



FOOD & BEVERAGE REPORT

Associated Food Dealers
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May 2001

Working hard for our members.

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Looking Ahead

Here are some interesting facts to ponder:

- By 2010, there will be 24 million more mouths to feed in America than there are today.

- Total U.S. food expenditures will grow 1.6% to exceed \$820 billion by 2010. Foodservice will exceed retail food operations in share of food dollars, capturing \$76 billion of the \$123 billion incremental increase in spending.

- Nearly 40% fewer workers will be available to the retail food industry by the end of the decade.

- The average cost of losing and replacing one employee in 2010 (i.e., paperwork, replacement efforts, training) is estimated at \$2,500.

— *Business & Industry Foodservice Sampler, Spring 2001*

Leveling the playing field between mega-chains and their competition

As the top five mega-chains approach an excess of 50 percent share of market nationwide, increasing public policy questions have been raised about the reduction in diversity and choice in the marketplace and the ultimate adverse consequences for consumers.

Legislative/regulatory history

Throughout the 1980s and 1990s, the National Grocers Association (NGA) has maintained long-time communications with the Federal Trade Commission (FTC) staff and commissioners to encourage the FTC to assure a level playing field. In late 1999 and early 2000, NGA expressed strong opposition to Ahold's proposed acquisition of Pathmark because of the negative impact on consumers. FTC concerns ultimately led to withdrawal of the proposed merger.

In March 2000, NGA staff conducted store-tours with FTC representatives to illustrate the diversity that independents and their wholesalers provide consumers in price, product choice and formats.

In May 2000, NGA met with FTC commissioners to express concerns about merger divestiture policies that discriminated against independents and participated in the FTC workshop on slotting allowances. NGA representatives explained that slotting allowances were not the problem, but the need for Robinson-Patman Act enforcement, by the FTC to assure that all allowances, including slotting allowances, were offered and made available to competitors on a proportional and equitable basis. This includes special pricing, packaging, promotion allowances, payment terms and product availability.

At the June 2000 NGA Board of Directors meeting, the FTC Director of the Bureau of Competition reinforced that for Robinson-Patman purposes there should be no class-of-trade distinction between the grocery industry and mass merchandisers.

NGA representatives met in September with FTC commissioners Orson Swindle and Thomas Leary, staff from other commissioners' offices, and the Bureau of Competition. The purpose of the meeting was to provide the FTC an overview of the negative effects that the growing concentration by the retail food industry's top five power buyers would have on consumerism. In addition, NGA provides an analysis of how the lack of Robinson-Patman Act enforcement has contributed greatly to the rush to bigness and mergers as mega-chains seek to gain greater buying leverage with suppliers.

Outlook

President Bush will soon appoint a new chairman of the FTC who will lead the commission over the next four years. This individual will have to appear before the Senate Commerce Committee for confirmation and approval by the Senate. His nominee will, to a significant extent, set the future course that the FTC will play in establishing a level competitive playing field.

See Level playing field, page 24

House votes to repeal Death Tax

Over 225 retailers, wholesalers, and state association executives came to Washington as part of the Public Affairs Assembly to urge Congress to repeal the Death Tax, and thousands more wrote and called in support of H.R. 8. The House of Representatives voted 274 to 154 to repeal the tax in April.

The members of the House who voted for H.R. 8 and President Bush are to be commended for their support of estate tax repeal. The retail food industry will be working

diligently in the coming months to assure that the Senate follows suit by voting for repeal.

H.R. 8, which will reduce estate tax rates leading to ultimate repeal by 2010, is a significant victory for family owned businesses. Grocers need capital to reinvest in the business and new technology to better serve their customers. Repeal of the death tax will make a difference to many small businesses in whether they stay in business or are forced to sell and pay the death tax.

AFD awarded 101 Best and Brightest of Detroit



cooperation with the Detroit Regional Chamber of Commerce.

Lisa Wicker, president and CEO of LinWick and Associates explains that "by capturing the heart and soul of employees and catering to their individual strengths and desires, they become attached and personally involved. It's not the money that attaches them. The program provides an excellent forum for identifying outstanding companies using the best HR practices in the area and will set the stage for new benchmarking standards which other organizations can learn from."

15,000 nomination forms were distributed randomly inviting employees to submit a nomination explaining in 101 words or less why their company should be recognized as the best.

The Associated Food Dealers was recently awarded "Metro Detroit's 101 Best and Brightest Companies to Work For," sponsored by LinWick and Associates and Wayne State University's School of Business, in

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Chairman's Message

C-store operators need fair soft drink pricing



By Sam Dallo
AFD Chairman

One of the key issues for AFD this year is a problem that has faced convenience stores for some time now. I am speaking of what appears to be questionable market practices when it comes to pricing 20-ounce soft drinks and the availability of multi packs. With the advent of merger mania in our industry and the growth of big-box retailers, we fully understand how this is causing disruptions for our members. Rest assured that AFD is putting

considerable time and effort into this extremely difficult subject.

The chief concern of c-store operators is the practice of certain soft drink companies to discriminate against the smaller retailer in regard to the price of their product. The beverage companies seem to base their pricing solely on the type or class of business that they are selling to. We are analyzing whether this may be in violation of Federal and/or State law. (See related story, *Leveling the playing field between mega-chains and their competition*, on the cover. Also see Senator Bond's comments below.)

Soft drink sales are extremely important to the welfare of Michigan convenience stores. In order to survive, these stores must be competitive and offer their customers a good value. Current pricing structures do not allow them to compete with supermarkets and big-box retailers when it comes to 20 ounce pop multi packs. This has caused unnecessary confusion, controversy and tensions between

retailers and their customers.

In the coming months, AFD will make every effort possible to eliminate these pricing/packaging practices. We are prepared to battle long and hard.

Personally, I hope that the companies in question reassess this business practice and realize the harm they are causing in the relationships with their best customers – the consumer as well as the retailer. I invite all concerned parties to come to the table. Let's sit down together and find a solution that is fair and honorable for everyone. We continue to believe that open discussion is the solution to these problems. We strive for fairness for not only the manufacturer and retailer, but the ultimate consumer—our customer.

Senator Bond: FTC must focus on concentration of power buyers

In response to a FTC report following a workshop on slotting fees in the grocery industry, Senator Kit Bond, (R) Missouri and Chairman of the Senate Small Business Committee, said that the FTC must focus on the buying power among fewer retailers and the harm it could have on small competitors and consumers. Bond said, "Buying power of big retailers is one of the central concerns that sparked the outcry from small businesses and remains one of the most troubling issues uncovered during the Small Business Committee investigation over the past 16 months. However, I am troubled by the fact that big retailers, and the buying power they wield, may amount to unfair advantages against small manufacturers and suppliers. The FTC doesn't seem ready to grapple with concerns that big retailers can demand sweetheart deals from manufacturers and suppliers."

The Grocery Zone

By David Coverly



Merchants can collect civil damages as victims of retail theft or shoplifting

By Lawrence J. Paolucci
Bellanca, Beattie and DeLisle
Attorneys and Counselors

According to Michigan law, a store owner who is victimized by retail theft may be entitled to civil damages in the amount of the full retail price of the unrecovered stolen property or "property returned in an unsalable condition", plus additional damages equal to ten times the retail price of the property stolen. The damages are payable by the shoplifter. If that person is a minor, the damages are payable by his/her parents. These civil damages, however, shall not be less than \$50.00 and no more than \$200.00.

In order to qualify for such a civil damage award, a merchant or his agent must first make a written demand for payment under this civil damage provision. This written demand must be made using the specific form provided in Section 600.2953(2) of the Michigan Statutes and may be hand delivered to the person charged with shoplifting or the

parents, if a minor, or may be sent by first class mail. For your convenience, the form is printed below. After this written demand is sent, if a payment is received within 30 days, the person to whom the request is made shall incur no further civil liability. If, however, he or she fails to respond to this written demand within 30 days of its receipt, he or she is then potentially liable to the merchant for civil damages according to the provision.

In order to enforce this right, a civil action must be brought in the small claims division of the local district court where the offense occurred. If the action exceeds the small claims division jurisdiction of \$3,500.00, it may be brought in this court anyway, but the damages requested may not exceed that limit. Also, before bringing suit, in addition to a written demand, another prerequisite is the presence of a formal police report. Under this section, a formal police report must have been filed with the local police station having jurisdiction

over the matter in order to collect such civil damages regardless of the result of the underlying criminal action.

It must be emphasized that under this civil damage provision, the parents of minor children who are convicted of such theft crimes may also be responsible for these civil damages. Further, under the Act, a merchant may not recover civil damages if the merchant has violated any deceptive pricing/advertising provisions of the Michigan Consumer Protection Act pursuant to Michigan Compiled Laws Annotated 445.353.

In light of the presence of MCLA 600.2953, a merchant who has suffered or been victimized by retail theft, may now have recourse against the perpetrator or his/her parents.

If you have any questions concerning your rights or the applicability of the act to your situation, call your attorney or Lawrence J. Paolucci at Bellanca, Beattie & DeLisle, P.C. (313) 882-1100.

We have cause to believe that on (date) you, or your minor child (child's name), committed retail fraud in the first, second, or third degree by (description of action and property involved) in our store or in its immediate vicinity.

State law authorizes us to demand in writing that you do all of the following as applicable:

- *Return the property in salable condition or pay to us \$ _____, which represents the full retail price of the remaining balance of the full retail price of the property.*
- *Pay to us \$ _____, which represents the full retail price of the recovered property that is not in salable condition.*
- *Pay to us civil damages in an amount equal to 10 times the retail price of the property involved, but not less than \$50 or more than \$200, equaling a total amount of \$ _____.*

This notice is a formal demand for return of the property involved, if applicable, and the payment of the amounts indicated above, equaling a total amount of \$ _____. If you return any unrecovered property and pay the amounts indicated above to us within 30 days after the date this notice was mailed, we will not take any further civil action against you.

You are not required to respond to this demand, if you believe that you or your minor child is not guilty of committing retail fraud or if you choose not to respond. If you fail to comply with this demand, we will be authorized by State law to bring a civil action against you to determine your legal responsibility for return of the unrecovered property and the payment of the amounts indicated above, plus costs of the action, including reasonable attorney fees.

These civil proceedings do not prevent criminal prosecution for the alleged act of retail fraud.

*Sincerely,
Store Owner*

NRF: Everything's gonna be all right

The National Retail Federation (NRF) says the U.S. economy is not in a recession and is anticipating an upswing in consumer behavior toward the end of 2001, leading into a "U" shaped recovery for the current economic slowdown.

Writing for NRF's *Retail Sales Outlook*, NRF chief economist Rosalind Wells said, "Although the economy was unquestionably weak in

the first few months of 2001, we see signs that the malaise will end and that economic activity will improve in the second half of the year."

Wells pointed to several factors for her positive long-term outlook including a stable housing market, the Federal Reserve's multiple interest rate cuts that will likely spark refinancing activity and put more money in consumers' pockets, and a

still-positive job market.

According to the quarterly economic forecast, the contrast between the economy being in overdrive and screeching to almost a standstill is what is causing the pain. Wells said the lack of a true decline in economic activity and the positive employment and income picture supports her assertion that the U.S. has avoided a true recession.

Calendar

May 6-8

FMI Annual Convention
McCormick Place
Chicago
Dan Reeves
(248) 557-9600

June 2-4

The Retail Produce Solutions Conference
Double Tree Hotel and Monterey Conference Center
Monterey, California
fax (302) 738-6685
www.pma.com

July 18

AFD Scholarship Golf Outing
Wolverine Golf Course
Michele MacWilliams
(248) 557-9600

October 22-24

Discover Food Safety Solutions
2001 International Food Safety Congress
(312) 715-1010, ext. 368

October 28-30

Produce Marketing Association Convention
Philadelphia, Penn.
1-800-456-2753

Statement of Ownership

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INS raids Kosher poultry plant

The U.S. Immigration and Naturalization Service has raided the nation's largest kosher poultry plant, Empire Kosher Poultry Inc., claiming the firm had hired many immigrants working in the U.S. illegally. Buses hauled away 135 Empire workers in one of the biggest immigration raids in Pennsylvania history. Empire defended its hiring practices and said that a review has begun.

— Associated Press

Great renewal brings A&P 4th quarter loss

The Great Atlantic & Pacific Tea Co. Inc., Montvale, N.J., took a fourth quarter net loss of \$10.28 million, or 28 cents per share, as it approaches the half-way point of its four-year Great Renewal restructuring scheme.

President and chief executive officer Christian Haub told analysts the chain expects to break even, including restructuring costs, within the current fiscal year. Excluding impact from the Great Renewal plan, A&P posted a fourth quarter profit of seven cents per share, compared to 51 cents in the prior year.

Online media explore branding

Interbrand, a leading brand identity consulting agency, is introducing Brandchannel.com, a Web site offering articles on topics such as brand management during a recession, job information and profiles of familiar and unfamiliar brands, among others. Interactive media have created new avenues for targeting brands to consumers; there even is a Web site —

www.branddating.nl — that matches people with their favorite brands.

— The New York Times

Salmonella testing of school beef will stay

Agriculture Secretary Ann Veneman has announced that testing for salmonella in ground beef served in schools will remain, reassuring consumer groups that high food-safety standards are a priority. According to the USDA, lower-level officials announced the proposal to drop testing, which was posted on the USDA Web site, without approval from Veneman. —ABC

Bean-Mobile runs on Biodiesel

A professor at Carnegie Mellon University in Pittsburgh has converted his 1984 Volvo into a biodiesel car that runs on alternative oil. Biodiesel fuel is a blend of vegetable or animal-fat oil and diesel fuel. Soybean, sunflower and peanut oil will work, and the car gets the same mileage and goes just as fast as those using regular fuel. — Associated Press

Senate to gather livestock elite in light of EU woes

The United States Senate has approved the creation of a panel of top bureaucrats with the singular charge of keeping mad cow and foot and mouth diseases out of the country.

The panel would likely include high-ranking officials such as the secretaries of agriculture, commerce, health and human services and treasury departments, the Food and Drug Administration commissioner and the directors of the National Institutes of Health, Centers for Disease Control and Prevention and

the Federal Emergency Management Agency.

If the House approves the measure and the panel is created, the group, once formed, will submit to Congress a list of steps already underway, and proposed new measures, to stop these livestock afflictions from ravaging American livestock.

Germany covered up BSE, says scientist

A German scientists confessed to trade news provider Foodwire that mad cow, or BSE, has existed in Germany since the early 1990s, but has been covered up by the scientific and meat communities there.

Food chemist Udo Pollmer told Foodwire he himself had experienced one of the earlier cover-ups but kept quiet until now. Germany officially reported its first case of BSE in November.

"Of course, BSE cases have been known in Germany earlier. There was a case in Northern Germany where two veterinarians in 1993-94 were thrown out when they claimed that there was BSE there," he said.

It is Pollmer's belief that the disease resulted from growth hormone treatment in cases where the hormones were sourced from dead animals.



Look for These and Many More New Items from Frito Lay in 2001!



Wal-Mart shuns American Terrorist

In keeping with past precedent of refusing to sell what it deems to be possibly objectionable material, Wal-Mart announced it would not carry "American Terrorist: Timothy McVeigh and the Oklahoma City Bombing," a book based upon 75 hours of interview with condemned murderer Timothy McVeigh.

Although the book's authors, Lou Michel and Dan Herbeck, call their opus a balanced look at the 1995 bombing of the Oklahoma City Federal Building bombing, it has come under fire for containing frank, unremorseful statements by McVeigh.

Sales increased eight percent for the quarter, including comps of 2.8 percent.

Coke launches massive global campaign

In its largest push ever, Coca-Cola is launching a global campaign so massive that it has been referred to as "a paramilitary operation" by one production executive. The campaign is an effort to win back market share lost to PepsiCo. — *Advertising Age*

Starbucks doing well

Starbucks Corp., Seattle, said it would have no problem hitting its earnings target of 91-93 cents per share for the fiscal year 2001.

The company's confidence spilled over from an impressive March trading period, in which total sales jumped 23 percent to \$252 million and same-store sales increased five percent.

Home Depot builds up online catalog

The Home Depot announced it would beef up the catalog of goods available online by about 20,000 SKUs in northwest states.

"This is another step in our long-term strategy to fully integrate the on-line and off-line shopping experience for our customers," said Ron Griffin, Home Depot's chief information officer, adding that there are remote parts of those five states that would benefit from a larger online offering.

The products will be delivered via UPS and therefore, fall within certain size restrictions.

Griffin stressed that this pilot comes in addition to, and does not replace, full-store, on-line product availability in Las Vegas, San Antonio and Austin, offering more than 50,000 products and featuring will-call as well as delivery services.

General Mills wins catalyst award

For its program to bring more women into leadership positions, General Mills has won a Catalyst Award — given annually by Catalyst, a national organization devoted to the advancement of women in business. Last year, 18% of General Mills' officers were women, compared with an average of 12.5% at other large corporations. General Mills says the role of women at the company is critical to its success because "women still buy most of our products."

Burger King endorses animal guidelines

Burger King will endorse federal guidelines for the humane treatment of animals by its suppliers and slaughterhouses. The guidelines are the American Meat Institute's Good Management Practices for Animal Handling and Stunning, the United Egg Producers animal husbandry standards and the National Chicken Council's animal-welfare code for broiler chicken. — *The Miami Herald*

Magic in a little blue bottle

Business has tripled at Wycoff Coffee Co. since it started selling Niagara, a Swedish-made "energy drink" that supposedly puts those who consume it in the mood for love.

The \$4.50 herbal drink is labeled "Love Herbs and Caffeine" and promises it is "For Good Staying Power." The exclusive distribution rights owner, Lari Williams, says sales are about 22,000 bottles a day; she expects to sell 24 million bottles by the end of the year

— *Associated Press*



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Survey: Consumers want to be made aware of bioengineered foods

A telephone survey commissioned by the Pew Charitable Trust revealed that 75% of 1,001 participants would like to know when they are consuming foods containing bioengineered ingredients. The survey also found that 46% of consumers are not aware of biofoods safety: 29% say GM foods are safe and 25% believe they are unsafe. The trust is a nonprofit group providing a forum for biotech food advocates and critics — *CNN/Reuters*

Modified crops to increase by 10%

A survey by the USDA shows farmers plan to plant 76.7 million acres of genetically-modified seeds this year compared to 69.6 million acres last year. Monsanto's Roundup Ready soybeans are the most popular bioengineered seeds this season, accounting for 48.3 million acres. Corn farmers plan to reduce the use of genetically-modified seeds, following last year's StarLink controversy. A North Dakota bill banning the planting of genetically-modified wheat is not expected to

pass in the State Senate's Agriculture Committee. The bill would have been the first state law prohibiting the use of bioengineered crops.

FMI to assist in IGA education

Through a new arrangement announced between IGA and the Food Marketing Institute (FMI), all retailers affiliated with IGA will enjoy FMI member benefits, particularly the group's training and educational resources.

As part of this new program, IGA is using FMI educational materials and support to launch the curriculum for the U.S. division of its university, a global network of training programs.

Tyson, IBP reciprocate lawsuits

Following Tyson Foods Inc.'s announcement that it was abandoning the \$3.2 million purchase of IBP Inc., IBP filed suit against Tyson to force it to complete the deal. Tyson filed its own suit against IBP, claiming that IBP mislead and misinformed the company to lure it into making a bid. — *The New York Times*

Smart tags, intelligent carts could shop for us in the future

Researchers at the MIT Auto-ID Center are developing smart tags that can tell distributors and grocers when they're running low on products. MIT is also working on an intelligent shopping cart that can tally items and automatically debit consumers' checking accounts. The technology relies on labels containing microchips, wireless antennas and batteries as flat and flexible as business cards.

— *Minneapolis Star Tribune*

Kellogg wraps up deal with Keebler

Kellogg has closed its biggest deal ever by buying Keebler Foods Co. and has predicted more potential cost savings than first forecast. The deal gives Kellogg almost \$10 billion in annual sales and more scale, distribution and diversification outside of cereal.

— *Detroit Free Press*

Designer eggs pack Omega-3 fatty acids

The latest approach to get eggs back on the menu for people who carefully watch their diet is eggs fortified with 100 to 350 milligrams of Omega-3 fatty acids. The eggs — containing the same compounds found in salmon and tuna — come from hens fed with flaxseed, sea algae or canola oil. The "designer eggs" cost \$4 a dozen and account for less than 5% of the eggs consumed nationwide.

— *U.S. News*

P&G promoting black panty liner with celebrity internet auction

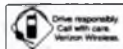
Procter & Gamble Co. is building buzz for the European launch of its new all-black version of Alldays panty liners — its best-selling feminine hygiene product — by organizing an Internet auction of used black clothing. The clothing was donated by Mel C of the Spice Girls and actresses Brooke Shields and Meryl Streep, among others. Proceeds will go to the humanitarian organization CARE.

— *Advertising Age*

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California pushes for warning on shampoos with coal tar

A California nonprofit environmental and public health group has filed a lawsuit against 20 manufacturers of coal-tar shampoos and ointments, urging companies like Neutrogena and American Home Products to place warning labels on their products. The FDA acknowledges coal tar as a carcinogen but says that over-the-counter shampoos containing coal tar are safe for adults and children.

— *The Washington Post*

Keebler-Kellogg deal inspires sweet innovations

Food companies such as Keebler, Kellogg, and Nabisco are tweaking their products to capitalize on the American sweet tooth and distinguish themselves amid the current wave of cookie-industry consolidation. New products combine cereal and cookies, and existing products are being played with to create treats such as baseball-like Oreos with "Play Ball" imprinted on them. — *USA Today*

The last one standing wins — or does it?

HomeRuns.com Inc. has outlasted many online grocer rivals, but its leaders are not claiming victory yet. The industry is still young and margins are razor-thin; it remains to be seen if online grocers will become an enduring presence in the business.

— *The Boston Globe*

NFU hopes to spoil dairy deal

The first public poke at the \$2.5 billion proposed merger of Suiza Foods and Dean Foods has been leveled by the National Farmers Union. The NFU has urged Attorney General John Ashcroft to closely scrutinize the deal "on behalf of the NFU's 300,000 family farm and rancher members."

The deal between the numbers one and two dairy processors would reportedly give the merged company a market share three times that of its closest rival. The NFU said that, if approved, the deal would jeopardize the ability of farmers to negotiate fair prices for their raw milk and may also hurt consumers.

Of particular interest, argued the NFU, should be the relationship between the two companies and their subsidiaries, joint ventures and strategic alliances, according to *Reuters*.

Webvan in express checkout lane?

Webvan Group Inc. could be close to checking out of the online grocery business, according to the company's auditor. Webvan has said it will run out of cash by the fourth quarter if it can't raise further capital, and auditors say the firm has no evidence it will be able to raise more money — due to poor performance as well as negative cash flow.

— *The New York Times*

Questions raised over Chiquita

The international auditor for Chiquita Brands, Ernst & Young, has questioned the banana group's ability to continue as a "going concern," according to the *Financial Times*. Chiquita has said it might implement a restructuring plan through a Chapter 11 filing if an agreement with debt holders can be reached.

— *Financial Times*

Kmart's turnaround scheme revealed

Kmart's management has a turnaround battle plan in place to clean up the stores visually, lower prices on household staples and revive the BlueLight Special. The BlueLight master plan: as music fills the store, a manager will get on the microphone and all employees will stop what they're doing, clap twice, thrust their fists into the air twice and shout, "BlueLight. BlueLight."

— *Advertising Age*

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Judith Scranton's background helps her relate to constituents

By Michele MacWilliams

State Representative Judith Scranton (R-66) is passionate about her role in Michigan's government and the effect she can have on the wellbeing of our state. One of her chief concerns is the welfare of Michigan's elderly. As a member of the Health Committee, she has introduced legislation to regulate in-home care and thereby protect seniors.

Representing District 66, which covers the southeastern portion of Livingston County, Scranton has the knowledge and expertise to make a positive impact on the lives of Michigan's seniors. Before her career in politics, she managed three different long-term care facilities, became a licensed nursing home administrator and a licensed social worker.

The eldest child of a funeral home director, Judie grew up in Detroit, living over her father's funeral home. Being exposed to people in mourning, she learned a great deal about human relations at an early age. Their home was located on West Grand Boulevard, five houses south of Michigan Avenue.

"Detroit was a great place to grow up," says Scranton. "I loved it there."

In her senior year of high school, her family moved to Livonia, where her father began a new career in the nursing home business. The family sold the funeral home and purchased University Convalescent Center on Five Mile Road near Middlebelt.

Taking care of the elderly was a primary concern of her family and Judie formed a love for the business. She commuted to Henry Ford Community College and also began working in the nursing home for her father. She eventually took over administration of the facility, and also a second home, called, Dorvin Convalescent and Nursing Center, which the family purchased in 1968.

Judie also ran a nursing home in Escanaba from 1973 to 1976, called Multicare, Inc.

"In total, I spent 20 years in the long-term care industry, from 1966 to 1986," Judie says proudly.

Judie met her husband of 27 years, Bob Scranton, while working in the business. He was a registered sanitarian at the time. Bob remains in the industry, serving as a health advisor for the state.

Representative Scranton's second passion, that of politics, started in 1961 when she volunteered for a

campaign. "We lost, but I was hooked," says Judie, who has been involved – one way or another – since then.

In 1992 she was approached to run for Livingston County Commissioner. She won the seat and served for four years. During that time she held the position of vice chairman. She also went back to school, receiving her Bachelors of Business Administration, *Magna cum Laude*, from Cleary College in Howell.

On to the House

Due to term limits, State Representative Susan Grimes Munsell was set to lose her seat in 1998. She opted instead to leave two years early and approached Judie to run for her position. Judie accepted the challenge. She won the election and became Michigan State Representative Judith L. Scranton.

She has held the position since 1997 and is serious about her role in government. Due once again to term limits, Rep. Scranton must leave the House in 2002, but as she puts it, "I have 20 months yet to work here and I am concentrating on finishing some important bills before I leave."



Among those bills is one to establish a new law regarding housing with services for seniors. As Michigan's population ages, issues of proper housing and care become more and more important and more difficult to regulate.

"We must protect our senior population against unscrupulous people who can take advantage of those in need. By regulating the in-home care industry, we'll be providing standards so all seniors can enjoy fair treatment," she explains.

Mass transit is another issue that Rep. Scranton is passionate about. As chair of the Transportation Subcommittee, she would like to see an increase in funding for public transportation.

"We are looking at a new rubber-based system that is more efficient and quicker than traditional mass transit." Rubber-based means that the vehicle has tires and travels on roads, as opposed to rail-based systems like trains. Rep. Scranton describes the vehicles she is interested in as "Caterpillar Buses," where passengers step off a raised platform at the bus stop onto the bus at an even level, without having to negotiate steps. She says that time saved in loading and unloading passengers is significant.

In addition to her positions on the Transportation and Health committees, she is vice-chair of Regulatory Reform and a member of the Insurance and Financial Services Committee.

Active in her community, Representative Scranton is a board member of the Livingston County Republican party, and has been on the board of the Livingston Area Council Against Spouse Abuse, the Community Coordinated Child Care Council, American Heart Association, and Scranton Middle School PTO.

Representative Scranton enjoys spending her spare time with her two grown children and traveling. She and husband Bob have recently purchased a motor home and look forward to trips across our country. You can reach her at (517) 373-1784 or 1-800-295-0066. You can also e-mail to her at jscrant@house.state.mi.us

The 91st Legislature: Working hard for Michigan's retail food industry

By State Representative
Judith Scranton

Now that the 91st Legislature is in session, there is good news to report.

In my two terms in the state House, we have addressed many issues of concern to Michigan residents and businesses.

We have cut the income tax rate from 4.4 percent to 3.9 percent over five years, putting millions of dollars back into the pockets of the hard-working people of Michigan. That gives people more money to spend on consumer goods, meaning better profits for businesses.

My Legislative colleagues and I have worked to improve Michigan's business landscape with legislation phasing out the single business tax,

expanding economic renaissance zones and personal property tax exemptions for businesses in distressed communities.

We have begun phasing out the single business tax, which has burdened business and industry for a quarter century. This helps Michigan be more attractive to many emerging high-tech firms and other businesses that would like to set up shop here. More business in Michigan means more employees, which translates into more customers with disposable income to spend in your stores.

We passed a right to farm bill that allows for growing opportunities for Michigan farmers, encourages expansion and makes it easier to keep land in agriculture. The bill protects the property rights of farmers,

allowing farms to stay profitable and operating. This, in turn, will provide the food industry with quality products while keeping costs down.

We reduced farm property taxes to agriculture use instead of "highest and best use" to help farmers stay in business and be profitable.

We have passed legislation to improve the storage of fruits and vegetables as well as a bill for restaurants to provide free or reduced-rate meals for employees.

With the implementation of the new food code, food producers will now be providing the safest and highest quality food products available for Michigan families to enjoy.

See Rep. Scranton, page 25



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Grocer adds the most employees

Most of Michigan's 50 largest publicly traded companies were in expansion mode last year.

But it's a trend that is ending with the slowing economy and layoffs surrounding corporate America.

An analysis of the companies on the second annual Free Press 50 ranking found 31 added employees in 2000, three kept their payrolls the same as in 1999 and 16 cut jobs during the year.

The biggest gainer was Grand Rapids-based Spartan Stores Inc., No. 19 on the Free Press 50 ranking of the largest publicly traded companies

headquartered in Michigan, based on sales.

Spartan added 4,800 workers, bringing its total to 12,800. The 64-percent increase was due to the acquisition of Food Town Supermarkets, a Toledo-based chain with 76 stores in Ohio and Michigan.

A longtime food distributor, Spartan began acquiring grocery chains in 1999 to save its customer base from extinction, said Jim Meyer, chairman, president and chief executive officer. Grocery store sales now account for 40 percent of Spartan's total business, Meyer said.

Senate Redistricting

The task of redrawing Senate boundaries this year would be difficult enough with Michigan's large population shifts, but even more thorny with no incumbent running in 27 of the chamber's 38 seats in the 2002 elections. Term limits took effect for the House in the 1998 election and will affect the Senate for the first time in 2002.

With a number of House members — who will help draw those districts — eyeing runs for these Senate seats, and

battles for personal political advantage will be intense. Further inflaming the situation: 13 Senate districts have lost enough population over 10 years that they must expand outward while another 12 have grown so large that they must shrink.

Variations in district size have grown much larger than what the state law permits. The expected targeted size for Senate seats will be about 262,000 with an allowable range of 249,000 to 275,000.

New data shows significant demographic shift

With more than 80 million members, Generation Y (individuals born between 1977 and 1997) promises to have as great an impact of the workplace and the consumer marketplace as the baby boomers. According to recent Census Bureau data, about one quarter of new immigrants to the United States in the 1990's were under the age of 19. Generation Y outnumbers the baby boom generation by more than 3 million people. According to the Gartner Group, American teenagers

were directly responsible for \$125 billion in sales in 1999. Moreover, The Economist reports that the average American teenager has about \$60 of income per week, from various part-time jobs. The largest percentage of cigarette smokers are between 18 and 24 according to the Center for Disease Control. This generation has already had an impact on the workplace and the consumer market, but their future impact will be much greater.

Cities decline in population

The recently released data from the U.S. Census Bureau reflects several significant changes: 1) the strongest percentage growth is in the upper part of the Lower Peninsula; 2) Michigan residents are moving out of core urban cities; and, 3) only one major Michigan city showed a population growth from 1990 to the year 2000...Grand Rapids.

Following is the 2000 population of the ten largest cities by population rank and percent change

from 1990; those with gains are in bold:

Detroit, 951,270 (-7.5%)
Grand Rapids, 197,800 (+4.6 %)
Warren, 138,247 (-4.6%)
Flint, 124,943 (-11.2%)
Sterling Heights, 124,471 (+5.7 %)
Lansing, 114,321 (-6.8%)
Ann Arbor, 114,024 (+4%)
Livonia, 100,545 (-.3%)
Dearborn, 97,775 (+9.5%)
Westland, 86,602 (+2.2 %)



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June is Dairy Month

Why should your store get excited about that? Of course, it's because product placement along with your enthusiasm can help sell more milk, and milk is just the beginning.

Milk rarely stands alone. It pairs up naturally with cookies and cereal. Milk is chocolate, skimmed/no-fat, low-fat, condensed, evaporated, cream (both sweet and sour), half-and-half, and vitamin fortified. It is sold as cottage cheese, yogurt, cheese and ice cream.

Cheese never stands alone either, it's melted on chips, grated on salads and used as a dip for bread and veggies. Furthermore, dairy products are used as ingredients in numerous homemade products. It seems that every dairy purchase invites an opportunity to sell something else.

Nutritionists stress the importance of dairy products in a healthy diet. The National Academy of Sciences recommends children ages 4 to 8 need the equivalent of at least 3 servings of milk a day and children 9 to 18 need the equivalent of at least 4 servings of milk each day to meet their calcium needs. That is a lot of milk!

According to the USDA, most children fall short: less than 40 percent of boys and less than 30 percent of girls ages 6 to 11 actually

meet current recommendations.

It is the same story with adults. Although it is widely accepted that dairy products can provide positive health benefits, many adults fail to meet the minimal daily requirement. Continuing to spread the word about milk's health benefits will surely help spike sales!

An effective public relations program has been in place since the summer of 1939 when the National Dairy Council designated June as Dairy Month and later, in 1955, the American Dairy Association began their promotional activity.

During May and June, your customers will see an extra push in the media as dairy products are in the news.

Dairy Checkoff Campaign Underway to Boost Flavored Milk Sales

Chocolate and other flavored milk

sales increased 18 percent in 2000, thanks in part to increased promotions that focused on flavored

milks by dairy producers and milk processors. Dairy checkoff organizations partnered in March with the Milk Processor Education Program (MilkPEP) on several targeted promotions to further ignite flavored milk sales.

Dairy checkoff-funded consumer research indicates that 55 percent more kids ages 6 to 11 report they would drink more milk — if it were chocolate. More than 70 percent of teens (ages 13 to 17) report they enjoy drinking chocolate milk.

Another important message to consumers during the promotion is that chocolate milk is nutritious. "Chocolate milk contains the same nutrition benefits as traditional white milk," said Greg Miller, vice president of nutrition research for the

checkoff-funded National Dairy Council" (NDC).

Health professionals are rallying around flavored milks. In a recent NDC-funded survey, 87 percent of pediatricians agreed that low-fat or fat-free chocolate milk is a "nutritious beverage for children," while 60 percent indicated milk is the "best beverage source of calcium."

"HERE I COME TO SAVE THE DAY!"

A TV Legend Can't Resist "The Power of Cheese"

Celebrity cartoon legend, Mighty Mouse, recently came out of retirement. Brought back by the popular Ahh, the power of Cheese™ campaign, Mighty Mouse stars in a television commercial which debuted on April 9. The rebirth of the superhero is the most recent example of a "celebritoon" trend that's taking Hollywood and Madison Avenue by storm.

The new commercial features an alien spaceship descending on a small town. During the chaos, Mighty Mouse is sitting in a restaurant happily munching on a large plate of cheese. Will Mighty Mouse come to save the day? Or will our beloved superhero's powerful desire for cheese keep him on the sidelines? Created in 1942, Mighty Mouse appeared in comics, film and television for more than 50 years.



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Tom Weber looks at a positive future for the Michigan Lottery

By Leah Chartier

As part of its campaign to raise awareness and interest in Michigan Lottery, the Bureau recently promoted Tom Weber as it's new Deputy Commissioner of Marketing.

Particularly qualified for the position, Tom Weber attended Miami University in Ohio where he received a bachelor degree in arts. After college, he began working primarily

in graphics and print. He was employed at several different Detroit-area marketing agencies before starting at the Lottery. Weber has worked for the Lottery almost eight years. Prior to his recent promotion, he was the Instant Games Product Manager where he developed over 300 of the Lottery's instant games. Now, as Deputy Commissioner of Marketing, he is responsible for

overseeing sales, promotions, advertising and development of all the Lottery's games.

"Working at the Lottery is a unique experience. Not only are the creative opportunities with the games' promotion and development exciting, but also the business challenges of serving two sets of customers: the retailers and the players," Weber emphasized.



Weber has a positive outlook for the future of the Lottery. His plans include creating games that are fun and exciting for players, profitable for retailers and at the same time maximize revenue for the Lottery's return to the state School Aid Fund.

"You pick 6, we draw 7," is the saying around the Michigan Lottery these days. With the new game, Michigan Millions, now in it's third month, Weber agrees with other enthusiasts that the game is very successful. "Not only is it selling well, but people are also adjusting well, which makes Michigan Millions a fast growing game," confirmed Weber. Now with over 9,000 retailers in every corner of the state selling lottery tickets, sales are strong and the Bureau can offer bigger jackpots.

"The Lottery is unique in that players can get into the games for a buck at their local market! Not only are we accessible and affordable to the legal-age public, but there is also something for everyone. You could be a casual player or a "high roller" and find something that suits you in the Lottery's game line-up," added Weber.

While Weber is devoted to his job at the Lottery, he maintains that his family is his number one priority in life. He and Teresa, his wife of twelve years, have two boys, Tommy, 10, and Pete, 6. Weber enjoys spending as much time as possible with his boys. In his free time, he escapes to Lake Michigan where he and his family soak up the water and catch some rays. He also enjoys collecting antiques.

Weber is well qualified for his new position. He is interested in all aspects of the Lottery and desires to keep it productive in the years to come. He has a positive outlook and an abundance of creative ideas for future games. Weber concluded by stating, "We give away lots of money to players, support Michigan's public school children with our net revenue and provide a profitable product line to our retailers. It is a fun business!"

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The connection between selling and store environment

Through attention to customer emotions and lifestyles, a food retailer can differentiate itself from the pack with some simple design cues and merchandising tweaks, says "recovering architect" Kevin Kelley.

By Craig Faucher

The truly successful supermarket is selling more than just products. It really is selling a brand, whether through store brands, creative layout, or a deftly designed food court, making an impression on each shopper at every turn.

In his "Confessions of a Recovering Architect" workshop at the upcoming Food Marketing Institute (FMI) annual Convention and Educational Exposition, Kevin Kelley, principal of Shook Perception Design, offers a guide to how to make the impressions favorable.

"What we're essentially talking about here is perception," explained Kelley. "People fall in love with a brand based upon how it is packaged. Everything the customer comes in contact with is part of the brand environment."

Kelley considers himself a "recovering architect," mainly because design and business considerations have traditionally been handled individual of one another. He instead encourages retailers to weave a working knowledge of consumer behavior



(rational or otherwise) and branding techniques in with design and merchandising tenets.

Because the focus is on perception, most of Kelley's ideas require no major renovation, just the ability to stay in touch with the consumer. It can be as simple, he says, as using murals as a backdrop for the meat section to increase sales, replacing tile floors with concrete, wrapping deli sandwiches in butcher paper instead of plastic, and merchandising bakery bread on wooden racks.

On matters of prepared foods, Kelley believes supermarkets should create visual cues keyed to consumers' emotions — a rotisserie for chickens, Asian workers at a sushi stand, a brick oven for pizza, chef hats instead of

hair nets, and a true delicatessen feel for the deli.

"I don't think grocery stores have a problem making good products, they just have a problem getting credit for making good products," said Kelley.

A grocer, he added, should use his private label as a "custom" brand, especially one that reflects regional tastes, not just as a low-cost alternative to national brands. In short, they should be anything but generic.

Changing Mindsets

Supermarkets also need to stop merchandising with a distribution mindset. Kelley said the DSD beverage and snack aisles are the best examples. Sixty percent of shoppers, women especially, will avoid these

areas of the store altogether primarily because they don't drink much soda and they feel guilty buying sodas and snacks for their family.

Fixing this requires understanding consumers and their lifestyles better. If sodas are merchandised with video rentals and popcorn, a grocer can promote "family night" and tap into mom's role as family activity director, Kelley suggested.

"It's not all fluff," he said. "You really have to know the customer. Women shoppers are passionate about where they send their kids to school and where they buy their groceries."

Retailers in other channels, such as Pottery Barn and Home Depot, provide a good example of what Kelley means by thinking outside of the distribution mindset.

"Overall, what I hope to do is change the store from a lumberyard to vignetted solutions and transcend the ingredient mentality."

These "vignetted solutions" should be thought of in the same vein as holiday/seasonal cross merchandising, only on a more frequent basis, he says. —Reprinted with permission from IdeaBeat.com



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Retailers and Manufacturers Woo the Older Woman

As women between the ages of 45 and 64 take a more proactive stance toward health, beauty, fashion and lifestyle, retailers and manufacturers in a broad range of venues are learning to sing the praises of "older women."

by Eilene Zimmerman

"Until recently, women over 40 used to be chucked on the slag heap of life, useless, used up, useful for nothing except grannyhood," writes Hollywood glamour queen Joan Collins in her latest book, *My Friends' Secrets: Conversations With My Friends About Beauty, Health and Happiness*. "But that concept has changed so unbelievably... that it seems almost laughable now."

Many manufacturers and retailers are laughing, too — all the way to the bank. Indeed, as women between the ages of 45 and 64 today are taking a proactive stance when it comes to health, beauty, fashion and lifestyle, they are doing everything from taking nutritional supplements to eating healthy to maintaining beauty regimens to choosing flattering clothes and attractive accessories. And, good news for retailers and manufacturers: They are willing — and able — to pay for it.

Evidence of this radical shift is *more* magazine, a spin-off of *Ladies' Home Journal* launched in October 1998 by Des Moines, Iowa-based Meredith Corp. as a publication primarily aimed at women over 40. The median age of *more* readers is 50, according to the magazine's research, with a median household income of \$72,300. Its mission statement capsules the new attitude: "*more* celebrates the vibrant and rapidly growing ranks of American women in their 40s and 50s. *more*: for the richest years in a woman's life." Offering fashion, beauty and health articles mixed with celebrity profiles, the magazine says it had an initial circulation of 320,000. By February 2000, that number had jumped to 525,000.

According to *more* statistics — derived from the Bureau of Labor Statistics' October 1997 Consumer Expenditure Survey — 45- to 64-year-olds annually spend \$8 billion on toiletries; \$20 billion on hair care and personal care products; \$5.5 billion on non-prescription drugs; and more than \$21 billion on clothes. And those numbers should keep rising as the baby boomer generation comes of age. Census figures estimate that this year there will be 30 million U.S. women between the ages of 45 and 64, and 41 million by 2010.

The Middle Road

However, retailers and manufacturers are treading carefully in terms of how to attract the members of this new, proactive demographic and give them what they



want. Despite the growing numbers, selling products that address the realities of aging clearly is a delicate matter. "It's difficult to market to older consumers," says Lynn Domblaser, editorial director of *New Product News*. "Let's say it's a product that eases aches and pains. An awful lot of consumers will look at the person in the ad and say, 'That's not me. I don't look like that.'"

Since they are largely unlike any previous consumer, midlife women will be creating a new market, different from the mature markets of

Women between the ages of 45 and 64 today are taking a proactive stance when it comes to health, beauty, fashion and lifestyle.

the past. Courtney Day, senior vice president and director of marketing and client services of The Senior Network, Inc., a marketing company targeting the mature market, says, "Women who are 45, 55 or 65 act and feel as if they were at least 10 years younger and are committed to looking and feeling good as long as they can."

more is firmly committed to using only older models in its fashion and beauty shots. "Every model we use is over 40," according to *more* Editor-in-Chief Myrna Blyth. "No, most women at 50 don't look like Cheryl Tiegs," she wrote in a winter 1999 article in *min* magazine. "But most women in their 20s don't look like Kate Moss either."

Marketing efforts by retailers and

manufacturers take a somewhat middle road. Clothing retailer, cataloger and e-tailer Talbots uses models that can speak to women of all ages. "You don't know whether the model is 20 or 50; we strive for an ageless tone in our advertising," says spokesperson Margie Myers. "Our core customer is between 35 and 50 years old, so it's a huge segment of the population. And 50 feels very young and vital these days," she says.

To hit a nerve with its demographic, Talbots focuses on lifestyle in addition to fashion. Instead of simply showing an outfit in its advertising, the retailer shows how the outfit is worn. "We try to make it clear that our clothes are about multifaceted lives," Myers explains. "The ad copy always speaks to the fact that a woman is wearing clothes to the office that are also comfortable at home. We're lifestyle-driven, not just fashion-led."

Jones New York, on the other hand, goes straight for the fashion hook. Benny Lin, senior vice president and creative director at the company's Apparel Group, says women over 40 want fashionable clothing as much as 25-year-olds do. "Our customer base is 35 to 55 years old, and we find they want really fashionable styles that fit. Things such as capri pants, which are very popular with younger women, are also extremely popular with mature women. So we've designed a more modest fit for a woman who is slightly older," he says.

Talbots' experience has been similar. Not only were capri pants a

top seller last year, but so were three-quarter-sleeve shirts. "Our cut for these shirts is a little more generous, and our capri pants are a bit longer. It's not for a junior audience," says Myers.

Jones New York brands are sold through department stores, where the shopper is often an over-40 woman, says Lin, and the company has multiple collections that take a youthful look and cut it to fit the changing figure of a mature woman. "In this way," says Lin, "our lines are much more generous than a true designer's collection."

Cosmetic companies face a perhaps slightly more delicate challenge, since many of these products directly pertain to aging. Companies such as Revlon Consumer Products Corp. or Clairol use older models in their advertising, so the message is implicit rather than explicit. To market its Revitalique hair color product for graying hair, Clairol uses "age-appropriate" models, says Diane Maranis, Revitalique product manager.

"Our strategy is to use models who are middle-aged because it creates instant relatability with our target customer, a 40- to 55-year-old woman. We aren't showing them an 18-year-old model and saying, 'Here is an age-defying product,'" she says.

Clairol pitches Revitalique as a celebratory brand, explains Maranis, "celebrating a baby boomer's lifestyle." Ad copy uses positive wording, pushing the revitalizing powers of the product, rather than asking the obvious: Is your hair lifeless and gray?

The same group of consumers is clamoring for products that address the changing appearance of an aging woman. Olay's ProVital moisturizer, for example, was developed specifically for the 50-plus woman, after Procter & Gamble conducted in-depth consumer research about that market. Tim Simonds, assistant brand manager for the product, says after a year and a half, sales have considerably exceeded expectations.

Healthy Choices

A delicate marketing approach likewise holds sway for age-targeted nutritional and vitamin products. "The key is to bond on whatever the need is," says Senior Network's Day. "And then be sure to emphasize the benefits of the product that are relevant to the woman's stage of life."

**See older Women,
Page 26**

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Kroger grows in Michigan Company to introduce gas stations

By Michele MacWilliams

At the March 28 dinner meeting of the Detroit Association of Grocery Manufacturers Representatives (DAGMR), John Flora, president of Kroger Company of Michigan, was the guest speaker. New to the position, Mr. Flora takes the helm from Marnette Perry, who has now become Kroger's of Ohio president.

A transferee from Texas, Flora's first comments of the evening were praise for our state and its beauty. In his speech, Flora said that Kroger plans six new stores, 62 resets and more surprises for Michigan in the coming year.

"Our top priority is to continue to be the best store in town," enthused Flora. "If we're not already, then we will be."

Kroger currently operates 106 stores in Michigan.

Mr. Flora took the time to answer some questions from the DAGMR guests. Here is a short summary of the questions and his responses:



AFD President Joe Sarafa (left) with Kroger Michigan President Jon Flora

Q: Can you provide some insight into Kroger's corporate plans for category management?

A: As Kroger grows, we become more powerful. We are not centralizing everything, but our aim is to get the best possible cost. Category management is growing and is centralized. However it is vitally important to merchandise our stores to the particular customers in their area. We must have variety and selection for different areas of the state.

We plan to merchandise events specific to particular areas. Not all category management is driven from corporate. Much will be regionalized. I think there will be some corporate merchandising events but each division will also have its own.

Q: Will the influx of Kroger private brands grow?

A: Private labels are very important to Kroger. In large communities, national brands are important too. We are not doing

anything to take away from national brands. We have an advantage over other stores with our private labels, which are quality products at great prices.

Q: Are there any plans to run more "buy one, get one free" promotions?

A: We'll do what it takes to grow our business.

Q: Please talk a little about your loyalty card.

A: Kroger's loyalty card provides us with valuable information for getting to know our customers. We know whether customers have shopped recently or when they haven't been in our stores for a while. We are now partnering with other non-grocery stores to add value. We want to have the best card. You'll see more coming down the road.

See Kroger
Continued on next page

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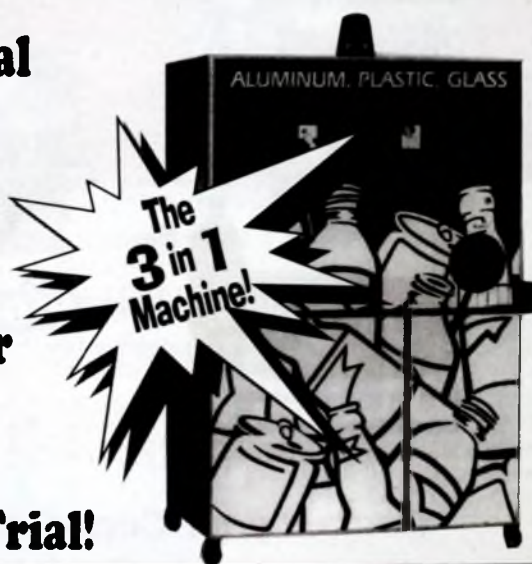


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Verizon Wireless customers may now access minute usage and balance information from their wireless phone. Customer may now dial #MIN (#646) and (#225) airtime free from their wireless phone.

#MIN

Customer will be prompted to enter their 5-digit zip code of their billing address. After the customer receives information, they will then receive the following options:

Press 1, if you would like to replay this message.

Press 2, to speak to a customer service representative

Press 3, to end this call.

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"We're sorry. Our system has not updated to generate the minutes you have used since your last bill cycle closed. This is only a temporary delay. We encourage you to call back in 72 hours to get the updated information."

#BAL

Customers will be prompted to enter their 5-digit zip code of their billing address. They will then hear their current balance and any past due amounts. Customers will then receive the following options:

Press 1, to make a payment.

Press 2, to receive a copy of the

most recent bill.

Press #, to repeat the information.

Press Star, to return to previous menu.

Press 0 at any time to speak with a customer service representative.

Note:

It usually takes two to four days for the billing and network systems to update the customer's most recent activity in the #MIN and #BAL hotlines.

If you have any questions, please call Verizon Wireless Customer Care at 1-877-955-0505.

Granholt announces candidacy for Governor

Attorney General Jennifer

Granholt formally announced her campaign as a Democratic candidate for Governor in 2002. She claimed in her announcement that she would "raise the bar to eliminate partisan differences and political divisiveness and to lead Michigan to greater economic prosperity."

Hormel shifts focus to branding

Hormel Foods is putting more emphasis on the branded packaged meat products that increasingly are surpassing its unbranded products in

performance. Hormel is set to launch a massive \$30 million advertising effort to consolidate its trademark in an increasingly saturated market. — *Advertising Age*

"Eat like a man," says Ball Park Franks

Ball Park Brands is launching an advertising campaign featuring men in situations compromising their masculinity, such as sitting in a salon chair wearing a flowered smock or at a "chick flick" surrounded by crying women. The tagline, "At least you can eat like a man," is part of Ball Park's effort to leverage its product equity of masculinity.

— *Advertising Age*

Kroger, continued from page 20

Q: What do customers say that they like and don't like about Kroger?

A: We have a new program that is targeted at discovering what our customers want. How we treat our customers is what makes Kroger special. Interestingly, the number one complaint that we have received is the checker talking to the carry-out.

Q: After a year with Kessel under Kroger's banner, where are you going from here?

A: We must make sure that we don't get out of touch with Kessel shoppers. Most Kessel stores are smaller square footage than a traditional Kroger store. The challenge is keeping the loyal Kessel customers when we go up against larger retailers like Meijer. We must make sure our stores look great. We have been and will continue to be successful even when we are up against larger stores.

Q: Shed some light on Kroger's move into the gas business.

A: Fuel is important to Kroger's business. We just opened 112 gas stations across the country and we plan to open another 100 this year. Currently we don't operate any in this state but Kroger gas is coming to Michigan.

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Lottery on track for another successful year



By Commissioner Don Gilmer

Fiscal year 2000 proved to be an exciting one for the Lottery, boasting over \$1.69 billion in sales and \$618.5 million to the state School Aid Fund, and we continue to be on track for another successful year. The continued popularity of the Big Game and Michigan Rolldown are keeping us on pace for another successful showing in fiscal year 2001.

With six months of fiscal 2000 completed, the Big Game is showing a 37.5 percent increase over last year.

The Big Game has taken center stage this fiscal year with two lucky Michigan residents claiming jackpot prizes. Eban Cooper of Redford Township won a \$43 million jackpot (\$22.9 cash option) in November 2000 and Linda Calliea of Chesterfield Township won a 107 million jackpot (\$57.7 million cash option) in January 2001. This heightened attention on the Big Game, combined with your in-store efforts, has helped increase Big Game sales all across the state.

Likewise, Michigan Rolldown sales continue to flourish, showing a 23.3 percent year-to-year sales increase. Thanks to your extra efforts, the January Rolldown "Bonus Play" promotion was a huge success. Players liked the promotion so much, we are bringing it back in June. Your customers will soon be able to again buy five wagers and get one free. Watch your *Gameline* publication for more information about this upcoming promotion.

Instant Games remain a vital part of the Lottery lineup and contribute

strongly to its success. A total of 58 new games will be introduced in fiscal 2001, keeping the instant lineup fresh and interesting for players!

Prizes & Commissions. At mid-year, the Lottery projects its fiscal 2001 prizes awarded to players will total more than \$913 million, and commissions to retailers at approximately \$119 million. That's a great incentive to encourage your customers to buy Lottery tickets!

This fiscal year, retailers continue to receive a 7 percent commission on \$2 instant tickets, and there continues to be a 2% winning ticket bonus for all prizes, capped at \$2,000. Now, more than ever, when your customers win, you win too!

New Harley-Davidson Instant Game Ticket! This spring, the Lottery is inviting players to "hit the road" with its new "Harley-Davidson" instant game. On April 30, the new \$3 game hit ticket counters all over Michigan. Players can win Harley-Davidson Sportster 1200 Custom motorcycles, instant

\$50,000 cash prizes, and lots of great Harley-Davidson merchandise.

We have never offered an instant game like this one. You can expect this unique game to attract not only players who already enjoy our instant tickets, but new players as well, generating new customers for you!

In addition to the cash and merchandise prizes that can be won on the instant ticket, the Lottery is also offering players the opportunity to send in their non-winning Harley-Davidson tickets for a second-chance drawing in which they can win either a motorcycle or Harley-Davidson brand merchandise. Overall, between the instant and second-chance winners, the Lottery will award nine motorcycles.

I encourage you to prominently display your point-of-sale materials for this game, as we expect it to be a big seller!

New Instant! The Lottery is

See Lottery, page 31

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- Players send in two non-winning tickets to enter
- Four BONUS drawings to be held
- For each drawing, one Harley-Davidson® Sportster® 1200 Custom™ motorcycle and 500 Harley-Davidson® prize packs will be awarded



Level Playing Field Continued from front page

Impact on Grocers

American consumers have benefited from the most diversified food distribution system in the world, and the independent retail/wholesale system has historically been the cornerstone of that diversity, providing variety, selection, competitive prices and value for the consumers. However, the growth in industry concentration threatens this diversity, resulting in higher consumer prices and less variety.

Robinson-Patman Act enforcement by the FTC is essential to ensure that all competitors are being offered and receiving the promotional and equal pricing packaging, promotional allowances, product availability and payment terms. The ability of large power buyers to demand and receive special preferential treatment in any of these five areas that are not made available to competitors violates the law and fuels the fire for power buyers to seek even more buying clout through mergers and acquisitions.

- The "rush to bigness" on the part of mega-chains is in many respects driven by the lack of enforcement of Robinson-Patman, resulting in power buyers making excessive demands on

suppliers with respect to special pricing, packaging, promotion allowances, payment terms and product availability. The FTC should assure that the funds appropriated for enforcement 2001 are effectively used for compliance.

- The trend toward excessive concentration has resulted in the five largest retailers soon having in excess of 50 percent share of the market nationwide that seriously restricts competition, raises prices to consumers and provides less variety. The FTC's merger policy should address the competitive impact of creating power buyers that can demand and receive preferential treatment that is not available to competitors.

- The saturation bombing strategy of Wal-Mart and its capability to blanket a market with four different formats will continue to add to the problem. If Wal-Mart contends that "They will meet all competitors' prices," what will happen to prices when there is no competition?

- The FTC's merger divestiture policy currently discriminates against independent retailers and wholesalers. The FTC should give independent retailers and wholesalers a greater opportunity to acquire stores that become available as a result of an FTC divestiture order. Wholesalers can ill afford to lose

sales, and when an independent retailer commits to sell, the FTC should provide wholesalers a greater opportunity or preference to acquire the retail company in order to preserve volume.

- For Robinson-Patman purposes, traditional Wal-Marts, Targets,

Kmarts, clubs and chain drugstores compete directly with supermarkets and the FTC should enforce the law so they do not enjoy preferential treatment based on class-of-trade distinctions. State officials should enforce unfair sales laws to assure that consumers have the benefits of a diverse and competitive marketplace.

Scenes from the March 28 DAGMR Dinner featuring Kroger

See related story, page 20





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You're spending good time and money finding and hiring store employees. What are you doing to keep them motivated – to keep them working at your store? There are simple, inexpensive things you can do to get the right return on your investment. And, the payback of having positive, well-trained people in the aisles, behind the service counters and at the front end is a shopping experience that builds customer loyalty, differentiates you from the competition and ultimately increases your bottom line.

Consider these steps for the people you've hired:

1. Make them feel welcome in your store. Introduce them to their co-workers, assign them a buddy and orient them to your way of doing business.

2. Protect your investment. Train them in both the technical and people part of the job and give them ongoing opportunities to learn new skills.

3. Tell them what you expect on the job. Listen actively and get feedback to make sure they understand what you want and when

you want it.

4. Respect cultural and generational differences. It's a diverse workforce today—use that diversity as a strength.

5. Consider skill level and experience. New people need direction and support; veterans sometimes just need to be left alone to get the job done.

6. Be flexible. Concerns like child care, transportation, school sports and family issues need to be considered when writing a schedule.

7. Share information. Let them know what the goals are and how well

the store and departments are doing in meeting or not meeting them.

8. Provide incentives for individual and team performances. It motivates and increases productivity.

9. Manage with respect. Praise and recognize good performance in public; correct poor performance in private, making sure to be specific about what good performance looks like.

10. Invite suggestions and allow your people to try out a new idea. Create a trusting environment where people feel comfortable sharing suggestions and complaints.

Coke goes underground

Coca-Cola is installing ads for its Dasani bottled water in lighted boxes along a 900-foot tunnel wall within the Atlanta subway system. The ads will be strung in a line, and as trains pass the boxes, will create an illusion similar to a child's flip book, in which an image appears to move as the pages are flipped quickly.

—The Wall Street Journal

Rep. Scranton,
Continued from page 10

Special renaissance zones for food processors have been recently approved. This will increase their business capacity as well as incentives for new employment. Unique renaissance zones for food processors allows the fine food grown in Michigan to stay in Michigan, which keeps the processing time and travel expenditures to a minimum. This means fresher food and better product at a reduced cost. We look forward to expanding processing businesses in Michigan.

As food industry leaders, you face a challenging future competing in today's high-tech business world where convenience and specialty products are a premium. Arriving at creative solutions is paramount. I have witnessed numerous changes myself, strolling the aisles of my local supermarket and on the digital superhighway surfing the Internet on my computer. You are challenged daily to meet the ever-changing needs of the consumer. Keeping up with current trends means more costs to you to serve your customer effectively. It is government's responsibility to meet your challenges by keeping rules and regulations few, simple and effective. Keeping taxes low is a priority so you have more to invest in your people and your business.

I look forward to working with you and my House and Senate colleagues in the months ahead on issues benefiting the Michigan food industry to help with your continued success.

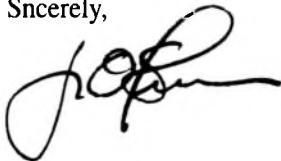
Something new—NO Something wanted—YES What is it?—SERVICE!

Since joining Jays three years ago, my charge was to re-establish Jays within the Detroit marketplace. One area we needed to improve upon was providing quality service. We needed to change the disposition from "driver" to "salesperson"—one who not only delivers the product, but knows the trends consumers are looking for. Well, it took some time, but I believe we now offer the best "service" of any snack company.

So if you're looking for ways to grow your snack category, let Jays assist you. Please feel free to stop by our distribution center at 10711 Northend (between Meyers and Wyoming) in fashionable Ferndale to see our entire selection of quality snacks.

Feel free to contact me at
(800) 752-5309.
When it comes to snacks,
"You can't stop eating 'em."

Sincerely,



Jim O'Shea
Regional Sales Manager



Older Women, Continued from page 16

For example, the market for vitamins, calcium supplements and herbal remedies that address the health needs of midlife women has shown recent, rapid growth. According to *more's* 1999 reader study, for example, 40 percent of respondents began taking vitamins within the 12 months prior to the survey. "There is enormous interest by women in these types of products," says Susan Trimbo, vice president of scientific affairs at General Nutrition Centers (GNC), "especially as they become more comfortable managing their own health care."

Soy-based products are one of the hottest areas for GNC today, Trimbo says. GNC has carried soy-based products for some time, but decided to create specific Soy Centers in its stores after the FDA announced last October that 25 grams of soy protein a day may reduce the risk of heart disease. Trimbo says the GNC shopper most likely to make a purchase is a woman, and that women bought into the benefits of soy even before the FDA did. "The incidence of heart disease in women goes up after menopause," she says, "and soy also appears to promote bone health, which helps with osteoporosis."

Transitions-For-Health in Portland,

Ore., also sells its own natural health-care products, but it is one of the few retailers taking a direct marketing approach that targets midlife women. "In 1990, when we started putting more energy into our marketing effort — which targets 45- to 60-year-old women — we found very few others pitching products to the same group," says CEO Sharon MacFarland.

Transitions sells a variety of products — such as vitamins and herbal remedies — through its catalog, web site, natural products supermarkets and select health-care providers. For the last three years, growth has been between 30 and 40 percent.

After MacFarland took over the business from her father in 1986, company research indicated midlife women were underserved when it came to nutritional information and options. "At the time, I didn't see it as a sales opportunity, just an unmet need," MacFarland says. "But now, with baby boomers entering their 50s, business couldn't be healthier."

Eilene Zimmerman is a San Diego-based freelance writer who focuses on business, education and health issues. Reprinted with permission from IdeaBeat.com

FMI, Cornell Univ. to offer new food safety certification program

Recognizing that food retailers need the best food safety knowledge and expertise, the Cornell University Food Industry Management Distance Education Program, in partnership with Food Marketing Institute (FMI), offers a complete Food Safety Certification Instructor's Workshop. The new workshop will be held June 10-12 at the Orlando Marriott Downtown, Orlando, Florida.

"This workshop is a benchmark food safety program offering retail food companies the opportunity to certify their managers, associates and instructors in food safety," said Jill Hollingsworth, vice president of food safety programs at FMI. "This course will give a complete understanding of the impact that cleanliness and sanitation have on customer satisfaction, food quality and safety, regulatory compliance, and profitability."

Led by Robert B. Gravani, Ph.D. and professor of Food Science at Cornell University, the certification workshop will allow qualified candidates to become Cornell Certified Food Safety Instructors under the provisions of the Food Code, issued by the Food and Drug

Administration (FDA). Participants will have the opportunity to:

- Review and practice food safety training skills and techniques.
- Prepare for and take the food safety certification exam.
- Learn how to conduct food safety workshops for both managers and associates.

Workshop attendees should be managers and other personnel who are responsible for their company's food safety training programs.

In addition to the Food Store Sanitation textbook, participants will receive a complete Instructor's Kit which includes the Food Safety Handbook, instructor's manual and training guide, two food safety videotapes and a CD-ROM of presentation slides. As Cornell-certified instructors armed with this comprehensive training resource, participants will be able to conduct food safety certification workshops for managers and associates.

For complete workshop information, please call FMI's Food Safety Programs at (202) 220-0600 or Sue Steinruck, Cornell University at (607) 266-7656.

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FDI releases report on retailer competitiveness

Whose Shelf Is It Anyway?

Perhaps a question with an obvious answer, but a statement that serves as a cornerstone for one of the biggest wholesale-supplied channel improvement projects in the industry. A project that identifies a potential \$1.2 billion annual sales benefit to the channel.

Food Distributors International (FDI) released a comprehensive report that explains how independent retailers can compete more effectively with chains if all members of the wholesale-supplied channel cooperate to improve in-store implementation.

The report, "In-Store Implementation: Enhancing the Competitiveness of the Independent Retailer" incorporates the views of hundreds of food manufacturers, sales agents, wholesalers and retailers. The project consumed three years from launch to publication of the report.

"This is by far more important and potentially impactful to our business than any study or

committee with which I have been associated," said Leland Dake, vice president of merchandising, distribution food companies for SUPERVALU INC. and co-chair of FDI's Project Leadership Committee, which conducted the study in consultation with The Partnering Group Inc. The report concludes that independent retailers can increase:

- Annual sales per store up to \$115,000, and annual gross profit per store up to \$30,000, by getting new products to the shelf faster.
- Category unit sales up to 21 percent, dollar sales up to 12 percent and gross profit up to 7 percent by improving shelf planogram integrity.

For a 10 store chain, that means potential annual sales and gross profit increases of \$1.2 million and \$300,000 respectively, and possibly as much as \$1.2 billion in added sales for the industry.

"Intuitively, I thought there was a lot of potential for business improvement, but the magnitude of the potential surprised me," said

Sandy Brawley, corporate director of customer development for The Clorox Sales Company and the other co-chair of the Project Leadership Committee.

Focusing on three key issues — assortment, shelf and display management — the report issues a nine-part "call to action": integration of business processes, recognition of implementation as a strategic necessity, development of principles for a cooperative relationship, upgrading of category business plans by wholesalers, programs to upgrade skills, new communications mechanisms, deployment of return-on-assets standards, new performance measurements and retailer acceptance and implementation of new practices. The report lists in detail exactly what each member of the supply chain can do to enhance in-store implementation.

The study was sponsored by 20 major companies and trade associations because of growing concern among members of the

wholesale-supplied channel that business opportunities are being lost due to the inconsistent quality of in-store implementation work. The study team surveyed 120 executives from independent retailer, wholesaler, manufacturer and sales agent organizations about their practices, and 51 executives then met for six days to design improved processes, which were benchmarked on speed-to-shelf performance of 1,600 new products in 415 stores and planogram integrity levels for 200 categories in 90 stores. The study team also interviewed 115 store managers and formulated the tools and training to enable all channel members to use the improved processes.

The report, which was released at FDI's Midyear Executive Conference in Henderson, NV, is available to FDI members, associate members and allied members; IFDA members; IFDA Partners, and independent supermarket retailers for \$95 (others, \$495) by calling (301) 843-3084.

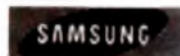
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Concealed gun petitions submitted

Opponents of a new law that will make it easier to obtain a concealed gun permit submitted almost 260,000 signatures to give voters the final say on the measure on the 2002 ballot. But now the referendum effort faces a critical legal contest.

The Michigan United Conservation Clubs and Michigan Coalition for Responsible Gun Owners filed suit in the Court of Appeals to block the referendum on this issue. They also requested that the process of verifying the signatures be stopped until a final ruling is made on the legality of the referendum.

Supporters of the new law added a \$1 million appropriation to it shortly before it cleared the Legislature in hopes of shutting down a referendum based on the constitution's prohibition of referenda on "acts making appropriations for state institutes."

The law, scheduled to take effect July 1, would essentially require automatic approval of applications for concealed gun permits except for convicted felons, those convicted of misdemeanors within either the last

three or eight years and those with mental illness.

Applicants would have to undergo training on how to carry a concealed gun and could not bring their weapons into schools, houses of religious worship, and numerous other public buildings.

Supporters say the law will end a permitting process that varies widely among 83 counties (some dole out permits freely while others are restrictive) and reduce crime because potential hooligans will be deterred by the possibility of law-abiding citizens carrying guns. But opponents say it will increase violence and accidental shootings while encouraging a confrontational society.

In a somewhat related matter, Wayne County Circuit Court Judge Jeanne Stempien recently ruled that the law enacted in this package seeking to prohibit lawsuits by local governments against gun manufacturers is unconstitutional. This may allow lawsuits filed by Wayne County and the City of Detroit to proceed. The case will likely be appealed.



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More and more c-stores co-brand with fast food chains

In 1974, a convenience store and a fried chicken franchise decided to go into business together thus beginning a trend now known as co-branding: when a c-store and national or regional fast-food establishment open their doors together. This trend continues to grow at an amazing rate with big name fast-food chains, like McDonald's, Domino's Pizza, and Subway Sandwich Shops to name a few, scrambling to find c-store partners.

Co-branding can benefit both partners. Some retailers see it as a way to increase profit margins as well as the volume in their stores, while various fast-food chains see it as an opportunity to grab choice corners or locations beneficial to their prompt service. Co-branding may also help retailers and fast-food chains with expansion and growth. Some fast-food chains will provide store development plans, as well as possible site identification to the stores they have, or would like to co-

brand with.

There are other considerations to look at when thinking of co-branding. Some fast-food chains will negotiate to share startup or maintenance costs, or allow the retailer to keep their soda fountain and coffee programs. Retailers may also want to consider the fast-food chains' menu for consistency. Mike Conway of Conway Oil Co. (who co-branded with McDonald's) says, "With McDonald's we get a brand that not only gets it right, but probably is the first fast-food chain to create a consistent offering in all of its stores. No matter where you go, you know when you enter a McDonald's you can expect the same quality offering."

There are other ways to incorporate: foodservice programs within c-stores. The unbranded proprietary programs are the most popular. This is a foodservice program sans a brand name. Acquiring a brand name unique to a particular store is another type of

branded propriety program.

In a recent foodservice study, regarding co-branding, conducted by Convenience Store News, 83% of the respondents chose to go with unbranded proprietary programs. 37% chose national or regional branded programs, and 35% chose branded programs that provided their stores with a brand name unique to them. The study also showed almost identical average gross margins from respondents with either unbranded or branded programs in place. The average net margin was 9 points higher for operators with branded proprietary programs in place.

Regardless of the program chosen, it is important to consider all factors involved in adding foodservice. One c-store operator had this to say regarding co-branding: "Leasing space to national brands is highly recommended, (but) retailers should investigate wisely before entering this concept. Food costs, labor and equipment can kill these programs."

Events to merchandise around

June is

Turkey Lovers' Month. Contact: National Turkey Federation, 202-898-0100, www.eatturkey.com

National Iced Tea Month. Contact: The Tea Council of USA, 212-986-6998, www.teausa.com

National Headache Awareness Week (June 3-9). Contact: National Headache Foundation, 888-643-5552, www.headaches.org
National Splurge Day-June 18. A day to go out and do something indulgent!

July is

National Bison Month. Contact: National Bison Association, 303-292-2833, www.bisoncentral.com

National Hot Dog Month. Contact: National Hot Dog & Sausage Council, 703-841-2400, www.meat@mi.com

National July Belongs to Blueberries Month. Contact: North American Blueberry Council, www.blueberry.org

I Forgot Day—July 2. Annually, the 183rd day of the year—a day to make up for all the birthdays, anniversaries, new births etc. that you forgot to acknowledge with a greeting or gift.



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Tips for making your voice heard in Lansing

The following are tips for making your voice heard on legislative issues you might want to address in the future.

1. **Provide information:** Give your legislator fact sheets, background studies, position papers and similar research that tells how a proposal affects you. Then, provide information on how it affects the general public and/or your organization. Keep it brief! If the legislator wants more, he or she will ask for it.

2. **Be constructive:** Don't just condemn a proposal; show specifically how it can be improved.

Demonstrate a willingness to compromise if a compromise can be found. Take positive, as well as negative, stands on issues.

3. **Be honest:** Be straightforward in presenting your view. Give both sides of the issue. Do not imply facts or authority that you don't possess.

4. **Be cooperative:** Coordinate your legislative activities with other groups or organizations that may share your interest in a given bill or proposal. This includes organizations that might be expected to oppose, as well as support, your position. Also, keep abreast of legislation on other states, plus national legislative studies affecting your

organization.

5. **Be interested:** Know your legislator. Familiarize yourself with their problems and specialized interests. Meet their staff, and maintain frequent contact.

6. **Be alert and imaginative:** Sell your position or proposal through surveys or programs that catch the public eye. If you favor a measure, seek a means of dramatically promoting public interest and support. Watch for opportunities to pursue your proposals in other ways, perhaps as an amendment or resolution. Watch for amendments or

resolutions that may affect you.

7. **Be professional:** Don't threaten your legislators if they disagree with you. By the same token, never hint at rewards for their support.

8. **Avoid standardization:** Do not send mimeographed or dittoed letters. Do not use form letters provided by your associates. Send original letters.

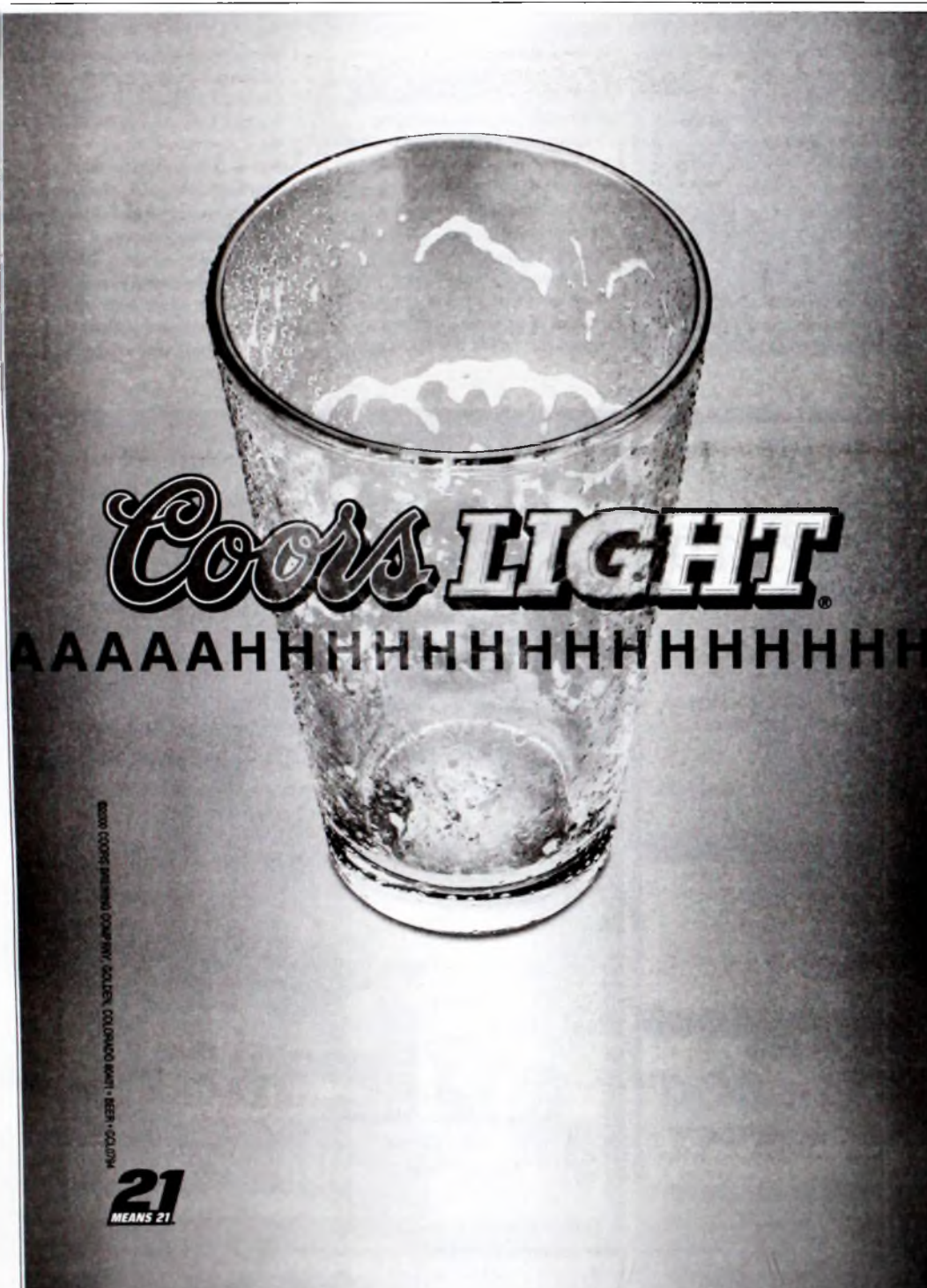
9. **Practice what you preach:** Your words are worthless if your acts contradict them. Exemplify the position you support in all that you undertake.

10. **Remember to say "thank you":** After an issue has been resolved, send a note of appreciation to your legislators acknowledging their time and effort on your behalf.

AFD welcomes new members

The Associated Food Dealers of Michigan welcomes these new members who have joined from January to March 2001:

8 Oak
Albin's Bottle & Basket
Applegate Market
Big Star Market
Big V Store
Bill's Chicken Villa #2
Binno & Binno Investment Co
Bonsers of Custer
Carpenter Road Superette
Christy's Country Store
Coles Wabash Market
Dollys Pizza
Fiesta Liquor Shoppe
Foster's Wheel Inn
Glen Fonzi Restaurant
Hwy 64 Fuel Center & Food Mart
J & J Liquor Market
Lake-O-Mart
Lansing Shell
Lawrence Brothers Distributors
Lucky Star
MBM Check Cashing
Moomers Homemade Ice Cream
Mr. Pita
Munchies & More
North Forest Cafe
Oakrun Farm Bakery
Party Port
Red Bull North America, Inc.
Roseville Liquor
S. Mart
Safaros Food Store
Secure Checks / Computer Broker
Seven Eleven #104
Snack Shop
Super K Liquor
The Beverage Broker
The Korner Store
Tim Horton (E.G.K., Inc.)
Traveler's Express
Trix's Pub
Uptown Liquor Store
Wine Castle
Zip's Party Store



Drug Emporium Files for Chapter 11

The Drug Emporium Inc. retail chain said it will file for protection from its creditors under Chapter 11 of the federal bankruptcy laws, and will propose as part of its reorganization plan that it be sold to Minnesota-based Snyder's Drug Stores Inc. The reorganization plan must be approved by the bankruptcy court.

Under the agreement, all of the Drug Emporium's existing common stock, options and other equity rights would be canceled during the reorganization. The company's current shareholders would get little or no money from the sale.

The drugstore chain announced in January that it might sell some assets to regain its financial footing.

Drug Emporium also acknowledged discussions at that time about a possible sale and warned that any sale likely would not produce any value for the company's shareholders.

"The acquisition of Drug Emporium...should allow the company to emerge quickly as a sound and financially viable organization," David Kriegel, Drug Emporium's chief executive, said, noting that Drug Emporium intended

to maintain normal store operations through the reorganization.

Drug Emporium, based in Powell, owns and operates 131 stores under the names Drug Emporium, F&M Super Drug Stores and Vix Drug Stores. The company franchises an additional 34 stores under the Drug Emporium name.

Snyder's operates 81 corporate stores and has more than 100 franchises in Illinois, Michigan, Minnesota, Montana, South Dakota, Iowa, and Wisconsin under the Snyder's name. Snyder's is part of the Katz Group of Edmonton, Alberta,

Canada.

The announcement follows a series of financial setbacks for Drug Emporium.

The company reported an \$8.7 million loss for its third quarter, which ended November 25. And it unloaded its online drugstore last summer to HealthCentral.com after losing millions on the venture.

Analysts say Drug Emporium has been hurt by growing competition from other drugstore chains as well as discount drugstores.

Lottery,

Continued from page 22

introducing four exciting new instant games in May. The new \$2 "Mystery Pattern Bingo" goes on sale May 7, offering a top prize of \$20,000. Who says money doesn't grow on trees? The "Money Tree" \$2 instant game ticket will be introduced on May 14, with a top prize of \$35,000. The new \$1 "Spin to Win," with a \$5,000 top prize, is sure to be a hit with players when it hits ticket counters on May 21. Finally, on May 29, your customers' wishes may come true upon purchasing the new \$10 instant game ticket, "Million Dollar Wish," with a top prize of \$1 million!

Cash Option. Customers may ask you about the cash option with regard to Michigan Millions and The Big Game. The Lottery no longer requires retailers to ask players whether they want cash option or annuity at the time of ticket purchase. The cash option still exists, but we are now allowing jackpot winners to make that decision when they claim a prize. I encourage you to pass this message on to players if they ask so they understand that the option still exists.

Unclaimed Prize. In June, the following Michigan Lotto prize is set to expire:

Draw Date: June 14, 2000

Game: Michigan Lotto

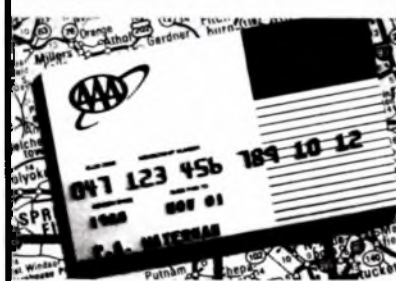
Winning #'s: 04-13-21-28-43-48

Prize: \$1,039,242

Retailer & City: Corner Produce, 4518 N. Michigan Ave., in Saginaw

All unclaimed prizes revert to the state School Aid Fund after one year from the draw date. In the case of a Big Game prize, in which all Big Game states have contributed to funding the prize, Michigan's allotted share of the prize money will be transferred to the state School Aid Fund. For more information about any unclaimed Michigan Lottery prize, you can call the Lottery's Public Relations office at 517-335-5640, or visit our website at www.state.mi.us/milottery.

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*Insurance underwritten by Auto Club Insurance Association family of companies.

Health insurance cost increases are being addressed

Timely information from Blue Cross Blue Shield of Michigan

While we are excited with new advances in medicine and technology, we are also concerned that costs for health care continue to increase. In the face of so many great advances in medicine, one expects costs to fall as people become healthier. But, in fact, the opposite is true for several reasons.

New technology equals greater life expectancy. Between 1950 and 1990 the mortality rate for heart disease fell by 60%, however, the United States still spends nearly \$110 billion annually to treat the disease. The reason for this high cost? People are living longer with this chronic disease. By definition, chronic care cannot be fixed or cured, which is why this care is so costly. Forty-six percent of the people with health problems have a *chronic condition*, which accounts for 76% of all medical costs. However, there is hope for this type of illness. Early diagnosis and treatment of chronic conditions can save thousands of dollars in health care costs. For example, the cost for a measles, mumps or rubella vaccine is about \$20 each while the average cost for hospitalization to treat these diseases is about \$21,000 per admission.

Heart Disease is just one example of how chronic conditions are significantly impacting the cost of health care. These illnesses have indirect consequences as well due to lost workdays and lower productivity totaling \$161.3 billion in cost to companies. By 2020 it is estimated that chronic illnesses will afflict 148

million Americans and create medical costs of nearly \$800 billion. Costs will only continue to grow because we use more health care as we age and the leading edge of baby boomers turn 55 next year!

Increased costs are not just limited to those related to chronic conditions. The center for Disease Control and Prevention reports that more people are visiting their doctors every year and that the average cost per visit is nearly \$123.00! The reason for this high average is due to a combination of services including the office visit itself, EKG's, surgery, Prescription drugs and outpatient hospital labs and x-rays, which are seldom recognized by the patient because they are often billed separately.

So, what is being done about these ever increasing costs? The Blues have created some special programs one of which is the BlueCard, which has saved customers over \$183.7 million since 1999. This feature allows customers to use their I.D. card to see a BCBSM provider in any state. Anti-fraud programs have saved over \$176 million since 1980 by finding persons committing insurance fraud.

Along with these programs, there are several new services designed to improve productivity by keeping workers healthy and at work. **Blue HealthLine** gives members 24-hour access to registered nurses for assistance with minor emergencies and other health questions. **Naturally Blue** offers members

discounts on complimentary medicine such as vitamins, massage therapy and acupuncture. **PersonalPath.com** allows members to access credible information that is relevant to their individual and personal health care needs via the Internet. Studies show that when people have access to accurate health care information they make better educated decisions.

The problem of rising health care costs is too massive and long-standing a problem to have quick fixes. However, efforts can be made to study the areas that are costing the most to insurers so that changes can be implemented in the future. Because of the cost in treating people with chronic conditions, it is necessary to work on the preventative side of health. Helping customers be aware of their health needs and the costs of healthcare will also make them better health care consumers. New programs designed to catch fraud, criminals and find mistakes in claims will also save millions of dollars. Blue Cross Blue Shield of Michigan has controlling health care costs as a top priority and it's one they take very seriously.

Source: BCBSM "Financing Your Health Care in 2001"
Gadaletto, Ramsby and Associates is an Authorized Managing Agent
Blue Cross Blue Shield of Michigan and Blue Care Network are nonprofit corporations and independent licensees of the Blue Cross Blue and Shield Association.

For information on any of the AFD Blue Cross Blue Shield services, call Judy or Liz at AFD (248) 557-9600.

Advice from someone who likes to watch

Paco Underhill offers suggestions to get more people into your stores

By Steve Holtz, CSP Magazine

Are retailers doing all they can to maximize their profits? Not by a long shot, according to Paco Underhill. The founder of the Envirosell research and consulting firm offered a challenge to retailers during the Convenience Retailing Conference and set a goal: "to give (retailers) a different set of glasses to look at the efficacy of your business."

"I'm not here to pat you on the back (and) tell you what a good job you're doing," said Underhill, whose *Why We Buy* was a national best seller. "I'm not here to say that the future is rosy for you, because it's not. I'm here to tell you that in many

ways, I think the other channels of retail are having you for lunch, and you guys have been sitting back on your butts as the market changes and you refuse to."

The past 10 years have been pretty good ones for retailing, but that's changing, according to Underhill, a "retail anthropologist" who, with his team of about 100 "trackers," has followed somewhere between 70,000 and 80,000 people through the shopping process and shot about 50,000 hours of profoundly boring videotape."

That video, however, has given Underhill an understanding of consumers and the shopping process.

A key issue Underhill has learned is that "two-thirds of our total economy is based on discretionary purchases. (When) somebody walks into a grocery store, 60% to 70% of what they buy they had no intention of (purchasing)." This, said Underhill, provides retailers an important lesson—get people in the stores and the products will almost sell themselves.

Getting them in the door

In his 20 years of studying c-store and other retail outlets in the United States, Europe and South America,

See Watching,
next page

Classifieds

FOR SALE—Ice Cream Maker and Pizza Oven. Call Patrick at (810) 725-2076.

FOR SALE: HAZEL PARK—Well established small supermarket, about 6,000 sq. ft. Same owners for over 35 years. Money maker—easy to run. Call Tony for details, (248) 543-2018.

FOR SALE—12,000 sq. ft. supermarket located in pleasant thumb town. Remodel done in 1996. SDD-SDM license. Possible easy terms—MUST SELL (517) 879-7055 after 5:00 p.m.

CLARE—Profitable second generation Convenience store including real estate, business opportunity, equipment and fixtures. The inventory, which is valued at approximately \$40,000, can be purchased separately. The store features groceries, fresh meat, tobacco, liquor, lotto, hunting and fishing licenses, ATM, LP fill, general supplies, party & specialty items and homemade pizza. The store has provided a good income for many years. Living quarters on site for owner or rental income. Seller will consider offers of cash, conventional financing or possible seller financing terms. \$239,000, qualified buyers contact Wayne Terpening, Re/Max brookside, 415 N. McEwan St., P.O. Box 415, Clare, MI 48619-0415. Toll free (888) 473-5442.

SHOWCASES FOR SALE—3 foot to 6 foot and 3 foot to 4 foot. Call Neil at (248) 252-4674.

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

SOFT SERVE ICE CREAM MACHINE—Triple head, free standing machine for sale. Best offer. Call Art at (734) 675-7006.

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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 includes equipment, inventory and real estate. Cute, 2-bedroom 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.

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

MICHIGAN EMPLOYERS—Need employees? Reach quality job candidates with a creative recruitment ad in *THE EMPLOYMENT GUIDE*—Michigan's largest employment advertising paper. Call Brian Greenlee at 800-752-8928, ext. 230.

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

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

SPECIALTY WINE SHOP FOR SALE—SW Michigan location, SDD, SDM and Lotto. \$1.6m revenues, \$100M+ cash flow. Owners retiring. Great opportunity with strong potential for growth. \$275,000+ inventory. The Stratford Company (Broker): 616-385-4101.

MID-MICHIGAN—Convenience store with gasoline, 3,350 sq. ft. of space and 1,070+/- sq. ft. three bedroom ranch home. Centrally located between three separate lakes in year-round resort area. Steel building, dura seal roof, new 24-ft. nine-door walk-in cooler, new 12 x 8 walk-in freezer, kitchen, live bait room, beer & wine license, liquor license, fish and game agent, lottery agent. All fixtures and equipment included with sale. Call Harrison Realty at 517-539-2261. Price \$395,000.00 plus inventory.

FOR SALE: CONVENIENCE STORE—6 Mile & Beech Daly. 2,425 sq. ft. Asking \$250,000 building, \$100,000 business, \$35,000 approx. inventory. Call Chandler, (248) 231-2661 for more information.

FOR SALE—Major specialty food market located in Ann Arbor, MI. 9600 sq. ft. building can be purchased or leased (734) 975-8883.

Watching, continued from page 32

Underhill said he has seen four issues rise to the surface again and again: the aging population, the changing role of women, shopping as a family and ethnicity changes. Each offers a lesson in bringing more shoppers into the store.

Aging population "I'm 49; the way my eyes work and the way a 25-year-old's eyes work are fundamentally different," Underhill said. "Yet, if I go to the design studios in Dallas or in New York, the person who's doing the actual design work is under age 30. And what they see and what the rest of us see is often a little different."

As an example, Underhill noted his own frustration with the small print used on the telephone in his hotel room.

"We watch somebody struggle with pay-at-the-pump reading the directions. Visual acuity and aging issues are going to be part of our culture," he said. "We have instances in the c-store business that may be an opportunity, which is why so many of you have gone to self-service and yet a significant (and increasing) part of our population has trouble manipulating your pumps."

As a possible solution, Underhill suggested having a weekly "senior hour," during which you have somebody at the pump helping the senior citizens. The benefit? Once they've been lured to the pumps, they'll likely shop inside the store as well.

The changing role of women "Half the cars driven on the road today are driven by women, and there is not a single c-store chain in this room that has done anything to make a female-friendly environment," said Underhill. "We think if we put up a few more lights, maybe that'll make the difference. I disagree with you vehemently."

Instead, Underhill encouraged retailers to judge their women friendliness based on one thing—the ladies' washroom.

"I think conceptually, if you had a sign outside that said the number of minutes since your ladies' room was cleaned, ... it may be eminently more marketable than what the price of regular (gasoline) is," Underhill said. "We live in a world where most of your stores are owned by men, designed by men and operated by men, and yet somehow there's a huge market out there that we're trying to respond to."

Again the bottom line is, if a clean washroom will get someone into the store, more than likely, that person will buy something, too.

Shopping as families "One of the clearest ways to affect the shopping experience of the person who wants to be at the store is looking at the

behavior of the person who doesn't want to be there," said Underhill.

Too often, retailers do not consider the needs of a whole family, added Underhill. While mom is grabbing a gallon of milk or junior's favorite cereal, is the child whining about wanting to go home? Underhill said the store should have something to keep everybody's interest.

"A district manager should have a skateboard in the back of his car and periodically take the skateboard out, stick it down on the floor, sit on it and roll around the store to see what it looks like from the vantage point of a 4-year-old," he said. "There are people who are in your store who

desperately don't want to be there. What are you going to do about it?"

If mom can shop in your store without junior crying the whole time, she'll come back again and again.

Changing ethnicity "We could generally assume in 1900 if your skin wasn't white, you didn't speak English as a first language or you weren't born here, that you were poor. That's not true today," said Underhill.

Now, many of the consumers who meet the above criteria "are mirror images" of the rest of us economically. As a result, Underhill suggested marketing to those populations just to get people into the

store.

"That ethnic population is some of the most loyal and responsive that you'll find," he said. "Understanding your ground—it means that if you're serving a Hispanic market, maybe stocking a little Inca Cola may not be a bad idea. It may mean if you're in an Asian community, that stocking a Korean newspaper or Chinese newspaper is simply good business."

These "touch-points" can build customer loyalty and, again, get consumers in the store for one unique item and make it easier to sell other products.





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	(888) 642-4697
Encore Group/Trans-Con, Co.	(888) 440-0200

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Ackroyd's Scotch Bakery & Sausage	(313) 532-1181
Archway Cookies	(616) 962-6205
Awrey Bakeries, Inc.	(313) 522-1100
Dolly Madison Bakery	(517) 796-0843
Earthgrains	(734) 946-4865
Intervale Brands Corp.	(313) 591-4132
Koeppinger Bakeries, Inc.	(248) 967-2020
Oakrun Farm Bakery	(800) 263-6422
S & M Biscuit Dist. (Stella D'Oro)	(810) 757-4457
Taystee Bakeries	(248) 476-0201

BANKS:

ATM of Michigan	(248) 427-9830
Michigan National Bank	1-800-225-5662
North American Interstate	(248) 543-1666
Peoples State Bank	(248) 548-2900
United ATM's, Inc.	(248) 358-2547

BEVERAGES:

Absopure Water Co.	1-800-334-1064
Ak Wa Water	(248) 627-3747
Allied Domecq Spirits USA	(248) 948-8913
American Beverage Marketers	(913) 451-8311
American Bottling	(313) 937-3500
Anheuser-Busch Co.	(800) 414-2283
Arcadia Brewing Co.	(616) 963-9520
Bacardi Imports, Inc.	(248) 476-6400
Beilino Quality Beverages, Inc.	(734) 947-0920
Brown-Forman Beverage Co.	(734) 433-9989
Central Distributors	(313) 946-6250
Coca-Cola Bottlers of MI	

Auburn Hills (248) 373-2653

Detroit (313) 825-2700

Madison Heights (248) 585-1248

Van Buren (734) 397-2700

Port Huron (810) 982-8501

Coffee Express	(734) 459-4900
Coors Brewing Co.	(513) 412-5318
E & J Gallo Winery	(248) 647-0010
Eastown Distributors	(313) 867-6900
Faygo Beverages, Inc.	(313) 275-1600
Garden Foods	(313) 584-2800
Global Interactive Technology	(517) 681-2729
General Wine & Liquor Corp.	(313) 867-0521
Gourmet International, Inc.	(800) 875-5557
Great Lakes Beverage	(313) 865-3900
Hubert Distributors, Inc.	(248) 858-2340
Intrastate Distributing	(313) 892-3000
J. Lewis Cooper Co.	(313) 278-5400
Jim Beam Brands	(248) 471-2280
Josulate Wines, Inc.	(313) 538-5609
L & L Wine World	(248) 588-9200
Leelanau Wine Dist.	(231) 386-5201

Michigan Grape & Wine Industry Council	(517) 373-1104
Miller Brewing Company	(414) 259-9444
National Wine & Spirits	(888) 697-6424
	(888) 642-4697

NAYA, USA	(248) 788-3253
O.J. Distributing, Inc.	(313) 533-9991
Oak Distributing Company	(248) 674-3171
Pabst Brewing Co.	1-800-935-6533
Pepsi-Cola Bottling Group	

- Detroit	1-800-368-9945
- Howell	1-800-878-8239
- Pontiac	(248) 334-3512
Petipren, Inc.	(810) 468-1402
Red Bull North America	(248) 229-3460
Seagram Americas	(248) 553-9933
Seven-Up of Detroit	(313) 937-3500
South Beach Beverage Co.	(234) 223-9451
Southcorp Wines North America	(248) 795-8938
Tri-County Beverage	(248) 584-7100
UDV-North America	1-800-462-6504
United States Beverage	(630) 904-6028
Vineyards Fine Wines	(734) 284-5800
Viviano Wine Importers, Inc.	(313) 883-1600

BROKERS/REPRESENTATIVES:

Acosta-PMI	(248) 737-7100
Bob Arnold & Associates	(248) 646-0578
CrossMark	(734) 207-7900
The Greeson Company	(248) 305-6100
Hanson & Associates, Inc.	(248) 354-5339
International Sales Group, Inc.	(810) 752-6453
J.B. Novak & Associates	(248) 424-8500
James K. Tamakan Company	(248) 626-8300
Marketing Specialist, Inc.	(248) 661-8109
S & D Marketing	(248) 661-8109

CANDY & TOBACCO:

American Vending Sales	(248) 541-5090
Brown & Williamson Tobacco	(248) 350-3391
Philip Morris USA	(313) 591-5500
R.J. Reynolds	(248) 475-5600

CATERING/HALLS:

Emerald Food Service	(248) 546-2700
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Farmington Hills Manor	(248) 888-8000
Karen's Cafe at North Valley	(248) 855-8777
Nutrition Services	(517) 782-7244
Penna's of Sterling	(810) 978-3880
Southfield Manor	(248) 352-9020
St. Mary's Cultural Center	(313) 421-9220
Tina's Catering	(810) 949-2280

DAIRY PRODUCTS:

Golden Valley Dairy	(248) 399-3120
Melody Farms Dairy Company	(734) 525-4000
Pointe Dairy Services, Inc.	(248) 589-7700
Siroh's Ice Cream	(313) 568-5106
Superior Dairy Inc.	(248) 656-1523
Tom Davis & Sons Dairy	(248) 399-6300

EGGS & POULTRY:

Linwood Egg Company	(248) 524-9550
Montgomery Egg	(517) 296-4411

FISH & SEAFOOD:

Seafood International/Salasnek, Inc.	(313) 368-2500
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FRESH PRODUCE:

Aunt Mid Produce Co.	(313) 843-0840
Sunnyside Produce	(313) 259-8947

ICE PRODUCTS:

Midwest Ice Co.	(313) 868-8800
Party Time Ice Co.	(800) 327-2920

INSECT CONTROL:

Tri-County Pest Control	(810) 296-7590
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INSURANCE:

Blue Cross/Blue Shield	1-800-486-2365
Capital Insurance Group	(248) 354-6110
Gadaleto, Ramsey & Assoc.	(517) 351-4900
Frank McBride Jr., Inc.	(810) 445-2300
L. Bourdeau Insurance Services, Inc.	(248) 855-6690
Meadowbrook Insurance	(248) 358-1100
North Pointe Insurance	(248) 358-1171
Rocky Husaynu & Associates	(248) 988-8888

LOGISTICS PLANNING

SaTech Logistics, Inc.	(248) 203-9500
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MANUFACTURERS:

Anthony's Pizza	(810) 731-7541
Bosco's Pizza Co.	(248) 616-3450
Eden Foods	(517) 456-7424
Home Style Foods, Inc.	(313) 874-3250
Jaeger's Hillsdale Country Cheese	(517) 368-5990
Kraft General Foods	(248) 488-2979
Monitor (Big Chief) Sugar	(517) 686-0161
Nabisco, Inc.	(248) 478-1350
Old Orchard Brands	(616) 887-1745
Pack Em Enterprises	(313) 931-7000
Phillip Morris USA	(616) 554-0220
Red Pelican Food Products	(313) 921-2500
Singer Extract Laboratory	(313) 345-5880
Strauss Brothers Co.	(313) 832-1600

MEAT PRODUCERS/PACKERS:

Alexander & Hornung	(313) 921-8036
Bar S Foods	(248) 414-3857
Burdick Packing Co.	(616) 962-5111
Gainor's Meat Packing	(517) 269-8161
Hartig Meats	(313) 832-2080
Hygrade Food Products	(248) 355-1100
Kowalski Sausage Company	(313) 873-8200
Meat Packing	(313) 894-4369
Nagel Meat Processing Co.	(517) 568-5035
Pack 'Em Enterprises	(313) 931-7000
Pelkie Meat Processing	(906) 353-7479
Potok Packing Co.	(313) 893-4228
Strauss Brothers Co.	(313) 832-1600
Wolverine Packing Company	(313) 568-1900

MEDIA:

The Beverage Journal	1-800-292-2896
Booth Newspapers	(734) 994-6983
Detroit Free Press	(313) 222-6400
Detroit News	(313) 222-2000
Detroit Newspaper Agency	(313) 222-2325
The Employment Guide	(800) 752-8926 x230
Michigan Front Page	(313) 870-1940
Michigan Chronicle	(313) 963-5522
WDFN-AM 1130	(313) 259-4123
WDIV-TV4	(313) 222-0643
WWW-AM/EM	(313) 259-4323

NON-FOOD DISTRIBUTORS:

Items Galore	(810) 774-4800
Toffler Marketing	(810) 263-9110

POTATO CHIPS/NUTS/SNACKS:

Better Made Potato Chips	(313) 925-4774
Detroit Popcorn Company	1-800-642-2676
Frito-Lay, Inc.	1-800-359-5914
Giermack Pistachio Co.	(313) 393-2000
Grandma Shearer's Potato Chips	(313) 522-3580
Jay's Foods	(800) 752-5109
Kar Nut Products Company	(248) 541-7870
Niklas Distributors (Cabanana)	(313) 571-2447
Pioneer Snacks	(248) 862-1990
Rocky Peanut	(313) 871-5100
Variety Foods, Inc.	(810) 268-4900

Vitner Snacks	(810) 365-5555
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PROMOTION/ADVERTISING:

Enterprise Marketing	(616) 531-2221
Huron Web Offset Printing	(519) 845-3961
J.R. Marketing & Promotions	(810) 296-2246
JDA, Inc.	(313) 393-7835
Market Advantage	(248) 351-4296
PJM Graphics	(313) 535-6400
Promotions Unlimited 2000	(248) 557-4713
Stanley's Advertising & Dist.	(313) 961-7177
Stephen's Nu-Ad, Inc.	(810) 777-6823

RESTAURANTS:

Copper Canyon Brewery	(248) 223-1700
The Golden Mushroom	(248) 559-4230
Palace Gardens	(810) 743-6420

SERVICES:

AAA Michigan	(313) 336-0536
A & R Delivery	(810) 638-5395
Abbott, Nicholson, Quilter,	
Eschaki & Youngblood	(313) 566-2500
Action Inventory Services	(810) 573-2550
ADT Security Services, Inc.	(248) 583-2400
AirPage Prepay & Talk Cellular	(248) 547-7777
American Mailers	(313) 842-4000
Ameritech Pay Phone Services	1-800-809-0878
AMT Telecom Group	(248) 862-2000
Andrews Brothers, Inc.	
Detroit Produce Terminal	(313) 841-7400
Ann Klempner Red Carpet Keim	(734) 741-1262
AON Risk Services	(248) 359-6080
Automated Collection Systems	(248) 354-5012
Bellanca, Beattie, DeLisle	(313) 882-1100
Binn & Binn Investment Co.	(248) 540-7350
C. Roy & Sons	(810) 387-3975
Canteen Services	(616) 785-2180
Cateraid, Inc.	(517) 546-8217
Cellular One—Traverse City	(231) 922-9400
Central Alarm Signal	(313) 864-8900
Check Alert	(231) 775-3473
Checkcare Systems	(313) 263-3556
Cherry Marketing Institute	(517) 669-4264
Consolidated Vendors Corp.	(231) 739-2202
Container Recovery System	(517) 229-2929
Comelius Systems	(248) 545-5558
CPSP/Q. Solutions	(313) 259-0000
Credit Card Center	(248) 476-2221
Dean Nadeem Ankouny, JD	

Attorney At Law	(810) 296-3967
Deford Distributing	(517) 872-4018
Detroit Edison Company	(313) 237-9225
Economy Wholesale	(313) 922-0001
The Employment Guide	(800) 752-8926 x230
Eskeye Com. Inc.	(317) 632-3870
Financial & Marketing Ent.	(248) 541-6744
Follmer, Rudzewicz & Co., CPA	(248) 355-1040
Frank Smith Re/Max in the Hills	(248) 646-5000
Garmo & Co., CPA	(248) 737-9933
Goh's Inventory Service	(248) 353-5033
Great Lakes Data Systems	(248) 356-4100
Great Lakes News	(313) 359-1001
Grocery Street.Com	(248) 901-1530
Guardian Alarm	(248) 423-1000
J & B Financial Products LLC	(734) 420-5077
Jerome Urcheck, CPA	(248) 357-2400 x257
Karoub Associates	(517) 482-5000
L. Bourdeau Insurance Services, Inc.	(248) 855-6690
Law Offices-Garmo & Garmo	(248) 552-0500
Market Pros	(248) 349-6438
Meter Mate	(800) 843-6283
Metro Media Associates	(248) 625-0700
Michigan Bankard Services	(517) 323-6017
Nationwide Communications	(248) 208-3200
Nextel Communications	(248) 213-3100
Nordic Electric, L.L.C.	(734) 973-7700
North American Interstate	(248) 543-1666
O'Riley Realty & Investments	(248) 689-8844
Paul Meyer Real Estate	(248) 398-7285
PaineWebber	(248) 737-5422
Payment Authority, The	(248) 879-2222
Prudential Securities, Inc.	(248) 932-4480
Quality Inventory Services	(810) 771-9526
Retail Accounting Service	(313) 368-8235
REA Marketing	(517) 386-9666
Safe & Secure Investigations, Inc.	(248) 425-4775
Sagemark Consulting, Inc.	(248) 948-5124
Sal S. Shimmoun, CPA	(248) 593-5100
Salim Abraham, Broker	(248) 349-1474
Security Express	(248) 304-1900
Serv-Tech Cash Registers	(800) 866-3368
Smokeless Tobacco Council, Inc.	(202) 452-1252
Southfield Funeral Home	(248) 569-8080
Staver & Souve, PC	(734) 374-1900
Harold T. Stulberg, R.E., Broker	
24 Hours	(248) 351-4368
T.D. Rowe Corp.	(248) 280-4400
Telecheck Michigan, Inc.	(248) 354-5000
Travelers Express/Money Gram	(248) 584-0644
Verizon Wireless	(248) 763-1561 or (517) 896-7000
Western Union	(248) 887-1702

Western Union Financial Services	(248) 888-7423
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Whitey's Concessions	(313) 278-5207
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STORE SUPPLIES/EQUIPMENT:

Belmont Paper & Bag Supply	(313) 491-6550
Brehm Broaster Sales	(517) 427-5858
Cost Savings & Reduction Specialists	(561) 398-9396
Culinary Products	(517) 754-2457
DCI Food Equipment	(313) 369-1666
Envipco	(248) 471-4770
Ernie's Refrigeration	(517) 847-3961
Hobart Corporation	(734) 697-3070
Kansmacker	(517) 374-8807
Lauver's Cash Register	(313) 294-2600
Martin Snyder Product Sales	(313) 272-4900
MSI/BOCAR Store Fixtures	(248) 399-2050
National Food Equipment & Supplies	(248) 960-7292
North American Interstate	(248) 543-1666
Olender Equipment	(248) 458-8850
Oreck Floor Care Centers	(810) 451-5600
Sarkoz-Hollymatic Equipment	(313) 381-5773
Serv-Tech Cash Registers	(800) 866-3368
Swanson Commercial Food Equipment Services	(800) 762-8277
Taylor Freezer	(313) 525-2535
TOMRA Michigan	1-800-610-4866
United Marketing Assoc.	(734) 261-5380
Wadie Makhy Produce Specialist	(248) 706-9572

WHOLESALE/FOOD DISTRIBUTORS:

It's a great day for a drive ...
or a chip ... or a putt!



AFD Scholarship Golf Outing 2001 Wed., July 18, 2001 • Wolverine Golf Course

Hole Sponsor Packages:

Complete Eagle, Birdie and Par sponsorship Packages and General foursomes are now available.

All packages include: continental breakfast, BBQ lunch, dinner reception with open bar, snacks and beverages on the course, green fees with cart, free use of driving range and door prize eligibility.

Additionally, you are automatically qualified for all gaming holes including: longest drives, hole-in-one for \$10,000 and more.

Call Michele MacWilliams at (248) 557-9600 to reserve yours.

10 a.m.
Shot Gun
Start

4 p.m.
Dinner
Reception



Any way you slice it ...

... it's time to plan for the future. Start now with an AFD Scholarship Golf Outing Sponsorship and help educate kids from YOUR industry. This year, AFD plans to award at least 30 academic scholarships.

But we need your help!

Call Michele at (248) 557-9600 to make your Goodie Bag and/or Prize donations.

Back by
Popular
Demand:
"Guess Your
Distance"



Swing Into Summer and Get on the Right "Course" for Education!

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