Kenya has volunteered
for numerous community services and
projects including the Salvation Army
Lighthouse soup kitchen, Go Into The
Streets and Rouge River Rescue. She
participated in the Opportunities in
Research (NIMH-COR) fellowship
program. Kenya graduated from
Renaissance High School in Detroit.



Braden M. Boji Submitted by Orchard Market Place Sponsor:

Quality Inventory Specialists
Braden will be a freshman attending
Kettering University in Flint, majoring in
engineering. He graduated 12th in his
class with honors from Brother Rice
High School in Bloomfield Hills and
had received an academic letter as well
as a varsity letter for basketball. He
received a Michigan Merit Scholarship
and a Lawrence Technological Univer-

sity Academic Scholarship.



Clifton Clarke III Submitted by NAACP Sponsor: Alex Bell Memorial Scholarship

Clifton is attending Wayne State
University in Detroit majoring in business
information systems. He was president of
WSU's Chapter of the NAACP, has served
on the Board of Governor's student
committee and is vice-president of the
Association of Black Business Students.
He received the David Adamany
Scholarship.



Andrea C. Forton Submitted by Frito-Lay Sponsor: Frito-Lay

Andrea will be a freshman at the University of Pennsylvania in Philadelphia. She plans to major in biology and English. Andrea graduated from Lahser High School in Bloomfield Hills where she was a National Merit Finalist and editor of the literary magazine. She also received the Gold Writing Award from Scholastic Art and Writing Alliance for Young Writers and a science departmental award. In addition to her other activities, she is employed with Paine



Daniel D. Bennett Submitted by Frankenmuth IGA Sponsor: CROSSMARK Food Trade

Daniel is a sophomore attending the University of Michigan in Flint majoring in chemistry. Daniel received the University of Michigan Chancellor's Scholarship award and the William J. Branstrom award. He graduated from Birch Run High School in Birch Run. He was a National Merit Semi-finalist and a member of the National Honor Society. He received the U.S. Students Math competition award.



Tiombe Z. Briggs Submitted by Jays Foods, LLC Sponsor: Detroit Edison

Tiombe is a sophomore at Florida Agricultural and Mechanical University in Tallahassee, Florida. She is majoring in criminal justice. Tiombe graduated from Cass Technical High School in Detroit where she was a member of the National Honor Society. She played on the high school softball team. Tiombe is involved in various activities and responsibilities with her church.



Marcy K. Dix Submitted by Hilltop Shopping Center Sponsor: Anheuser-Busch

Marcy will be a freshman at Michigan State University in East Lansing. She plans to major in history. She graduated from Newaygo High School in Newaygo, Michigan. Marcy was a national merit finalist and National Honor Society president. She participated in the Newaygo County Youth Initiative, Girl Scouts and Band. Marcy received English awards and was Quiz Bowl captain.



Roland D. Gardner Submitted by The North Pole Sponsor: National Wine & Spirits

Roland will be a sophomore at the University of Michigan, Ann Arbor this fall. His major study is mathematicsbusiness. Roland 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. He was a National Honor Society member and played football and basketball.



Dru N. Bernthal Submitted by Bernthal Packing Sponsor: AAA Michigan

Dru will be attending Michigan State University in East Lansing this fall as a sophomore, majoring in horticulture. She is a member of the MSU Horticulture Club, the Honors College Service Corps and Bailey Scholars program. She graduated from Frankenmuth High School, in Frankenmuth. She was the student council secretary, a member of the National Honor Society and Students Against Drunk Driving. She received the National Merit Science Award and was the captain of the varsity soccer team where she received All-State Honorable Mention



Ryan R. Bronz
Submitted by Nash-Finch/
Super Food Services
Sponsor: Philip Morris U.S.A.

Ryan is a senior at the University of California in Berkley where he is majoring in chemical engineering/material science 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, tutors high school chemistry and is a member of Delta Tau Delta fraternity.



Reta Elias
Submitted by
Chaldean Federation of America
Sponsor: Associated Food
Dealers of Michigan

Reta will attend University of Detroit Mercy as a freshman. She graduated from Southfield Lathrup High School in Lathrup Village. She was on the honor roll all through high school. She was president of the Chaldean club and co-editor for the yearbook. She is an active member of the National Honor Society, the Senior board and Scholars Plus.



Tara N. George Submitted by Melody Farms Dairy Sponsor: Melody Farms Dairy

Tara will attend the University of Michigan in Ann Arbor as a sophomore majoring in graphic design. 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.



Dawn M. Hechinger Submitted by Riverside Market Sponsor: Miller Brewing Company

Dawn will be a freshman at Eastern Michigan University in Ypsilanti majoring in journalism. She graduated from Clio High School in Clio where she was a member of the National Honor Society and she received the Michigan Merit award.



Erika M. Klemm Submitted by Northside Market Inc. Sponsor: Brown Forman Beverages

Erika will attend Illinois Institute of Technology in Chicago. She will be a freshman majoring in architecture. Erika graduated from Ludington High School in Ludington. She was named the 1999-2000 Outstanding Visual Artist and was an Alpha graduate. Erika was a member of the varsity girls swim team and the National Honor Society.



Sonia L. Lousia Submitted by Round Haus Party & Pizza

Sponsor: General Wine & Liquor Co. Sonia will be a freshman at Wayne State University in Detroit studying to become a pharmacist. She graduated valedictorian from St. Agatha High School in Redford. She was student council secretary, National Honor Society secretary/treasurer and yearhook editor. Sonia played varsity basketball and volleyball and received the Scholar Athlete Award from the Detroit Free Press. She received the ment of excellence award from the Society of Women Engineers for science and math.



Nathan J. Mausolf
Submitted by McDonald's Food &
Family Center
Sponsor: Faygo Beverages Inc.
Nathan plans to attend Saginaw Valley
State University Center.

Michigan. He will be a freshman majoring in Secondary Education/Math. Nathan graduated from Bad Axe High School in Bad Axe. He received the Senior of the Year award and numerous academic honors in French, Pre-Calculus, Algebra II, geometry, and forensics. He was on the Quiz Bowl, the Youth Advisory Committee and he participated in drama.



Priscilla A. Moseley-Atchoo Submitted by McK's Wine Shop Sponsor:

Central Distributors of Beer

Priscilla is majoring in engineering at the University of Michigan in Ann Arbor. She is a member of the ski club and is working on an undergraduate research program. She graduated from Marian High School in Bloomfield Hills. There she was the president of the National Honor Society, all school board vice president, and a member of the Spanish Honor Society. Priscilla also participated in Students Against Drunk Driving.



Serene T. Najor Submitted by Mini Super Market Sponsor: Arbor Mist/Canadaigua Wine Co.

Serene will be a freshman at Wayne State University in Detroit majoring in psychology. She graduated from Marian High School. Serene was the recipient of the Cum Laude Award for Latin. She was involved in Students Against Drunk Driving and volunteers at Prince of Peace church during their bible camp.



Tiffany L. Newton Submitted by Coca-Cola Bottling Co. Sponsor: Coca-Cola Bottling Co. Tiffany plans to attend Michigan

State University in East Lansing. She is a freshman majoring in human biology/premed. Tiffany graduated from Creston High School in Grand Rapids where she was a President's Education Awards Scholar, a National Achievement Scholar and a National Science Merit Scholar. She was a cheerleader all through high school and did volunteer work with her church youth group. Tiffany was a

member of the National Honor Society and secretary of the Rotary Club.



Chan G. Park Submitte by Lakeside Party Store Sponsor: American Bottling/7-Up Detroit

Chan will be a freshman attending University of Rochester in Rochester. New York. He is majoring in computer science/computer engineering. Chan graduated from Pioneer High School in Ann Arbor where he was an honor student and student council representative. He was a member of the Key Club, Science Olympiad and layout editor of the school newspaper. Chan received a Michigan Merit Award and the National Merit Scholarship Letter of Recommendation. He is involved with his church youth group.



Dianna R. Reed Submitted by Kroger Sponsor: Kowalski Companies

Dianna plans to attend the University of Missouri in Columbia, Missouri. She will be a freshman majoring in civil engineering. Dianna graduated from Southfield Lathrup High School in Lathrup Village. She was student congress president her senior year. She was a mentor for Leonard Elementary School. Dianna was American Red Cross Volunteer of the Year and Zelda Robinson Volunteer of the Year. She is a Discover Card Silver State Scholar and a M.E.A.P. scholar.



Bryan M. Reid Submitted by Drakes Marketplace Sponsor: Kar Nut Products Company

Bryan is a sophomore attending the University of Michigan in Ann Arbor. He is majoring in mechanical engineering and was on the Dean's list during his freshman year. Bryan is doing undergraduate research at the college. He graduated from Lincoln High School in Ypsilanti where he was on the baskethall and wrestling teams.



Submitted by Chaldean Federation of America Sponsor: Associated Food Dealers of Michigan

Jennifer will be a freshman attending Oakland University. She graduated from Sterling Heights High School in Sterling Heights. Jennifer was on the student council, the Junior Senate, the French club, the American club, the marketing club and the Michigan Math League. She played volleyball and soccer and was in the National Honor Society her senior year. She received achievement awards in accounting, algebra and chemistry. She also received an Excellence in Scholastics award.



Katharine E. Sophiea Submitted by Rumors Sponsor: Seagram Americas

Katharine will attend Michigan State University in Lansing as a sophomore majoring in social relations and English. She was on the Dean's list her freshman year. Katharine is a member of the National Society of Collegiate Scholars and received a Scholar Athlete 4.0 Club Award. She graduated valedictorian of Ferndale High School in Ferndale, where she was accepted in the National Honor Society for three years. She was treasurer of her class in 9th grade and for her next three years, she was the president. Katharine was in the Northeastern Suburban Swim League and varsity track and field all through high school



Stephanie M. Sulaka Submitted by Nikhlas Distributors Sponsor: Peoples State Bank

Stephanie will be a freshman at Central Michigan University in Mt. Pleasant, majoring in business. She graduated from Shrine High School in Royal Oak. Stephanie was secretary for her high school's student government and National Honor Society. She was captain of the basketball and track team and played volleyhall as well. She is a volunteer for Focus Hope, St. Mary's Nursing Home and charitable fundraisers. She is an assistant basketball coach for 7th grade girls.



Bridgette H. Thom Submitted and Sponsored by Interstate Brands Corp.-Wonder Bread/ Hostess Cake

A sophomore at New York University in New York City, she will major in American Studies-Pre Law. She worked on the NYU newspaper and was accepted into the New York University Dean's Honor Society. She graduated valedictorian from Shrine High School in Royal Oak. She received the National Merit Commended Student and the Radio Shack Tandy Scholar awards.



Daniel L. Westerhof Submitted by Spartan Stores Sponsor: Northpointe Insurance Co.

Daniel will be a freshman at Albion College majoring in biology. He graduated from Grandville High School and was class treasurer and played leading roles in school theater productions. In Science Olympiad, he received first place in Practical Data Gathering. He was involved in community theater, church choir, Business Professionals of America and volunteered with Timothy Team, at Grace Youth Camp.



Larry J. Wilson, Jr. Submitted by Savon Foods Sponsor: Pepsi-Cola (Detroit)

Larry plans to attend Oral Roberts University in Tulsa, Oklahoma. As a freshman, he will be majoring in drama. Larry graduated from Cass Technical High School in Detroit. He received the Detroit Public Schools' Senior Award of Excellence and was listed in Who's Who Among American High School Students.



Leanne K. Yankee Submitted by Tom Davis & Sons Dairy

Sponsor: Tom Davis & Sons Dairy Leanne is a freshman attending Grace College in Winona Lake, Indiana. Her college major is youth ministry. She graduated from Trenton High School in Trenton where she received academic honors. She was on the varsity swim team, a member of Students Against Drunk Drivers and a National Honor Society member. She is very involved with her church and does volunteer work for Gleaners, the Good News Gang and has traveled on mission trips to Mexico, West Virginia and Chicago



Paul A. Yatooma Submitted by Pelzers Sponsor: Eastown Distributors Paul plans to attend Oakland Commu-

nity College in Royal Oak. He will be a freshman majoring in electrical engineering. He graduated from Royal Oak Shrine High School in Royal Oak.



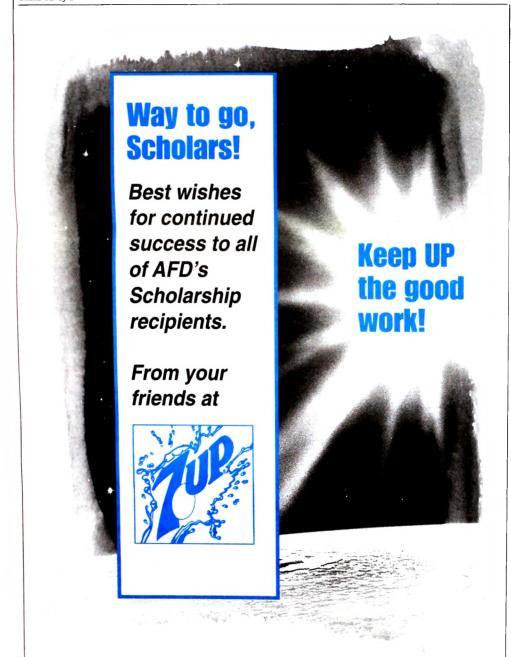
Bryan H. Zair Submitted by Valley Farm Market Sponsor: Petitpren, Inc.

Bryan is a senior at Wayne State University in Detroit, majoring in corporate finance/pre-law. He was vicepresident of the WSU Business School Student Senate and a member of Beta Gamma Sigma fraternity. Bryan graduated from Southfield Lathrup High School in Lathrup Village where he was in the National Honor Society and a member of the Gold Key Society



Kelly Zeller Submitted by Western Michigan University Food Marketing Progra Sponsor: Associated Food Dealers

Kelly is a junior in the Food Marketing program at Western Michigan University in Kalamazoo. She is a member of Sigma Phi Omega and works at the Parkview D&W in Kalamazoo. She has also worked at Busch's Market Place as an intern, and was awarded the Mary Macey Scholarship from the Women Grocers of



HomeGrocer.com proceeding with proposed webvan group merger

On June 25, HomeGrocer.com and Webvan Group, Inc. signed a definitive merger agreement under which Webvan will acquire HomeGrocer.com in a stock-for-stock transaction. Upon closing. HomeGrocer shareholders will receive 1.07605 shares of Webvan common stock for each share of HomeGrocer.com common stock. The transaction is subject to customary regulatory and shareholder approvals, and is expected to close late in the third quarter or early in the fourth

D&W makes top-level personnel changes

Rumors of D&W Food Centers Inc. sale were put to rest last month after the company announced that it was "looking at new strategiesinstead of new partners-to hold its niche as a home-grown, independent grocer." Company officials point out that recent attempts to sell never materialized because they could not reach an agreement with anyone that would be best for D&W management, employees and customers.

Changes in the executive team is the Grand Rapids-based company's newest strategy. Doug Blease has been named as President and Chief Operating Officer. Rob Woodrick remains D&W's chairman while Jeff Gietzen becomes the company's CEO and vice-chairman. Also joining the executive team is Wayne Boatwright, who is the company's new senior vice president of operations and human resources. Jerry Matthews will continue in his role as company senior vice president and chief financial officer

Starbucks chairman is **Executive of the Year**

For having pursued his goal of elevating coffee from a commodity to a specialty product while providing a culture where employees are recognized and respected as the company's most valuable asset, Howard Schultz, chairman and chief global strategist of Seattle-based Starbucks Coffee Company (Nasdaq:SBUX), has been named Executive of the Year in the July 1, 2000, issue of Restaurants and Institutions (http://www.rimag.com) magazine

Starbucks was one of the first U.S. companies to offer employeeownership to full and part-time employees through annual stock options. The company also offers comprehensive health-care benefits to all employees.

quarter of 2000. The combined company is expected to have operations in 13 metropolitan areas by year-end.

HomeGrocer.com, based in Kirkland, Wash., integrates its Internet web site.

www.homegrocer.com, with its customer fulfillment centers and fleet of tri-temperature trucks to deliver products directly to consumers' homes or offices. HomeGrocer.com offers groceries and household goods, produce, meats, seafood and dairy products, fresh flowers, health and beauty aids, and top-selling books, videos and movies. HomeGrocer.com's shares are quoted on the Nasdaq under the symbol "HOMG."

Internet trade. Continued from page 6

Block. "It will enable us to deliver at Internet speed the B2B e-commerce. education and communications services that our members need."

FMI's President and CEO, Tim Hammonds, added: "We believe this set of technology partners will enable us to deliver state-of-the-art Internet buying fully integrated with logistics services, coordinated backhaul, and cooperative planning, forecasting, and replenishment."

Both FDI and FMI believe that all those who are developing Internet services for the grocery industry should make every attempt to develop common standards for the underlying technologies whenever possible. The two associations intend to coordinate their efforts with the Uniform Code Council (UCC) to adopt any applicable standards developed by

FDI and FMI are establishing a joint association working group of their retail, wholesale and foodservice members to steer this effort. FMI and FDI also said they are inviting other associations that are developing network services for their members to explore a coordinated trading exchange



Two Jackson retailers give 'thumbs up' to EBT roll out

by Ginny Bennett

It has now been two months since the roll out of the Electronic Benefits Transfer (EBT) System in Jackson County. This program allows public assistance customers to use a plastic card, which is similar in appearance to a credit card, instead of food stamp coupons. The state chose Jackson County as the first Michigan location to implement the system.

By the end of 2001, the Family Independence Agency (FIA) plans to extend the program statewide. "EBT has succeeded at cutting costs and modernizing services in 30 states," says Stephanie Comai, director of e-Michigan, the state agency responsible for organizing all online state services.

Governor John Engler announced the EBT system when it went online in Jackson County on June 1. Through EBT, customers access cash and food benefits using a debit card called the Michigan Bridge Card. Cash benefits can be obtained from enrolled retailers and automated teller



John Park says the EBT roll out is going well in

machines, and food benefits can be redeemed at federally authorized food stamp retailers.

I visited two AFD-member stores, Lakeside Party Store and Kuhl's Meat Market that are enrolled in the program to see how the system works.

AFD member John Park of Lakeside Party Store, 5509 Ann Arbor Road in Jackson, says the card speeds up the line for both cashier and customer. Kuhl's Meat Market owner and AFD member John Kuhl says, "We are both learning—retailer and customer." The market is one concession in the Bell Tower Mall which is the family's business at 117 W. Louis Glick Highway.

In this downtown Jackson location, Kuhl initially was hesitant to implement the new procedure. He had heard rumors about the card that have since been proven false.

Downtown Jackson has a high rate of card users. Kuhl says his experience has been very positive, although he is not as technologically savvy as his teenage sons who work in the store. He hasn't had too much difficulty with the technical aspects of



(l to r) Arthur (John), Brad, Jason, Jordan, John and Justin Kuhl in Kuhl's Meat Market.

the changeover, although minor glitches happened in the first days when some customers tried to use the card without activating it.

Others who are unfamiliar with a personal identification number (PIN) have needed the most help. The major problem is forgetting the number. Now Kuhl recommends that after two tries, if the customer hasn't succeeded in using the number, they contact their caseworker. Initially the

problem was that the card wasn't activated and then customers forgot their number and after three tries they were shut out of the system for the day.

Kuhl says he tries to remind his clients to save their receipt which includes the remaining balance.

Without remembering their available balance, customers have tried to purchase more than they have left in credit

Some cards have a cash component. Not only is the card used for food but also may be used to receive cash.

Privacy is also an issue. Kuhl instructs customers to keep their PIN private. The FIA doesn't allow them to choose their own number since they may pick a number that is too obvious. Some mistakes customers have made include writing their PIN number on their card. Others say the numbers out loud as they punch the buttons. One customer with arthritic fingers wanted an employee to push the buttons for him but Kuhl says he has asked the man to bring a family member so an employee will never know the man's PIN.

Card holders are not required to provide LD. Kuhl reports few problems. Extensive training took place during the roll out and a tollfree computerized help line is available to customers and retailers.

He is happy with the program and thinks 75 percent of the users are,

too. Kuhl has heard the card referred to as "the bridge card," EBT. Quest card and the food stamp card. One name for the card might help it be less confusing. "Whenever there is a problem," says Kuhl, "we just say, 'it isn't your fault and it isn't our fault." We act as a cushion between the program and the client and try to help out."

Through the Michigan Bridge Card, retailers are allowed to give eligible customers cash with the card, as if it was a debit card. Given the choice. Kuhl said he didn't want to become a "bank." He puts a \$20 limit on the amount of cash he will hand over. John Park of Lakeside Party Store, decided he was happy to give out cash, as much as requested, up to the card's limit. He thinks it is a way of competing with other stores that set their limit. Says Park, "I am like a bank anyway, selling Western Union, etc." Always competing with the "big" stores, Park looks for ways to make it convenient for his customers.

Just 15 years ago, Park came to America from Seoul, Korea. He lives in Ann Arbor with his wife and two children. In Korea, Park was a degreed architect/engineer of six years. He has owned Lakeside Party Store for 11 years. His wife was a biologist in Korea and is now a vice president of the family business and takes responsibility for the bookkeeping. His son Chan works in the store and is a recipient of a 2000/2001 AFD Scholarship. He will attend the University of Rochester to study computer science/engineering.

Park knows many of his customers and they know him. He offers free candy to their children and free lighters to buyers of cigarette cartons. He sings to them on their birthdays. They are generous to him, too, and bring him all sorts of interesting gifts including venison meat, vegetables

from their gardens and invitations to fish frys. They have made him feel welcome in the community. He has a half hour drive each day since the family relocated to Ann Arbor but John Park doesn't mind. He sings and prays as he goes down the road.

A dedicated
See Thumbs Up to
EBT, Page 36

EBT system problems addressed by NGA and FMI

Although our sampling in Jackson County found retailers pleased with the Electronic Benefits Transfer (EBT) overall, NGA and FMI both have addressed problems with the system.

In the first of seven USDA conversations on the food stamp program held nationwide, NGA Senior Vice President and General Counsel Tom Wenning met with representatives from the USDA calling on them to act on impediments that need to be addressed in the EBT system. For example, when the system is down. retailers have experienced inability to contact service providers to authorize manual vouchers and food stamp recipients have been unable to purchase food. Also, some retailers are denied reimbursement for purchases if manual vouchers aren't authorized.

USDA was also asked to review food stamp authorization procedures for retailers. Wenning asked USDA to give consideration to an expedited approval procedure for retailers who have a positive record of participating in the food stamp program and are purchasing stores that have previously been in existence.

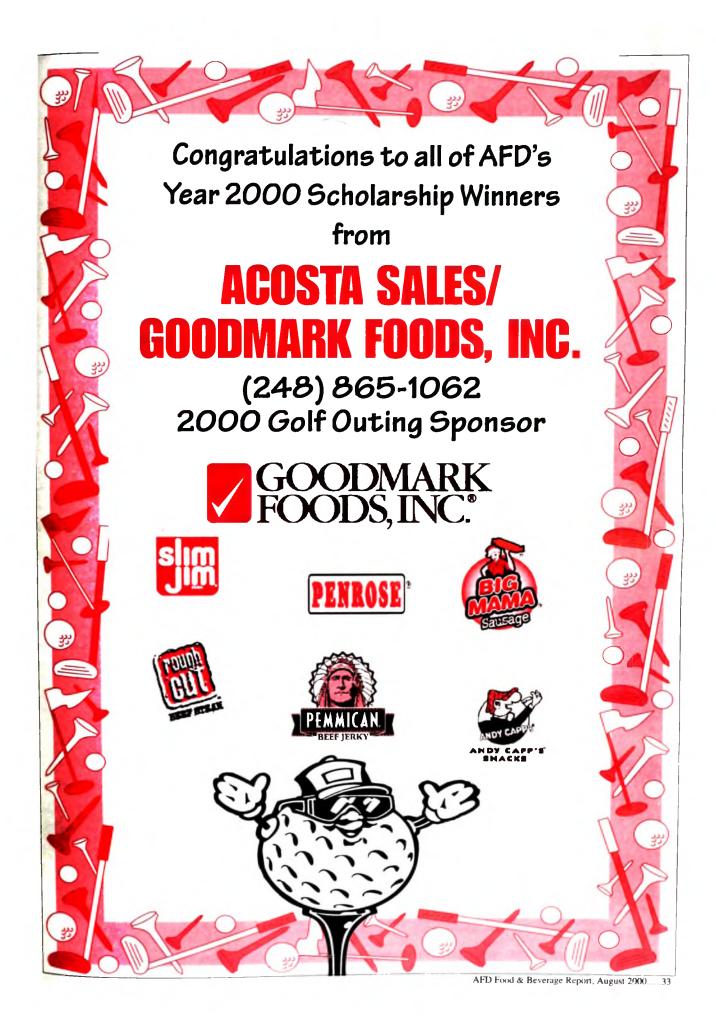
Tim Hammonds, president and CEO of the Food Marketing Institute (FMI), in a letter to members, reported a series of recurring problems plaguing the EBT system causing outages, duplicate charges, loss of float, rejected recipients, uncollectable adjustments and reduced confidence in the system. On June 12-13, the system was inoperable for 12 hours. As a result, numerous customers were turned away and prevented from purchasing food.

The problems are compounded by the fact that retailers have not been allowed to use emergency vouchers when the EBT system is inoperable.

See EBT problems, page 37



Mary Kuhl and daughters Susie and Katie at Mary's Des



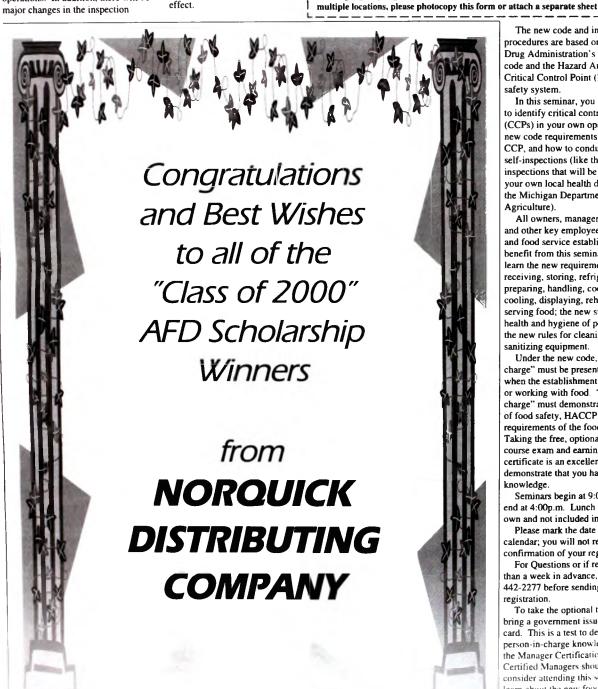
Seminars offered on new food law

The Michigan Food Law of 2000 will go into effect on November 8th. This is a "unicode" affecting all food and food service establishments, including restaurants, grocery and convenience stores, institutional food service operations and caterers.

The new code contains many significant changes in rules and regulations for the operation of all food establishments and food service operations. In addition, there will be procedures utilized by health departments and the Department of Agriculture.

These seminars are designed to assure that key personnel of all food and food service establishments are fully aware of the requirements of the new code and that all food operations will be in compliance; when the new standards go into

Name	Check Seminar Attending: Ann Arbor - 9/25
Name	_
Name	Cadillac - 9/18 Best Western Bill Oliver's
Company	
Address	Ramada Inn, Pierson Rd. — Gaylord 9/19
CityState	Otsego Club
ZipPhone ()	Dominican Center
Total Enclosed: \$ for people at \$49 per person	— Kalamazoo - 9/12 Fetzer Center, WMU Lansing - 9/26
Make check payable to Food Service Associates. Send payment to Food Seminar, 18470 West 10 Mile Rd.	Best Western Midway Livonia - 9/27 and 9/28 Burton Manor
Southfield, MI 48075	_ Warren - 9/11
For larger group registrations or to register for	Van Dyke Park Hotel



The new code and inspection procedures are based on the Food & Drug Administration's model food code and the Hazard Analysis Critical Control Point (HACCP) food safety system.

In this seminar, you will learn how to identify critical control points (CCPs) in your own operation, the new code requirements for each CCP, and how to conduct HACCP self-inspections (like the actual inspections that will be conducted by your own local health department for the Michigan Department of Agriculture).

All owners, managers, supervisors and other key employees of all food and food service establishments will benefit from this seminar. They will learn the new requirements for receiving, storing, refrigerating, preparing, handling, cooking, cooling, displaying, reheating and serving food; the new standards for health and hygiene of personnel; and the new rules for cleaning and sanitizing equipment.

Under the new code, a "person in charge" must be present at all times when the establishment is open and/ or working with food. "Persons in charge" must demonstrate knowledge of food safety, HACCP and the requirements of the food code. Taking the free, optional, end-ofcourse exam and earning this special certificate is an excellent way to demonstrate that you have this knowledge.

Seminars begin at 9:00 a.m. and end at 4:00p.m. Lunch is on your own and not included in the fee.

Please mark the date on your calendar; you will not receive a confirmation of your registration

For Questions or if registering less than a week in advance, call 800-442-2277 before sending the registration.

To take the optional test, you must bring a government issued photo ID card. This is a test to demonstrate person-in-charge knowledge; it is not the Manager Certification Program. Certified Managers should also consider attending this seminar to learn about the new food code standards



CROSSMARK.

FOOD TRADE

Help WiN the fight against Muscular Dystrophyl Please join CROSSMARK for our 11th annual "Aisles Of Smiles" promotion

Each participating manufacturer will contribute to the Muscular Dystrophy Association a "CENTS PER CASE" amount on total shipments, for Michigan & the Toledo, Ohio marketing area, during the program:

<u>July 31, 2000</u> through <u>September 8, 2000</u>

Please support Muscular Dystrophy & "Jerry's Kids" by participating with ads & displays and identifying the following promoted products with "Aisles of Smiles" point-of-sale materials.

PLEASE FEATURE & DISPLAY THESE PRODUCTS HELP JERRY'S KIDS

- ✓ Bush's Baked Beans 28 oz.
- ✓ Dole Pineapple 20 oz. Mandarin Oranges 11 oz. Fruit Bowls 4 pk./4 oz.
- ✓ Florida's Natural Refrigerated Premium Juices 64 oz. & 96 oz.
- ✓ Gerber Graduates Baby Food Full Line
- ✓ Carpet Fresh No Vacuum Carpet Refresher (Foam) 10.5 oz.
- ✓ 2000 Flushes Clear Cup 15.4 oz. Blue & Clear Tablet 3.5 oz. Plus Bleach 3.5 oz.
- ✓ Ice Mountain Spring Water 8 pk/8 oz.
- ✓ Turkey Store Deli Meats Premium Seasoned Oven Roasted Smoked Cured
- ✓ Turkey Store Meats Turkey Breast Items

Contact your CROSSMARK sales representative for program details & appropriate point-of-sale materials.



CROSSMARK.

FOOD TRADE
Michigan Division

Your Full Service Broker

Thumbs up to EBT Continued from page 32

churchgoer, John is a deacon, sings in the choir, leads the youth group and is director of the Sunday school. At the beginning of the new millennium, John started closing his store on Sundays to honor a day of rest, as his religion teaches. He wishes he could do more in his church to show appreciation for his good life.

John Park is very positive about the EBT roll out because it allows customers to quickly make their purchase with a card that is similar to a credit card, and be on their way without embarrassment. He feels that it will save labor for the state and he already sees it saving time in his store. Now he

doesn't have to stamp any coupon or wait as customers tear them out of a coupon book.

John Kuhl sees the savings, too. He says he likes to see his tax dollars coming into the store as customers use the card to buy their meat. "My tax dollars are coming back to me."

John's three children work in the mall. Son's Jason and Jorden work in the meat market and the youngest, Korey, works in his grandmother Mary's deli. Mary Kuhl's Deli is a great luncheon spot which attracts a big cross-section of downtown workers who come in for homemade soups, sandwiches, salads and daily specials. John's sister, Katie helps run the deli and his sister, Susie runs a yogurt, coffee and donut shop. Other nieces

and nephews help out in various ways in the family businesses.

John's father Arthur (John) Kuhl was the first owner of Kuhl's Meat Market. John bought it from his Dad three years ago. The building was formerly a bus garage, that had sat empty for two or three years. Besides the family business, there is also a Secretary of State office, a jeweler and a hairdresser inside the mall.

AFD members Park and Kuhl both have given their stamp of approval to the new "Michigan Bridge Card" and predict the rollout will proceed throughout other counties with the same ease encountered in Jackson County.

In this case something new has proven to be better than expected for store owners and customers alike.

Classifieds

CRESCENT MARKET FOR SALE—Grocary, produce, specialty foods, salad bar and juice bar 1150 sq. ft. west side Ann Arbor campus location, Close to Michigan Stadium. Ample parking, (734) 668-2935; ask for Luttl.

FOR SALE—Ray's Food Center Full line of Groceries and frozen foods. Beer, Wine, lotto, check cashing, money orders and fax. Lottery sales average \$12,000 weekly. Located between U. of D. and Marygrove College campuses. Building and business for sale. Building 10,000 sq. ft., business 5,000 sq. ft. + basement. For more information call Ray at (313) 861-0262.

PARTY STORE FOR SALE—Great income, Good neighborhood. Border of Detroit and Dearborn. Del. pizza, beer and wine. Fredd or Joe (313) 849-5440.

SAGINAW HIGH VOLUME PARTY STORE FOR SALE—Saginaw Twp. location on heavily traveled road. SDD, SDM & Lottery. Sales volume 1 & million. Also available, several high volume restaurants in the Saginaw/Bay City market area. For more information call Brian Saha, Trombley Real Estate & Leasing Co., (800) 678-1962 or (517) 895-2700.

www.lottery-watchdog-take control of your instant lottery sales.

EQUIPMENT FOR SALE—Popcom machine, hol dog steamer, Bunn coffee maker with 3 warmers. \$650 takes all! Call Patrick at (810) 725-2076.

PARTY STORE FOR SALE—NEW BALTIMORE— Four blocks from Lake St. Clair. Beer, wine, Loth, check cashing, money orders and fax. Rusiness averages \$11,000/week, Lottery averages \$4,000/week. For more information call Patrick at (248) 398-0714.

FOR LEASE—33,000 sq. ft. supermarket. Currently operating as a Kroger store. Turn key operation. Located in strip mail on SMART bus route. Call John Miram for details at (810) 978-0191 or (810) 523-4008.

FOR SALE—Supermarket, SDD. SDM, lottery, sale area in Detroit. Contact Eddie at (313) 925-0511.

SDD/SDM LIQUOR LICENSES NOW AVAILABLE—One in City of Livonia, One in City of Riverview. Must Sell! Call (248) 548-2900, x3033

MEAT & DELI BUSINESS IN SANDUSKY, MI-Well established business opportunity indicate equipment, inventory and real estate. Cute, 2bedroom home w/ full basement adjacent to business. \$129,000 for business and \$188,000 for business & house. Call Shirley, (810) 387-2502. Century 21 First Choice.

PARTY STORE FOR SALE—Beer, wine, Lottery, deli and grocery. Located on Dequindre Road in Warren, Call Sam at (810) 756-4010.

SPECIALTY FOOD AND MEAT MKT.—2 blocks from Great Lakes Marina in popular Northern Michigan community including real estate, business' equipment/smokehouse, detached storage building, apartment and parking lot. Beer & Wine. Cal Peg Hatch. Century 21. Lakeside, 888-264-5611 for information package 5-107.

FOR SALE—Party Store in Warren. Excellent location! Good business with GREAT income. Call Sam or Mike at (810) 751-6440.

FOR SALE—Four-door reach-in cooler. compressor, 1-year old—\$1,000. Gas counterfor Pizza Oven—\$1,000. Two-deck Blodgett gas pizza oven—\$2,200. Copy machine—\$400. Call Sam al (248) 288-4774.

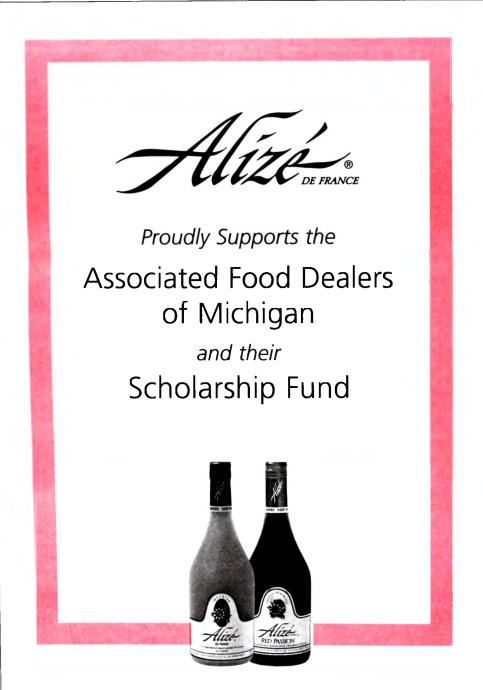
FOR SALE—Liquor, deli, pizza. Brighton area. High volume comer! Business & property available. Contact George at (313) 460-9194.

ESTABLISHED NEWER PARTY STORE—Por Huron, MI. 6,000 plus sq. ft. liquor, beer, when Large Lotto sales. First class—6 year old equipment and building. Excellent location and clientele. Corriect Bob Greene, II. Moak Real Estate, Inc. (810) 985-9515 for more info.

FLINT—Grocery/Meat store. \$600,000+ in year's sales. All licenses. Rent—\$2,500/month. Building available. Great opportunity for owner operator. Call (800) 787-3928.

MONROE—Small supermarket. SDD/SDM. Night volume lottery sales. Area loon, 50 years same ownerf Ready to retire and ready to sell. Band real estate available. Cell Bill Michaud ill Prudential Michaud Realtors, (734) 242-4700.

SUPPLIERS: Looking for ways to increase you market visibility? Let the AFD show you have Promotional opportunities through members. Call Dan Reeves at (248) 557-8600.



The Associated Food Dealers of Michigan welcomes these new Retail Members who have joined in April through June, 2000

7 Star Party Shop
A & A II
Adair Market
Agemy & Sons Market
Amira's Beer & Wine
Beck's Farm Market
Besons Party Store
Better Health Foods
Brighton Supermarket
Brothers Pizza
Caravan Food Center
City Market
C-Mart Inc.

Corner Produce
Dallas Super Market
Dominick Deli Pizza & Liquor
Family Unit Market
Fast Stop Party Shop
Fedek Enterprises, Inc.
Frank's Quick Stop
Get & Go
Hall Street Party Store
Hell Country Store & Spirits
Jacks Fruit Market
Kim's Convenience Store

LaFrontera Mexican Products

Lakeport Market
Larson's Foods
Little Sack Grocery
Livonia Beer & Wine Shoppe
M & K Food
Mario's Party Store
Mathew's Liquor Shoppe
Mel's Food & Beverage
Mike's All World Market
Morenci Super Valu
Nixon Grocery
Northland Party Shoppe
Park Lane Cork & Bottle

Pic Pac Market
Prime Time Meats
Quality Choice Foods
Ranglers Grocery
Red Wagon Shoppe of Rochester
Scotia Stop
Shorga Imported Foods
Simon & Leeman Produce Market
Sullivan's Mirror Lake Market
Super Star Liquor
Team One Food Stores

The Store

Todds Snack Pack

Universal Party Shoppe Village Market Water's Beverage Webers Meat market West Side Grocery Wide A Wake Market II

One aver tran

ne

77% of traceable foodborne illnesses are the result of improper food handling!

Introducing AFDs NEW and INNOVATIVE approach to food safety training.

Major benefits include: This program will:

•While in training your employees never leave the store •All training is conducted in 6 blocks of 15 minutes each Train hourly employees on the basic steps to food safety
Introduce your managers to the seven HACCP principles

The kit includes:

7 Video Presentations • Management Training Manual Handouts and Quizzes • Program Certificates

Consumer Handouts • Store Posters

Food Safety Materials

Implement a full food safety program with complete training materials for only

\$249

plus tax, shipping and handling

ves!	Send me employee	Payment is as follows: Bill me Enclosed			
100-	training program kits				
Pa	athway to food Salety				
-		Charge to my credit card			
-		Bankcard Number			
Militaris		MC VISA			
State/Dp _		Authorized Signature			
Phone (Complete and detach this 18470 w	ated Food Dealers of Michigan Ten Mile Rd. Southfield. MI 48075			

EBT Problems Continued from page 32

One major retailer reports that on an average day, 14 percent of their EBT transactions are being declined during these outages.

FMI is pressing hard for a resolution to these issues. Hammonds outlined the problems in a letter to Citicorp Services, Inc. A formal grievance has been filed with the National Automated Clearinghouse Association's EBT Council citing violations of the Quest Operating Rules that FMI believes have resulted in customer overcharges and delayed settlements for merchants.

FMI is working with the USDA to resolve current issues, prevent future problems, reinstate customer accounts and reimburse retailers. FMI says to expect updates on this issue. If retailers have questions they can call FMI at (202)452-8444.

Written comments can also be sent to: The National FSP Conversation 2000, Food and Nutrition Service, FSP, 3101 Park Center Drive, Room 808, Alexandria, VA 22301.

Lottery Continued from page 25

the state continue to enjoy the 7percent sales commission they are receiving on the sale of \$2 instant tickets. The month of August will provide retailers with even more opportunities to collect those higher sales commissions, as we will debut three new \$2 instant tickets this month. The first of the new \$2 tickets is an old player favorite — "Wild Time" — that will be back at ticket counters on August 7 offering a top prize of \$30,000. Players can win double the prizes with "Doubling Red 7's" - another \$2 ticket that will be hitting stores on August 14, with a top prize of \$27,000. The last new \$2 instant ticket to debut in August will appeal to Lottery players who enjoy playing a hand of poker now and then. "King Kash," hits ticket counters on August 28 and offers a \$25,000 top prize. In addition to the three \$2 games, a new \$1 game called Loot Pursuit," debuting on August 21, will keep players pockets full of cold, hard cash with a top prize of \$5,000

SUPPORT THESE AFD SUPPLIER MEMBERS

SUPPORT	THESE AFD	SUPPLIER	MEMBERS
AUTHORIZED LIQUOR AGENTS:	Brown & Williamson Tobacco (248) 350-3391	WDIV-TV4(313) 222-0643	Telecheck Michigan, Inc (248) 354-500
General Wine & Liquor (248) 852-3918	Philip Morris USA(313) 591-5500	WWWW-AM/FM(313) 259-4323	Travelers ExpressMoney Gram (248) 584-064
National Wine & Spirits (888) 697-6424	R.J. Reynolds(248) 475-5600	NON-FOOD DISTRIBUTORS:	Western Union Financial Serivces (248) 888-742 Whitey's Concessions
Encore Group/ Trans-Con, Co. (888) 642-4697	CATERING/HALLS:	Toffler Marketing (810) 263-9110	
BAKERIES:	Emerald Food Service (248) 546-2700	POTATO CHIPS/NUTS/SNACKS:	STORE SUPPLIES/EQUIPMENT:
Ackroyd's Scotch Bakery	Farmington Hills Manor (248) 888-8000	Better Made Potato Chips (313) 925-4774	Belmont Paper & Bag Supply . (313) 491-655 Brehm Broaster Sales (517) 427-585
& Sausage(313) 532-1181	Karen's Kafe at North Valley (248) 855-8777 Nutrition Services (517) 782-7244	Detroit Popcorn Company 1-800-642-2676	Cost Savings & Reduction
Archway Cookies (616) 962-6205	Penna's of Sterling (810) 978-3880	Frito-Lay, Inc	Specialists (561) 398-939
Awrey Bakeries, Inc (313) 522-1100 Dolly Madison Bakery (517) 796-0843	Southfield Manor (248) 352-9020	Grandma Shearer's Potato Chips (313) 522-3580	Culinary Products (517) 754-245 DCI Food Equipment (313) 369-166
interstate Brands Corp (313) 591-4132	St. Mary's Cultural Center (313) 421-9220	Jay's Foods (800) 752-5309	Envipco
Koepplinger Bakeries, Inc (248) 967-2020	Tina's Catering (810) 949-2280	Kar Nut Products Company (248) 541-7870	Hobart Corporation (734) 697-307
Meta/Taystee Oven Fresh Bakery (734) 946-4865	DAIRY PRODUCTS:	Nikhlas Distributors (Cabana) . (313) 571-2447 Pioneer Snacks	Kansmacker (517) 374-880
S & M Biscuit Dist. (Stella D Oro) (810) 757-4457 Taystee Bakeries	Golden Valley Dairy (248) 399-3120 Melody Farms Dairy Company (313) 525-4000	Rocky Peanut	Martin Snyder Product Sales (313) 272-490 MSI/BOCAR Store Fixtures (248) 399-205
•	Pointe Dairy Services, Inc (248) 589-7700	Variety Foods, Inc (810) 268-4900	National Food Equipment
BANKS:	Stroh's Ice Cream (313) 568-5106	Vitner Snacks (810) 365-5555	& Supplies (248) 960-729
KPN Technologies (ATMs) (800) 513-4581 Michigan National Bank 1-800-225-5662	Superior Dairy Inc (248) 656-1523	PROMOTION/ADVERTISING:	North American Interstate (248) 543-166
North American Interstate (248) 543-1666	Tom Davis & Sons Dairy (248) 399-6300	Huron Web Offset Printing (519) 845-3961	Oreck Floor Care Centers (810) 415-560 Sarkozi-Hollymatic Equipment (313) 381-577
Peoples State Bank (248) 548-2900	EGGS & POULTRY:	J.R. Marketing & Promotions (810) 296-2246 JDA, Inc	Serv-Tech Cash Registers (800) 866-336
BEVERAGES:	Linwood Egg Company (248) 524-9550	Market Advantage	Taylor Freezer(313) 525-253
Absopure Water Co 1-800-334-1064	Montgomery Egg(517) 296-4411	PJM Graphics (313) 535-6400	TOMRA Michigan 1-800-610-4860
Allied Domeso Spirits USA (248) 627-3747	FISH & SEAFOOD:	Promotions Unlimited 2000 (248) 557-4713	Wadie Makhay Produce Specialist (248) 706-957;
Allied Domecq Spirits USA (248) 948-8913 American Beverage Marketers (913) 451-8311	Seafood International/ Salasnek, Inc	Stanley's Advertising & Dist (313) 961-7177 Stephen's Nu-Ad, Inc	WHOLESALERS/FOOD DISTRIBUTORS:
American Bottling(313) 937-3500	FRESH PRODUCE:		AK'WA Water Co (248) 627-473'
Anheuser-Busch Co (800) 414-2283	Aunt Mid Produce Co (313) 843-0840	RESTAURANTS: Copper Canyon Brewery (248) 223-1700	Capital Distributors(313) 369-2137
Arcadia Brewing Co	Sunnyside Produce(313) 843-8847	The Golden Mushroom (248) 523-1700	Central Foods (313) 933-2600
Bacardi Imports, Inc (248) 476-6400 Bellino Quality Beverages, Inc. (734)947-0920	ICE PRODUCTS:	Palace Gardens (810) 743-6420	Consumer Egg Packing Co (313) 871-5095
Brown-Forman Beverage Co (734) 433-9989	Midwest Ice Co (313) 868-8800	SERVICES:	EBY-Brown, Co 1-800-532-9276 Family Packing Distributors (248) 644-5353
Central Distributors(313) 946-6250	Party Time Ice Co (800) 327-2920	AAA Michigan (313) 336-0536	Fleming Company(330) 879-5681
Coca-Cola Bottlers of MI	INSECT CONTROL	Abbott, Nicholson, Quilter,	Food Services Resources (248) 738-6759
	Tri-County Pest Control (810) 296-7590	Esshaki & Youngblood (313) 566-2500	Garden Foods
	INSURANCE:	Action Inventory Services (810) 573-2550 AirPage Prepay & Talk Cellular (248) 547-7777	Global Interactive Technology (517) 681-2729 Gourmet International, Inc 1-800-875-5557
	Blue Cross/Blue Shield 1-800-486-2365	AirTouch Cellular	Hamilton Quality Foods (313) 728-1900
Port Huron (810) 982-8501 Coffee Express	Capital Insurance Group (248) 354-6110	American Mailers(313) 842-4000	Hammelt Music, Inc (248) 594-1414
Coors Brewing Co (513) 412-5318	Cattateto, Rattisby & Assoc (317) 331-4900	Ameritech Pay Phone Services 1-800-809-0878	Hav-A-Bar (810) 234-4155 1 & K Distributing (734) 513-8282
E & I Gallo Winery (248) 647-0010	IBF Insurance Group, Inc (810) 774-5300 Frank McBride Jr., Inc (810) 445-2300	AMT Telecom Group (248) 862-2000 Ann Klempner Red Carpet Keim (734) 741-1262	Jerusalem Foods
Eastown Distributors (313) 867-6900	Meadowbrook Insurance (248) 358-1100	Automated Collection Systems (248) 354-5012	Kaps Wholesale Foods (313) 567-6710
Faygo Beverages, Inc (313) 925-1600 General Wine & Liquor Corp (313) 867-0521	Norus Pointe Insurance (248) 338-11/1	Bellanca, Beattie, DeLisle (313) 882-1100	Kay Distributing
Great Lakes Beverage (313) 865-3900	Rocky Husaynu & Associates . (248) 988-8888	Cellular One—Traverse City (231) 922-9400	Kramer Food Co (248) 851-9045 L&L Jiroch/J.F. Walker (517) 787-9880
Hubert Distributors, Inc (248) 858-2340		Central Alarm Signal (313) 864-8900 Check Alert (231) 775-3473	Lipari Foods1-(810) 447-3500
Intrastate Distributing (313) 892-3000 J. Lewis Cooper Co		Checkcare Systems(313) 263-3556	Mr. Dee's Gournet Foods (734) 747-8475
Jim Beam Brands (248) 471-2280		Credit Card Center (248) 476-2221	National Bulk Foods (313) 292-1550 Norquick Distributing Co (734) 254-1000
Josulete Wines, Inc (313) 538-5609	Home Style Foods, Inc (313) 874-3250	Dean Nadeem Ankouny, JD Attorney At Law (810) 296-3967	Robert D. Arnold & Assoc (810) 635-8411
L & L Wine World (248) 588-9200		Detroit Edison Company (313) 237-9225	S. Abraham & Sons (248) 353-9044
Michigan Grape & Wine Industry Council (517) 373-1104	Kraft General Foods	Eskye Com, Inc(317) 632-3870	Sherwood Foods Distributors (313) 366-3100
Miller Brewing Company (414) 259-9444	Monitor (Big Chief) Sugar (517) 686-0161 Nabisco, Inc	Follmer, Rudzewicz & Co., CPA . (248) 355-1040	Spartan Stores, Inc
NAYA, USA (248) 788-3253	Old Orchard Brands (616) 887-1745	Frank Smith Re/Max in the Hills (248) 646- 5000	Suburban News: Warren (810) 756-4000
O.J. Distributing, Inc		Garmo & Co., CPA (248) 737-9933	Flint (810) 785-4200
Oak Distributing Company (248) 674-3171 Pabst Brewing Co 1-800-935-6533		Goh's Inventory Service (248) 353-5033	Super Food Services (517) 777-1891
Pepsi-Cola Bottling Group	Singer Extract Laboratory (313) 345-5880	Great Lakes News(313) 359-1001 Guardian Alarm(248) 423-1000	SuperValu Central Region (937) 374-7874 T.I. Spices, Inc
- Detroit 1-800-368-9945	Strauss Brothers Co (313) 832-1600	J & B Financial Products LLC (734) 420-5077	Tiseo's Frozen Pizza Dough (810) 566-5710
- Howell 1-800-878-8239 - Pontiac (248) 334-3512		Jerome Urcheck, CPA (248) 357-2400, x257	Value Wholesale (248) 967-2900
Petitpren, Inc (810) 468-1402		Karoub Associates (517) 482-5000	Weeks Food Corp (810) 727-3535 Ypsilanti Food Co-op (313) 483-1520
Seagram Americas (248) 553-9933	Bar S Foods (248) 414-3857	Law Offices-Garmo & Garmo. (248) 552-0500 Market Pros (248) 349-6438	
Seven-Up of Detroit(313) 937-3500		Meter Mate(800) 843-6283	ASSOCIATES:
South Beach Beverage Co (234) 223-9451 Southcorp Wines North America (248) 795-8938		Metro Media Associates (248) 625-0700	American Synergistics (313) 427-4444 Canadian Consulate General (313) 567-2208
Tri-County Beverage	Hygrade Food Products (248) 355-1100	Nationwide Communications (248) 208-3200	Livernois-Davison Florist (248) 352-0081
UDV-North America 1-800-462-6504	Kowalski Sausage Company (313) 873-8200	North American Interstate (248) 543-1666 Paul Meyer Real Estate (248) 398-7285	Minnich's Boats & Motors (810) 748-3400
Viviano Wine Importers Inc. (313) 893 1600		Payment Authority, The (248) 879-2222	Wileden & Assoc
Viviano Wine Importers, Inc (313) 883-1600	Pack "Em Enterprises (313) 931-7000	Prudential Securities, Inc (248) 932-4480	Wolveline Coll Club, Inc (810) 781-3544
BROKERS/REPRESENTATIVES: Acosta-PMJ(248) 737-7100	Pelkie Meat Processing (906) 353-7479	Quality Inventory Services (810) 771-9526 Retail Accounting Service (313) 368 8235	
Bob Arnold & Associates (248) 646-0578	100k 1 acking Co (313) 073-4220	Retail Accounting Service (313) 368-8235 REA Marketing (517) 386-9666	
CrossMark(734) 207-7900	30 20 33 10 00 00 00 00 00 00 00 00 00 00 00 00	Safe & Secure	
The Greeson Company (248) 305-6100	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Investigations, Inc (248) 425-4775	
Hanson & Associates, Inc (248) 354-5339 International Sales Group, Inc. (810) 754-5662		Sal S. Shimoun, CPA	
J.B. Novak & Associates (810) 752-6453	-	Smokeless Tobacco	
James K. Tamakian Company. (248) 424-8500	Detroit Free Press (313) 222-6400	Council. Inc (202) 452-1252	
Marketing Specialist, Inc (248) 626-8300		Southfield Funeral Home (248) 569-8080	
S & D Marketing (248) 661-8104	 Detroit Newspaper Agency (313) 222-2325 Michigan Front Page (313) 870-1940 	Staver & Souve, PC (734) 374-1900 Harold T. Stulberg, R.E., Broker	
CANDY & TOBACCO:		and the state of t	

24 Hours

..... (248) 351-4368

.... (313) 963-5522



RECEIVE A

COMMISSION ON NEW \$2 INSTANT GAMES!

The Michigan Lottery realizes that a big part of our success is due to thousands of Michigan retailers just like you. That's why, with all new \$2 instant games introduced after October 1, 1999, you'll see your commissions jump to 14 cents for every ticket you sell.

So be sure to stock up on our newest \$2 instant tickets — Wild Time, Doubling Red 7s, and King Kash — and see your profits soar! WILD TIME On Sale August 7 7% commission!





DOUBLING RED 7sOn Sale August 14

7% commission!



KING KASH On Sale August 28 7% commission!



ALSO AVAILABLE

Star Spangled Dollars, Lucky Eight Ball, Big House Poker, Money Money Everywhere, 26K and Beach Blanket Bingo. 7% commission!















Could you strengthen your success with over 2,000 years of retail experience?



At Spartan Stores, Inc., we help our customers succeed. We provide expertise and services which accelerate retail growth, productivity and profitability. Spartan associates are experts in many fields and possess over 2,000 years of combined experience in retail operations. This expertise allows us to offer nearly 150 services ranging from purchasing land to designing and printing promotional materials. These services extend far beyond the supply and delivery of product and into every aspect of a grocer's operation. Give us the opportunity to share our experience and enhance your retail success.

Take Advantage of Our Strengths.

