



# FOOD & BEVERAGE REPORT

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

Change Service Requested

PRSR STD  
U.S. Postage  
PAID  
DETROIT, MI  
PERMIT#36

VOL 13, NO 3

The official publication of the Associated Food Dealers of Michigan

March 2002

**Working hard for our members.**

## Inside

**Top 10 facts on generic drugs • See page 8**

**Convenience store overview • See page 12**

**Meet Rep. Glenn Anderson • See page 22**

**AFD learns to make dough at Wonder Bread plant • See page 24**

**Flavor Selection Day at Ashby's Sterling Ice Cream • See page 28**

**Rocky's Party Store is an American story • See page 30**

## Governmental Affairs

### WIC encounters processing delays

AFD has just learned that WIC vendor payments will be delayed, due to problems with coupon paper quality. This delay means vendor payments will take up to six weeks to process after the coupons are received at WIC.

Vendors can help by making sure cashiers write the prices clearly on the coupons and that all coupons in the batch are facing the same direction behind the batch header. WIC asks that cashiers write only the price on the specified space—no initials or other markings.

WIC is addressing the issue, but delays will continue until all the 3 million problem coupons go through the system. Since the coupons have been distributed, there is no efficient way to deal with the problem, other than letting the coupons go through the system.

WIC says that every effort is being taken to resolve the backlog and bring payment processing back to normal.



### Don't they look great!

*AFD's Board of Directors posed for a photo during the 86th Annual Trade Dinner and Ball "An Evening in Paris." Guests were treated to fabulous food, a chance to socialize with our industry's leaders and the great sounds of AFD's favorite band, Intrigue. Story and more photos from the February 8 event begin on page 25.*

### New America's Choice<sup>SM</sup> Plan from Verizon maximizes wireless network

Having invested \$8 billion over the last two years extending its coast-to-coast network, Verizon Wireless is now offering a plan with the combination of geographic coverage and talk time made-to-order for wireless users.

Called the America's Choice plan, it rewards customers with the use of its entire coast-to-coast footprint as the home calling area, large buckets of minutes and free long distance from the America's Choice footprint. This new calling plan will be especially attractive to wireless users who want the same rates to apply everywhere the company provides service.

"The America's Choice plan significantly increases the value customers receive for their wireless dollar," said Wayne White, Verizon Wireless president of the Michigan region. "A Detroit customer vacationing in Hawaii will still be on the Verizon Wireless network

with the America's Choice plan. If the customer calls home, there are no long-distance or roaming charges because the entire America's Choice footprint is the home calling area.

The America's Choice plan is available with specified CDMA digital Tri-Mode handsets that identify home calling and roaming areas so customers can manage usage.

Verizon Wireless customers can customize their plan with America's Choice seven different price points, ranging from \$35 for 300 minutes to \$200 for 3,000 minutes. All calling plans can be enhanced by adding services, such as the America's Choice Family SharePlans<sup>SM</sup> and National mobile-to-mobile service.

See page 10 for America's Choice pricing. To see how AFD can save you money on your wireless phone, call Sheila Reeves at AFD (248) 557-9600.

### Lottery may hold Sunday drawings

Currently, Michigan is one of only six states that doesn't have Sunday lottery drawings. If Governor Engler has his way, this may soon change. According to the Lottery, this would mean an anticipated \$85 million in additional sales.

Additionally, in May, the Michigan Lottery will be rolling out a new game called "Extra" which would be an add-on to the daily draws. The anticipated revenue for this is an additional \$1.3 million per week.

### Vic's World Class Market in Novi closes

In February, owner Vic Ventimiglia closed the doors of his Novi store, Vic's World Class Market. He said the store's lack of business was due to stalled plans to build an old-style downtown market area in Novi.

Ventimiglia signed on to developer James Chen's downtown development project in 1993 and opened his store there in 1996.

Ventimiglia said the developer didn't complete the project within the five years as promised and blames Novi officials for nit-picking, delaying plans, scaring away potential tenants and allowing too many major shopping centers to be built near the I-96/Novi Road interchange making it difficult for Chen to attract new businesses to the downtown project.

Ventimiglia was quoted in the *Detroit Free Press* as saying, "We knew it would take a year or two or three to get it done, but here we are eight years later and it's a ghost town."

Ventimiglia estimates losses at \$5.5 million—not including lost potential profits. His other two stores in Bloomfield Hills and Franklin remain open. More than half of the 110 Novi employees were transferred to the other stores.

### Swing into Spring at AFD's Annual Trade Show!

*You could win a chance at \$1 Million!*

Mark your calendars for AFD's annual Buying Trade Show, "Swing into Spring," April 23 and 24 at Burton Manor in Livonia. See new products and get great special show deals. Plus, AFD will be giving away prizes and MONEY throughout the show! See page 23 for details.

Visit our Web site at: [www.afdom.org](http://www.afdom.org)

# The First Rule of Business: *Give the customer what they want.*



We've got all the brands and flavors people crave. That's why we're the preferred beverage company in Michigan. Improve your business. Call today for product information and sales opportunities.

Coldwater: 517-279-8436  
Detroit: 313-832-0910  
Flint: 810-237-7100  
Kalamazoo: 616-381-0950  
Grand Rapids: 616-285-8200  
Howell: 517-545-2600

Lachine: 989-379-3264  
Lansing: 517-321-0231  
Milan: 734-439-2451  
Mt. Pleasant: 989-772-3158  
Pontiac: 248-334-3512  
Saginaw: 989-755-1020

Petoskey: 231-347-6663  
St. Joseph: 616-927-6904  
Port Huron: 810-987-2181  
Traverse City: 231-946-0452  
West Branch: 989-345-2595



PEPSI, PEPSI-COLA, MOUNTAIN DEW, AQUAFINA, FRUITWORKS, Dole and the Fruit Works design are registered trademarks of PepsiCo, Inc. ©2000 and the Bottling Coated design are registered trademarks of South Beach Beverage Company, Inc. ©2000 and BRISK are registered trademarks of Coca-Cola. The Sprite logo and Sprite design are registered trademarks of The Coca-Cola Company. All other brands and product names are trademarks of their respective owners.

## OFFICERS

**Terry Farida, Chairman**  
Value Center Markets  
**Ronnie Jamil, Vice Chair Membership**  
Mug & Jug Liquor Stores  
**Gary Davis, Vice Chair, Legislation**  
Tom Davis & Sons Dairy Co.  
**Chris Zebart, Treasurer**  
New Hudson Food Market  
**Al Chittaro, Secretary**  
Faygo Beverages, Inc.

## EMERITUS DIRECTORS

**Sam Dallo**  
In 'N' Out Foods  
**Bill Viviano**  
House of Prime  
**Mark Karmo**  
Golden Valley Food Center  
**Nabby Yono**  
Orchard Food Center  
**Frank Arcori**  
V.O.S. Buying Group

## RETAIL DIRECTORS

**Fred Dally**  
Medicine Chest  
**Phyllis DeSmet**  
Spartan Stores, Inc. Region 3  
**Jim Garmo**  
Shopper's Valley Market, Region 2  
**James Hooks**  
Metro Foodland  
**Raad Kathawa**  
Ryan's Foods, Region 1  
**Nick Klzy**  
Value Save Food Center  
**Alaa Naimi**  
Thrifty Scot Supermarket  
**Vic Ventimiglia, Jr.**  
Vic's World Class Market  
**Thomas Welch**  
Hollywood Super Markets  
**Brian Yaldoo**  
Woodward Long Lake Shell  
**Jerry Yono**  
Imperial Sunoco

## SUPPLIER DIRECTORS

**Brian Belobradic**  
Anheuser-Busch, Inc.  
**Frank Bodl**  
Pernod Ricard USA  
**Earl Ishbia**  
Sherwood Food Distributors  
**Clark Walker**  
Coca-Cola, Region 6  
**Mike Rosch**  
General Wine & Liquor Co.  
**Tom Waller**  
CROSSMARK Food Trade, Region 5

## ADVISORS

**Amir Al-Naimi**  
Joy-Thrifty Scot  
**Tom Simaan**  
Lafayette Park Market  
**Sam Yono**  
Ramada Southfield

## AFD STAFF & CONSULTANTS

**Joseph D. Sarafa**  
President and Publisher  
**Daniel Reeves**  
Vice President  
**Melissa Varney**  
Executive Assistant  
**Sheila Reeves**  
Services Manager  
**Harley Davis**  
Coupons  
**Danielle MacDonald**  
Special Events Consultant  
**Ginny Bennett**  
Special Events Manager  
**Ray Amyot**  
Advertising  
**Cheryl Twigg**  
Office Manager  
**James V. Bellanca Jr.**  
**Bellanca, Beattie & DeLisle**  
Legal Counsel  
**Michele MacWilliams**  
Metro Media Associates, Inc.  
Public Relations, Special Events  
**AFD Food & Beverage Report Editor**  
**Karoub Associates**  
Legislative Consultant  
**Gadaletto & Ramsby**  
Health Care  
**Pat Gregory**  
Follmer, Rudrewicz & Co. P.C.  
CPA

## Chairman's Message

# It is my honor to serve as your chairman



By Terry Farida  
AFD Chairman

In my first column, I want to begin by saying that I am honored to serve my industry as the recently elected AFD chairman. I am looking forward to working with the AFD board, staff and membership.

This is one of the strongest trade associations of its kind in the country and its members are what keep it healthy, vital and powerful.

I was very proud to receive the gavel from past chairman Sam Dallo at the recent AFD trade dinner. "An Evening in Paris." And what a night it was! It was wonderful to see all of you there, enjoying the great food, fabulous music and the camaraderie. It was a great beginning to my term as your chairman and I look forward to serving you throughout the year.

At the dinner, Bishop Kevin Britt gave a poignant invocation, which was very specific to our industry. I felt it was worth repeating:

### Invocation at the AFD Annual Trade Dinner, "An Evening in Paris"

By Bishop Kevin Britt  
Archdiocese of Detroit

Good and gracious God, we ask your blessing upon the members of the Associated Food Dealers of Michigan, their families, friends and all gathered here this evening. Grant that in all the work that has been given us to do, our only motive may be to serve you through others and our only master be our conscience united to Your will.

Help us to set loyalty to the right things above all loyalty to social or political pressure.

Help us always to act fairly, honestly and justly; but to justice help us always to add mercy and sympathy. Help us to know when to enforce discipline and when to relax it. Help us never to be guilty of prejudice against any person or favoritism towards anyone.

Help us to remember that people

are always more important than things, and that life is more important than machines or profit.

Give us wisdom in our minds, clearness in our thinking, truth in our speaking, and always love in our hearts, so that we may try always to unite people and never to divide them.

Keep us from exercising our mission in harshness or in tyranny, and keep us from being afraid to exercise it at all, and help us by our presence and our example to make ourselves and those who work with us united in your love.

Help us always to set the interests of the community above our own; the interest of the nation above the interest of the community; and faithfulness to you above everything else.

Bless our great nation and grant us wisdom and serenity in the months to come. Give us a spirit of kindness and true charity as we discern in our hearts, especially as we are engaged in war, that we discern carefully who are our enemies and that we act cautiously to protect the lives of the innocent. May we work diligently to bring lasting peace to our world.

Bless the food that we are about to receive, those who have prepared it for our pleasure and those who will serve us. Bless, especially, those who have no food, no home, no job, no family or friends. Remember them and move our hearts to share our abundance with those who have so little.

Grant that at the end of the day we may win the approval of our own consciences, the respect of others, and your love.

We ask this in your name, now and forever. Amen!

## The Grocery Zone

By David Coverly



## AFD MEMBERS:

*We want  
to hear from you!*

The AFD Food & Beverage Report will print new product releases as space permits. The service is free to AFD members. Each month we also write feature stories about our members' businesses. If you would like to see your name on the pages of the AFD Food & Beverage Report, call Ray Amyot at (248) 557-9600.

## FDI opposes efforts to delay tax cuts

Food Distributors International (FDI) President John R. Block said that efforts to delay implementation of tax cuts approved by Congress last year are "misguiding and just plain wrong."

Block's comments came as FDI and other members of the Tax Relief Coalition issued a statement supporting President Bush's strong opposition to suggestions by Sen. Edward M. Kennedy (D-MA) and Senate Majority Leader Tom Daschle (D-SD) that provisions not yet implemented should be delayed.

"This would be a tax increase of significant dimensions at the very time when Congress should be encouraging people to keep their own money, so they can spend it to help foster job growth and economic expansion," the Coalition's statement said.

"Fortunately, there are some members of Senator Kennedy's own party who strongly disagree with him," Block noted. "Senators such as Ben Nelson of Nebraska, John Breaux of Louisiana and Zell Miller of Georgia have spoken out in favor of lower taxes, and we thank them for their continued support."

"To delay these tax reductions would hurt the economy at the worst possible time," said Block. "Senator Kennedy's recommendations are misguiding and just plain wrong."

Block agreed with the Coalition's statement that Congress, instead, should make the provisions of the tax package permanent, particularly the phase-out of the death tax, so the American people can adequately prepare for the future "without the economic and personal disruptions that would be caused if Senator Kennedy's plan were ever effected."

The Tax Relief Coalition includes more than 1,000 member organizations representing more than 1.8 million businesses. It was formed to support enactment of the president's tax relief proposal, signed into law in June. The group is now working to protect that initiative.

## The battle over bottled water

Coca-Cola and PepsiCo say they have seen sales of their bottled water products take off as sales of both Coke Classic and Pepsi-Cola have declined. Analysts say America's health and fitness trend has made bottled water a major part of the beverage industry's product lineup. Marketing and distribution have placed Coke and Pepsi at the front line of the water war.

—The Atlanta Journal-Constitution

## GADALETO, RAMSBY & ASSOCIATES

An Authorized Managing Agent

Your **ONE**  
source  
for  
today's  
most  
valued  
**BENEFITS**



Group Health  
Weekly Disability  
Long Term Disability  
Guarantee Issue Life

For information about Blue Cross coverage and proposals available to AFD members, call:

800-748-0166 or 517-351-4900  
mail@gadaleto Ramsby.com



Blue Cross  
Blue Shield  
Blue Care Network  
of Michigan  
Blue Cross Blue Shield of Michigan and Blue Care Network of Michigan are independent licensees of the Blue Cross Blue Shield Association



**SUBURBAN**  
MAGAZINES  
**NEWS**

Wholesale Distributor

Metro Detroit • Suburban News  
24808 Romano • Warren, Michigan 48091  
810-756-4000 • Fax 810-756-4060



## Calendar

March 25 & 26

37th Annual

**Food Marketing Conference**  
Bernhard Conference Center,  
Western Michigan University  
(616) 387-2132

April 9-11

**MPA/MACS Trade Show**  
Amway Grand Plaza, Grand  
Rapids  
(517) 487-9139

April 23 and 24

**AFD Annual Trade Show**  
Burton Manor, Livonia  
Contact: Ginny Bennett  
(248) 557-9600

May 5-7

**FMI Show**  
McCormick Place, Chicago  
1-800-974-9769  
www.fmishow.org

May 5-7

**International Fancy Food and  
Confection Spring Show**  
National Association for the  
Specialty Food Trade  
Chicago, IL  
(212) 482-6440

### Statement of Ownership

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

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

**POSTMASTER:** Send address changes to AFD Food & Beverage Report, 18470 W. 10 Mile, Southfield, MI 48075.

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

AFD works closely with the following associations:



## Federal Excise Tax on cigarettes due April 1st

The Federal Excise Tax on cigarettes increased by \$.05 per pack on January 1, 2002. This was the second stage of a tax increase included in the Balanced Budget Act of 1997.

The floor tax is imposed on all federally tax paid or tax determined cigarettes held for sale on January 1, 2002. The tax is the difference between the previous excise tax rate and the new tax rate.

The new tax rate for small (Class A) cigarettes will increase by \$.05 per pack. The law is actually written at \$2.50 per thousand.

All cigarette inventories as of that date must be inventoried and a floor tax return must be filed by April 1, 2002. There is a \$500 exemption.

Complete details concerning this tax and all appropriate forms can be found at ATF website at [www.atf.treas.gov/tobacco/cigflstax.htm](http://www.atf.treas.gov/tobacco/cigflstax.htm)

## Wal-Mart sets sights on the affluent

Wal-Mart Stores is hoping its shoppers want a bargain, no matter what their income level is, analysts say. The nation's biggest retailer is attempting to attract more affluent shoppers by adding upscale grocery and home items. Some critics warn Wal-Mart not to alienate its regular, blue-collar customers by offering items they don't want or pricing items out of their levels.

—The New York Times

## Heat-and-eat meals could bring back botulism

Ready-to-eat meals that are refrigerated and not frozen before sale could cause outbreaks of botulism, food experts say. Botulism is extremely toxic and kills about 20% of those who eat it. Food scientists say the botulism organism is only killed by heat, freezing or high levels of acidity.

—Scripps Howard

## Taste: Chicken truly is America's fried and true favorite

Americans eat chicken four times during the average two-week period, according to a national survey of consumers conducted for the chicken industry by Bruskin Research. It's a wonder we don't cluck to communicate. Many people eat chicken a lot more often than that, mainly because it takes a lot of broiler-fryers to make us grow tired of it.

Another reason for this particular poultry popularity is that sales of boneless, skinless chicken breasts became a phenomenon once cooks realized how many different quick-

and-easy meals could come from the boneless breast.

"We know that each American on average consumes over 78 pounds of chicken each year," said Bill Roenigk, senior vice president of the National Chicken Council.

The survey confirmed that boneless, skinless chicken breasts are still the favorite cut of fresh raw chicken meat purchased at supermarkets.

The survey also indicated that legs and leg quarters are increasing in popularity. They're currently the second most-purchased cut of chicken.

followed by bone-in, skin-on chicken breasts, whole birds, thighs, wings and drumsticks.

Despite the common sight of rotisserie chickens at checkout, it's fried chicken that counts most at the market.



## Verizon Wireless



Be the first to get your palm

on today's hottest phone.



Wireless solutions to fit your business needs!

Endorsed By:



Call Verizon Wireless Today!

To start new service call 1-800-388-0919  
If you're a current Verizon Wireless customer call 1-877-955-0505

Ask about our special discount for Associated Food Dealers members and their employees and don't forget to mention that you're a member of AFD.

Join in.

[www.verizonwireless.com](http://www.verizonwireless.com)



## Ahold to implement web-based category management program

Ahold USA announced it intends to use Category Business Planner, a category management intelligence system. The owner of Stop & Shop and Giant supermarkets said the system will allow the company to make more informed decisions. Other retail companies reportedly using the system include CVS, Meijer, Walgreens and Winn-Dixie.

- *Supermarket News*

## Gatorade pumped to regain lost sales

PepsiCo says it has reconsidered its policy and may cut prices of Gatorade to recoup lost sales from Coca-Cola's aggressive campaign to promote rival sports drink Powerade. "We can afford to do whatever it takes to win in the category," says Robert Morrison, PepsiCo's vice chairman. Sports drinks are crucial to the beverage sector because they have grown three times faster than carbonated soft drinks.

- *Ad Age Global*

## Study links suburban sprawl, health problems

More commuting and less physical activity - results of more people living in the suburbs, are contributing to the nation's declining physical health, a study shows.

Researchers are blaming respiratory diseases, obesity, diabetes, depression and road rage on suburban development.

- *Fox News Channel*

## P&G stabilizes Pampers unit

Procter & Gamble's overall financial health is improving, in part because of innovations from its Baby Care unit, an investment analyst says. Baby Care has introduced a new line of Pampers and has licensed the name for spinoff products. For several years, the Baby Care unit suffered from declining market share.

- *The Cincinnati Enquirer*

## Kmart moves to keep liquor on store shelves

Kmart reportedly will pay \$10 million in back bills to liquor distributors. A U.S. bankruptcy judge has approved the emergency payment, which the company says is crucial to its economic survival.

- *Fox News Channel*

## High salmonella rates detected at five US turkey plants

Reuters reports that the US Department of Agriculture has discovered what it terms "high levels of disease-causing salmonella in raw turkey products" that emanate from five plants in the US.

The plants are owned by ConAgra Foods Inc., Cargill Inc. Bil Mar Foods, Diestel Turkey Ranch, and Farbest Foods.

The Center for Science in the Public Interest says that almost half the turkeys processed at a ConAgra plant in Longmont, Colorado, last year were contaminated with salmonella. Thirty-two percent of turkeys produced at Cargill's Plantation Foods plant in Waco, Texas, had the bacteria; a Bil Mar plant in Storm Lake, Iowa also had a 32 percent rate; a Diestel Turkey Ranch plant in Chinese Camp, California, was at 30 percent; and Farbest Foods, Huntington, Indiana, came in at 28 percent. The national average is 13 percent.

## Kellogg-Disney partnership produces new cereals

Kellogg unveiled three new cereals based on Disney characters. The company says it looks to the new products to lift slumping U.S. cereal sales. More Disney-themed breakfast foods and snacks are in the works, said Kellogg's CEO. Marketing experts say cereal sales have been in steady decline because of revived interest in bagels, muffins and other breakfast foods. - *Yahoo!Reuters*

THE 37TH ANNUAL

WESTERN MICHIGAN UNIVERSITY

FOOD MARKETING CONFERENCE

March 25 & 26, 2002

## "THE PURSUIT OF CONSUMER RELEVANCY"

### Featured Speakers



Carlos Gutierrez  
Chairman & CEO  
Kellogg Company



Fred Crawford  
Executive Vice President  
Cap Gemini Ernst & Young



James Keyes  
President & CEO  
7-Eleven, Inc



Phil Lempert  
Food Editor  
NBC Today Show

### Plus... Workshops Which Address Today's Industry Issues

- Making the Most Out of Change
- Making it Happen at Retail
- Product Innovations
- Future Trends
- Pricing Strategies to Optimize Sales
- E-Readiness: Ready, Steady Go!
- Will ePC Codes Replace UPC Codes?
- Making the Food Supply Safe
- Building a Culture of Sales Growth
- Concept Shopping

For More Information Call the Conference Hot Line at 616-387-2132  
or Visit Our Website at [www.hcob.wmich.edu/~fmk](http://www.hcob.wmich.edu/~fmk)

## Murphy, Wal-Mart head North

*Half-dozen Canadian units planned for 2002*

Murphy Canada Ltd., an indirect subsidiary of Murphy Oil Corp., has signed an agreement with Wal-Mart Canada to build gasoline stations at select Wal-Mart stores across that nation. Murphy Canada expects to open approximately five to seven gasoline stations in second-half 2002 at existing Wal-Mart stores. Locations will be confirmed later this year, the company says. Expansion of the program will take place gradually following 2002, it adds.

## Poultry industry reduces antibiotic use on chickens

Tyson Foods, Perdue Farms and Foster Farms say they have voluntarily reduced or eliminated antibiotics in chicken feed. Critics have long warned that antibiotic use in animals could lead to growing resistance to disease-causing bacteria in humans. Opponents of animal antibiotics are skeptical about the companies' efforts because the federal government doesn't have a monitoring system in place.

— *The New York Times*

## U.S. investigates import of banned beef

A USDA report shows the U.S. may have imported nearly 200,000 pounds of beef from countries restricted from selling meat products because of BSE. It is unclear if the banned beef was imported or whether the figures are a result of coding errors by customs officials, a USA spokesman said. An investigation is underway to see if the beef passed USDA screenings.

— *Rocky Mountain News*

## Dr Pepper spins Spider-Man marketing web

On-pack promo to coincide with release of movie

Dr Pepper is set to launch its 2002 nationwide product marketing and promotions initiative with an on-pack consumer promotion to coincide with the May 3 release of Columbia Pictures' action-adventure film, Spider-Man. Fifty Dr Pepper drinkers will have the opportunity to win the grand prize of a trip for two to an exclusive, insider party in New York.

## Manager, clerk salaries up

*NACS' Compensation Report shows clerk pay up 5.9 percent*

The mean salary for full-time convenience store clerks jumped 5.9 percent to \$7.33, and the mean salary for store managers jumped 6.6 percent to \$28,800, with an increasing number of store managers offered perquisites and benefits such as medical insurance (96.3 percent of stores), dental insurance (61.2 percent), and 401(k) participation (71.6 percent), according to statistics published in the National Association of Convenience Stores' new 2001 Compensation Survey Report.

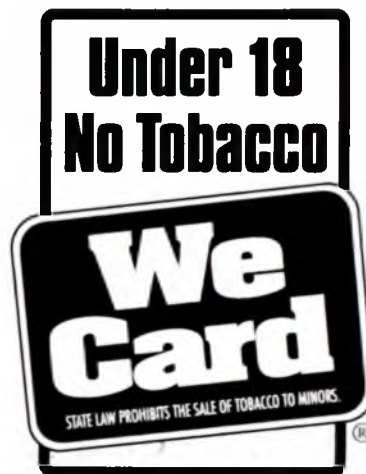
## Heinz unveils technicolor fries

In May, H.J. Heinz is expected to roll out a new line of Ore-Ida frozen potato products aimed at the same market that ate up green and purple ketchup: children. Funky Fries feature interesting colors and flavors, including sky blue, sour cream and chives, cinnamon and sugar and chocolate.

— *Chicago Sun-Times*

## Kmart may lose more ground against discounters

Wal-Mart, Target and Kohl's are planning to expand and introduce new merchandise that may widen the gap between them and Kmart. Wal-Mart plans its biggest space increase in the company's history in 2002, company officials say. As Target and Kohl's are expected to introduce new household and clothing lines and open a total of 170 stores, Kmart is struggling to finish last year's improvements and recently filed for bankruptcy. — *The Detroit News*



# Get with the program!

Join the *We Card* program now. It was developed just for you by a coalition of national retail, wholesale and manufacturing associations. It will help you and your employees prevent tobacco sales to minors. The *We Card* program works by providing you with thorough training tools and attention grabbing POS at no cost to you. These helpful materials show, step by step, how to comply with state law. In addition, the *We Card* materials are also available in Spanish and Korean. So get with the program today! Here's how:

CALL: 1-800-934-3968

FAX: 1-800-935-3968

WRITE: Coalition for Responsible Tobacco Retailing  
P.O. Box 25287, Alexandria, VA 22313-5287

ONLINE: [www.wecard.org](http://www.wecard.org)

### Coalition Members

American Wholesale Marketers Association, Food Marketing Institute, Lorillard Tobacco Company, National Association of Convenience Stores, Philip Morris USA, National Grocers Association, R.J. Reynolds Tobacco Company

### Supporting Members

Food Distributors International, International Mass Retail Association, National Advisory Group — C-Store and Petroleum Marketers Association, National Association of Chain Drug Stores, National Association of Police Organizations, National Association of Truckstop Operators, National Black Police Association, National Korean American Grocers Foundation, National Licensed Beverage Association, National Retail Federation, Petroleum Marketers Association of America, Service Station Dealers of America and Allied Trades, Smokeless Tobacco Council, Society of Independent Gasoline Marketers

# Top 10 facts on generic drugs

This information has been prepared by Blue Cross Blue Shield of Michigan to provide you with important and accurate information about generic drugs and their use in the United States. Please consider the option generics provide for those who want to receive high quality medications at considerably lower prices. Once you decide generics may be the right choice for you, please discuss the possibility of receiving equivalent generic medications for your prescriptions with your physician or pharmacist. Bear in mind that nearly 42 percent of all prescriptions in the U.S. today are filled using generic drugs. This can save as much as 90 percent over the cost of brand-name medications.

**Fact 1:** A generic drug is made with the same active ingredients and is available in the same strength and dosage form as the equivalent brand-name product. Generic drugs produce the same effects in the body as the brand-name drugs, because both contain the identical active ingredients. The difference is in the name. The brand name is the name under which the product is sold and is protected by a patent for up to 20 years. When the patent expires, any manufacturer can produce the generic

equivalent of the brand and sell it under its generic name.

**Fact 2:** The manufacturing process of all drugs is strictly regulated by the U.S. government and the same standards are met by all manufacturers. The FDA (Food and Drug Administration) inspects drug manufacturers and recalls any marketed products that do not meet production standards. The FDA can even stop the manufacture of products until the firm shows that it can make and test its drug in a way that meets the high standards of the FDA. Each manufacturing plant is also inspected by the FDA and must be in compliance with the FDA standards known as Good Manufacturing Practices.

**Fact 3:** A generic drug meets the same stringent performance and bioequivalence standards set by the U.S. federal government as the brand-name drug. Each generic drug is laboratory tested to ensure that the same amount of drug will be absorbed into the bloodstream as with the brand name drug. Since 1984, no generic drug has been approved in the U.S. unless it has been shown to have the same rate and amount of active drug absorbed as the brand-name drug.

**Fact 4:** Approximately 85 percent

of generic drugs approved by the FDA are manufactured by companies that also make brand-name drugs. This percentage is expected to increase given the continued consolidation seen in the pharmaceutical industry.

**Fact 5:** There are 50 generic drugs on the list of the top-200 drugs sold in the U.S. In fact, the top drug sold in 1998 was the generic version of Vicodin. Additionally, the average consumer retail price for brand-name drugs was \$53 and for the generic was \$17.

**Fact 6:** The American public spent an estimated \$102.5 billion dollars on prescription drugs in 1998. With the price of generic drugs averaging 15 to 60 percent less than the cost of brand-name drugs, the American public can save billions of dollars by using generic drugs. Overall, this savings can help control the cost of health care in the U.S. without reducing the quality offered to patients.

**Fact 7** Generic drugs provide a valuable way for senior citizens to lower their cost of prescription medications. Senior citizens represent 13 percent of the U.S. population, and they account for 25 to 33 percent of the prescription drugs used each year. Senior citizens use an average of 11 different prescriptions per year. As

many people over the age of 65 have fixed incomes, a considerable amount of savings can be gained through the use of generic drugs.

**Fact 8:** A generic drug is as safe and provides the same therapeutic effects as the brand-name product for patients of all ages. As a group, generic drugs have no proven age-related side effects that are different from brand-name drugs. Generics have shown to be as safe as brand-name drugs and work no differently in children or the elderly.

**Fact 9:** Healthcare professionals strongly support the use of generic drugs. The American Medical Association, the largest organization of medical doctors, states that generic drug products are acceptable for use by the American public. Most hospitals routinely use generic drugs for treatment of their patients.

**Fact 10:** The decision to use generic medications is ultimately made through the cooperation of your physician, your pharmacist, and yourself. Ask your physician or pharmacist if any of the prescription medications that you are currently taking can be filled with a generic alternative. Once you begin using generic drugs whenever possible, you can start to reduce prescription drug costs while maintaining the same strength, dosage, and quality as the brand-name drug.

**INTRODUCING**  
**GO SNACKS**

THE INNOVATIVE NEW PRODUCT LINE FROM  
FRITO-LAY THAT WILL DRIVE ENORMOUS GROWTH  
IN THE SALTY SNACK CATEGORY.



- Designed for busy, on-the-go consumers
- Supported by a \$25 million marketing campaign
- 5 SKUs proven in test markets to be big winners
- Containers come with a convenient, recloseable cap

GO SNACKS Logo, DORITOS Logo, 3D's Logo, MACOS CHESTER Logo, DANGEROUSLY CHEWY CHESTER CHESTNUT Logo, CHESTER CHESTNUT Cheesecake ASTEROIDS, PLAIN ASTEROIDS, CHESTER, PEACH Logo, PICKY'S PICKO LAL, PICKO LAL Logo and FOOD FOR THE FUN OF IT are trademarks used by Frito-Lay Inc. ©2000 Frito-Lay Inc.

YOUR NIGHT JUST GOT MORE INTERESTING.™



NEW BACARDI SILVER. WITH THE NATURAL FLAVORS OF BACARDI RUM AND CITRUS.



BACARDI SILVER, INC., BREWERS OF BACARDI SILVER FLAVORED MALT BEVERAGE. FLAVORED BEER IN THE U.S. ONLY. BACARDI, SILVER LOGO AND BAT DEVICE ARE TRADEMARKS OF BACARDI & COMPANY LIMITED. [www.bacardisilver.com](http://www.bacardisilver.com)

## Allied Domecq Wines USA launches ten winery websites

Allied Domecq Wines USA has taken the wraps off ten newly designed winery websites. The new websites make it easy for consumers to navigate wine notes, visitor information, and useful food & wine pairings. Each winery website has a wine education section and a Virtual Glass of Wine e-card option. For consumers looking to purchase wine, there is a convenient "Retailer Locator" system to find the nearest store where the wine is available.

Wineries within the Allied Domecq family of fine wines sold in the United States are:

- Atlas Peak Vineyards - atlaspeak.com
- Bodegas Balbi - bodegasbalbi.com
- Buena Vista Winery - buenavistawinery.com
- Callaway Coastal - callawaycoastal.com
- Clos du Bois - closdubois.com
- Cockburn's Port - cockburns-usa.com
- Domecq Sherries - domecq-usa.com
- Harveys Bristol Cream - harveys-usa.com

- Marques de Arienzo - marquesdearlenzo.com
- William Hill Winery - williamhillwinery.com

Allied Domecq also owns two French Champagne producers and New Zealand's top award-winning winery. International websites for those brands are:

- Champagne Mumm - mumm.com
- Perrier Jouet - perrierjouet.com
- Brancott Vineyards - montanawines.com

Assisting Allied Domecq Wines USA in its web update project is Petaluma-based MultimediaLive. MultimediaLive's client list includes several well-known clients including Armani, Playboy, Illuminations, Boudin Bakery and Cisco Systems.

Allied Domecq Wines USA is the sales, marketing, public relations, technical support and administration organization for all wine brands owned and/or sold in the United States by British-based Allied Domecq PLC.

## Changing face of food industry has consumers written all over it

A new study by Cap Gemini Ernst & Young Food reports that U.S.

companies could save as much as \$7 billion if retailers and manufacturers worked together through better supply chain integration. The study, "State of the Art in Food: The Changing Face of the Food Industry," also reports that:

- The conventional supermarket format will be phased out, due to economic conditions such as high overhead and low volume.
- Hypermarkets and supercenters will expand their product and service offerings, and discount-oriented units will engage in what the study calls "quality discounting," offering better products and lower prices.

## Cornell announces the 37<sup>th</sup> annual Food Executive Program

The Cornell Food Executive Program, the food industry's executive training program, will be held on the Cornell University campus from July 14-26, 2002.

This year's program will feature presentations by Chip Bell, author of the bestsellers *Customers as Partners* and *Managers and Mentors*; Ken Blanchard, author of *The One Minute Manager*; and Dan O'Connor, president and CEO of Management Ventures, Inc.

Persons interested in participating in the Cornell Food Executive Program are encouraged to apply as soon as possible since enrollment is limited. For more information, contact Sharon Wyllie, program coordinator, at (607) 255-1622, or visit the program's website at <http://fimp.aem.cornell.edu/outreach/index.html>.

## Flavored tuna spices up StarKist line

H.J. Heinz is expected to launch Tuna Creations, flavored tuna packaged in an easy-to-use pouch. Flavors include hickory smoked, herb and garlic and zesty lemon pepper.

The Pittsburgh company says the idea came from Heinz businesses in Australia and the U.K.

— *Pittsburgh Post-Gazette*

• Both retailers and manufacturers will face substantial consolidation over the next five years.

• Up to 25 global brands will dominate, but will be "married" with "local jewels" that fill the consumer desire for local products.

## Space for lease

AFD has second-floor office space for lease. This space is excellent for 1-3 people. It's in a great location, with easy access to freeways and friends right downstairs. For information, call Cheryl at the AFD office, (248) 557-9600.

## Campbell Soup creates new unit to jump-start sales

Campbell Soup said it formed a new unit tasked with finding new strategies and markets for its soups and other products, including Pepperidge Farm cookies and crackers and Prego sauces. The new unit is to look for ways to sell and market Campbell's international products in the U.S. "We're ... finding that there are places for Campbell to compete where we're not naturally organized to go," says CEO Douglas Conant.

— *Yahoo/Reuters*

## Researcher blames food marketing for overweight nation

The food industry is marketing Americans into obesity, according to a book by Marion Nestle, a nutrition and food studies professor at New York University. Nestle says food companies are pushing processed foods and increasing portion sizes in search of higher profits. Food industry experts disagree with her and say sedentary lifestyles are the prime cause for obesity in the U.S. The Grocery Manufacturers of America's Gene Grabowski says supermarkets offer a wide variety of foods to fit a healthy lifestyle. — *USA Today*

## America's Choice<sup>SM</sup> Pricing from Verizon Wireless

(See full story on front page.)

Monthly Access with monthly minutes included

Cost	\$35	\$45	\$55	\$75	\$100	\$150	\$200
Minutes	300	400	550	900	1200	2000	3000

Customers can purchase the America's Choice plan at any Verizon Wireless Communications Stores or on the Web at the Verizon Wireless Online Store ([www.verizonwireless.com](http://www.verizonwireless.com)).

**UDV**  
United Distillers  
and Vintners  
North America  
is proud to  
support AFD!

## FDI joins President's drive to make tax cuts permanent

FDI President John R. Block joined President Bush's call in his State of the Union address to make permanent the tax cuts approved last year, including the phasing out of the "death tax," the federal estate tax.

"President Bush is right when he said our country must both protect our nation from terrorism and provide economic security as well," Block said. "A key component of that is to make sure the tax cuts that we won last year don't evaporate into thin air."

"Congress listened to the people and responded by reducing tax rates, doubling the child credit and ending the death tax," Bush said in his State of the Union speech in January. "For the sake of long-term growth, and to help Americans plan for the future, let's make these tax cuts permanent."

Under the language approved last year, the death tax would be phased out by the year 2010, but then, barring future action, would be reinstated in 2011. "We can't allow that to happen," Block said, "and I'm glad the president sees it that way."

FDI and other members of the Family Business Estate Tax Coalition sent a letter to all members of the Senate in January, urging them to support a proposal by Sen. John Kyl (R-AZ) that would make the death tax repeal provisions permanent. The Kyl amendment may be offered during consideration of the President's economic stimulus legislation.

"Unless the law is changed, the onerous estate tax - with rates ranging from 37 to 55 percent - will be reinstated in 2011," the Coalition's letter said. "The uncertainty surrounding repeal, along with the phase-out approach, will require business owners to continue with estate-planning strategies that are costly, cumbersome and time consuming."

"If the death tax were permanently repealed, resources currently allocated to estate planning would be reinvested into business, thus creating and shoring up job opportunities and providing a much-needed boost to local economies," the letter said. It was signed by 75 other business organizations.

## Brach's rolls out Popz

### Chocolate-covered caramel popcorn

Brach's Confections will introduce a "fun and irresistible" new product to the chocolate world this month—Popz. New Brach's Popz is chocolate-covered caramel popcorn, available in both milk chocolate and white fudge.

## Helpful numbers to keep on hand

Michigan Department of Agriculture	1-800-292-3939
Michigan Liquor Control Commission	(517) 322-1400
Michigan Lottery	(517) 335-5600
WIC	(517) 335-8937
EBT Customer Service	1-800-350-8533
Food and Nutrition Service/Food Stamps	
Detroit	(313) 226-4930
Grand Rapids	(616) 954-0319
Michigan Consumer and Industry Services	(517) 373-1580
Michigan Department of Treasury/Tobacco	(517) 241-8180
Michigan Department of Attorney General	(517) 373-1110

To reach your representative or senator, call the numbers below to get the phone number for your district.

House of Representatives:  
(517) 373-0135

Senate: (517) 373-2400



**The most Powerful Card in Your Wallet**

### Managed Traditional Plan

### Community Blue PPO

### Blue Care Network HMO

It's the Blue Cross Blue Shield of Michigan member card, and it's honored by more doctors and hospitals in Michigan than any other health insurance card.

More people in Michigan carry this card with confidence. The Blue Cross card — it can't buy you everything, but what it does pay for, money can't buy.

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

**You** and the POWER of *Blue!*



Nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association

[www.bcbsm.com](http://www.bcbsm.com)

# U.S. C-store industry counts more than 124,500 stores

*Store count reaches record number, NACS says*

The U.S. convenience store industry grew four percent in 2001, increasing to a record 124,516 stores, according to the new National Association of Convenience Stores/Trade Dimensions Official Industry Store Count 2001. The count reflects industry store count data as of Dec. 31, 2001.

The four percent increase in the number of stores follows a 0.3-percent increase in 2000, a 5-percent increase in 1999, and a 4.5-percent increase in 1998. Ten years ago, the official industry store count stood at 103,400; 20 years ago there were 71,400 stores.

"The convenience store industry's impressive growth in 2001 shows that consumers have clearly embraced the innovative new services and products that retailers continue to introduce to deliver convenience and speed of service to their customers each and every day," said Teri Richman, NACS' senior vice president of strategic alliances and initiatives.

"This growth is remarkable given the year-long downturn in the economy and increasing competition from other retail channels."

The report shows that 14,385 c-stores opened in 2001, more than offsetting the 9,600 stores that closed.

Texas leads the nation in total number of c-stores (12,775), as well as number of c-stores selling motor fuels (10,824). California was the next closest, with 5,158 c-stores selling fuel. The eight-state South Atlantic region—including the District of Columbia—was home to the most c-stores in the country, 28,135 stores—nearly one-quarter of all c-stores in the U.S., with the six-state New England region having the fewest, 6,010 c-stores.

The industry continues to be dominated by small, independent operators—company with three or fewer units. Some 54.9 percent of all c-stores are now classified as

independents, an increase from the 50.7 percent reported in 2000.

"The continued growth of independent retailers shows that 75 years after its founding, the convenience store industry is still a place for entrepreneurs and a gateway to small business ownership," said Richman.

Texas accounts for more than one in 10 of all U.S. c-stores at 12,775. Alaska had the fewest c-stores at 133. The rest of the top 10 are California (9,087 stores), Florida (8,316), North Carolina (5,224), Georgia (5,203), New York (4,698), Ohio (4,624), Michigan (4,132), Illinois (3,973) and Pennsylvania (3,929).

There are more single-store operations than chain stores, NACS says: A total of 67,598 of the 124,516 c-stores are categorized as single-store operators in the latest store count. Texas has the most single-store operators (6,831), followed closely by California (6,705); however,

California has a higher percentage of single-store operators, 73.7 percent versus 53.4 percent. Florida has the most stores operated by companies of 500-plus c-stores at 2,787.

Some 97,490 stores, or 78.3 percent of all U.S. c-stores, now sell motor fuels, an increase from the 76.1 percent that retailed motor fuels in 2000. Overall, c-store retailers sold approximately 79 percent of the gasoline purchased in the U.S. in 2000.

NACS is a trade group representing more than 2,300 retail and 1,700 supplier members.

Separately, the number of gasoline stations in the U.S. continued to decline in 2001, according to a study by Camarillo, Calif.-based research firm Lundberg Survey Inc. That study estimates that there are currently about 130,000 gasoline stations in the U.S., many with c-stores.

NEW FROM ITALY AND J. LEWIS COOPER:

## Riunite

**Peach Chardonnay**  
The succulent flavor of peach splashes over your taste buds with a crisp and silky 100% Italian Chardonnay. It's delicate. It's intense. It's Riunite Peach Chardonnay.

**Blackberry Merlot**  
A new twist on an old favorite... 100% real Italian Merlot, full-flavored with the essence of freshly picked blackberries. Light, fresh and fruity with a jammy burst of fruit in the mouth.

**Strawberry White Merlot**  
Crisp and tangy, with a burst of fresh, ripe strawberries swirled into the world's hottest new varietal—White Merlot. It's 100% real Italian wine. With a berry tasty twist.

**Raspberry Cabernet**  
Soft and fruity, with a light, tart finish, this 100% real Italian Cabernet, infused with a raspberry splash, is a naughty little wine that's refreshingly cool. Perfect for a special someone or the whole group.

100% REAL ITALIAN WINE WITH A SPLASH OF FRUIT

J. Lewis Cooper Co.

Contact your J. Lewis Cooper Representative for more information:

**(313) 278-5400**

## Detroit C-store market overview

With 1.75 million households, Detroit is home to more than 1,200 convenience stores, which average monthly sales volume of \$47,000. Sixty-nine c-stores, however, top the \$101,000/month mark.

While the average monthly gasoline volume in Detroit is 111,000 gallons, 108 of the more than 1,600 gasoline stations pump more than 200,000 gallons/month. The average household spends \$1,743 on gasoline per year.

Big oil names Amoco, Mobil and Shell are the top three marketers in the market, while 7-Eleven, Amoco and Mobil are the top c-store names.

Top household expenditures include dairy, bakery and cigarettes, all exceeding \$400/year in sales, on average.

### Average annual household expenditures in Detroit:

Dairy	\$540.62
Bakery products	\$498.44
Cigarettes	\$414.59
Carbonated beverages	\$232.46
Beer/Ale	\$224.32
Snack foods	\$145.01
Candy/Gum	\$107.43
Coffee	\$81.74

Data based on consumer surveys and includes c-stores, drug stores, supermarkets and mass merchandisers.

- MPSI Systems Inc./Applied Geographics Inc.

**GRAB A MILLER LITE**



**IT'S  
MILLER  
TIME!**



# Ten training tips to help eliminate tobacco sales to minors

Tobacco sales to minors is a problem that must be dealt with continually. As long as there are cigarettes for sale, minors will attempt to purchase them. Here are some tips to help:

1. Teach new employees how to effectively deal with customer confrontation. Many cashiers avoid carding customers because they're nervous and want to avoid confrontations. Most training of new employees does not adequately prepare cashiers to confidently handle customer confrontation or other difficult situations. Prepare your employees for these situations before they get behind the sales counter. Role-playing is a great way to provide cashiers with a real-life situation in a less stressful environment.

2. "What's recognized is repeated." Management should not take it for granted when an employee checks ID and refuses a sale. Managers should try to "catch" their employees in the act of doing something good. Compliment cashiers when you observe them carding customers and

refusing underage sales. Repeat performance is more the result of positive reinforcement.

3. Equip your store with "We Card" age-of-purchase calendars. Reports continue to show that cashiers are being presented IDs from minors that prove they are underage. Unfortunately the cashier may not be taking the time or properly calculating age when sales to underage customers are made. The "We Card" calendar takes the math out of the transaction.

4. Communicate to store employees all compliance check results, both good and bad. Communicate to your entire staff when your store is notified of passing a compliance check, not just any failings.

5. Conduct ongoing training. Training cashiers when you hire them is tough enough. If cashiers only hear management focus on this issue once or twice a year, then they may assume the issue is not really that important. Make it a discussion point at regular meetings. Give employees an opportunity to discuss the challenges they face with customers when enforcing age-restriction laws.

6. Use the video camera as a tool for managers and frontline associates. If you have a camera, let employees know you watch the videotape. Make a point on occasion to watch the video and pick out a particular situation that occurred on the employee's shift - preferably a positive one. This will send the message to employees, for good or bad, that you do watch the videotape!

7. Establish a fair, but strict policy for disciplining employees who make a sale to underage customers. Your store policy should send an important message to your employees that this is an important part of their job, and that you take it seriously. Be fair and consistent, and remember that sometime employees who have failed a compliance check once can be the ones to never forget to check IDs again!

8. Prepare younger frontline associates to deal with peer pressure. If you have minors working for you, prepare them to handle peer pressure. Friends and other underage customers may think they have an "in" with your employee. Make sure your

employees know there are no exceptions (use the video camera as a deterrent.)

9. Use experienced cashiers to help train new employees. Experienced cashiers have heard every excuse customers have used, and may relate well with new cashiers. Sharing these experiences can help the new employee prepare for the future.

10. Use "We Card" signage and point-of-sale materials to clearly communicate store policy. Most minors will attempt to purchase tobacco products in a store that looks like an easy target for success. And stores can get reputations quickly. Having the "We Card" signage posted prominently on windows, doors and near the register sends a message to minors that they're likely to be carded if they enter your store, and some may decide to go elsewhere. Signage helps reduce the numbers or times your cashiers have to encounter underage customers attempting a purchase.

We Card materials and training programs are available at no charge by calling toll free 1-800-934-3968.

## THERE ARE 336 DIMPLES ON A REGULATION GOLF BALL.

(Bet you didn't know about our group discounts, either.)

As an AFD member, you may qualify for great discounts on auto insurance through AAA Michigan.

Aren't you glad we shared?

For a free quote, call 1-800-AAA-MICH or visit [www.aaamich.com](http://www.aaamich.com)



Insurance underwritten by Auto Club Insurance Association family of companies.

## New York passes \$3.90/carton cigarette excise tax increase

Governor Pataki proposed a \$3.90-per-carton tax hike to respond to some of New York's budget needs, as well as money for increased wages to

health care workers. The tax passed less than two-weeks following his announcement and will go into effect on April 1, 2002.

## New research clarifies red wine's benefits

Researchers are finding how red wine can offer protection against heart disease, according to a recent study.

There's a natural chemical in red wine that may protect against clogged arteries. This may help explain why French people have traditionally had a low rate of heart disease, despite a diet rich in fat-laden foods. Red wine contains polyphenols, which had previously been credited with red wine's heart benefit.

The study was conducted by dousing cow cells growing in lab dishes with polyphenols taken from popular red wines. The polyphenols slowed the test tube production of

endothelin-1, which is a natural chemical that may contribute to clogged arteries.

According to the findings, drinking a glass or two of red wine a day could decrease production of endothelin-1.

Although all red wines tested offered the endothelin-1 benefit, Cabernet Sauvignon appeared to be the most effective. Red grape juice was also shown to slow production of endothelin-1, but not as much as red wine. The white and rose wines tested had no effect.

Studies have shown that another benefit of drinking red wine is it may boost the blood levels of the helpful cholesterol HDL.

## New area codes for Oakland County

Beginning in January, all new phone customers in Oakland County received a new area code: 947. Existing customers will keep the 248 code.

Until this summer, callers in Oakland County can use the seven-

digit number or the full 10-digit number to get their call through to the new 947 numbers. But as of June, callers will have to use all 10 digits.

This means that calling a next-door neighbor may require dialing an area code.

# Don't your employees deserve the security and peace-of-mind of Wayne County's HealthChoice?

With over 2,000 businesses and more than 21,000 members, Wayne County's HealthChoice is the fastest-growing health-care coverage in Michigan.



Not only because of its unmatched affordability - you and your employee each pay just \$43 a month\* - but because of the exceptional quality of care HealthChoice provides.

"For the cost, we couldn't believe the coverage could be this good," said Juan Haygood, owner of Pete's True Value Hardware. "But it's true: HealthChoice is everything it says it is, and more."



Including coverage for doctor's visits, emergencies, hospitalization, even prescription benefits. From a choice of six excellent provider networks.

For you, the Wayne County business owner, that means attracting better employees and retaining your best workers. For your employees and their families, it's peace-of-mind, security, not having to worry about being able to afford health care when needed.



And if your business isn't in Wayne County ... maybe it should be.



h e a l t h  
**CHOICE**

Healthcare Coverage that's Good for Business.

**Call 1-800-WELL-NOW**

\* Single employee pays \$43/mo. and employer pays \$43/mo.; family coverage costs more; prices in 2001 may vary slightly. Call 1-800-WELL-NOW for more information.

## National study shows Lottery products are an asset to retailers



By Acting Commissioner James Kipp

As Lottery retailers, you are keenly aware of how popular Lottery products are in your stores and how much money the sale of Lottery tickets generates each year. A recent National Association of Convenience Stores (NACS) study conducted by Ernst and Young further supports the position that Lottery products are an integral part of each and every retailer's product line.

The study analyzed each product category to determine how Lottery

products ranked. According to the study, the top six products sold in convenience stores are:

- Cigarettes: 27.6%
- Lottery: 17.4%
- Beverages (non-alcoholic): 13.6%
- Food Service: 12%
- Candy: 4.7%
- Beer: 4%

The fact that Lottery is the second-highest product category demonstrates the value of Lottery products to your business as a whole.

With regard to transaction dollars, the study showed that frequent Lottery customers spend approximately \$7.07 per visit; infrequent Lottery customers spend about \$4.80 per visit and non-Lottery customers spend around \$3.47 per visit. According to the study, Lottery customers purchase at least one other item on 95 percent of their store visits. That means that almost every time a Lottery customer comes into your store they will buy not only a Lottery ticket, but another product you sell as well!

As part of the study, store managers were interviewed to determine their opinions about customers with relation to Lottery products. In the interviews, over 50 percent of store managers agreed that customer traffic has increased with the introduction of Lottery products in their stores. Furthermore, many managers stated that they believe that if Lottery tickets were unavailable in their stores, between 10 and 30 percent of their customers would visit less often.

An especially noteworthy piece of the study was the "shrink" component. Shrink was analyzed as a percent to sales before and after the introduction of Lottery, and the results showed no difference in shrink before or after Lottery products were introduced. It is a common public misconception that the introduction of Lottery tickets in a store will increase the degree of shrink.

The information in this study is very enlightening and important. It illustrates that retailers who sell Lottery tickets attract more customers, and once in the store, the likelihood of customers purchasing additional merchandise greatly increases.

**Retailer Commissions.** As you near the second quarter of this year, it is time to focus on your instant game sales goal for the next quarter. The goal for the second quarter (April 2 – July 1, 2002) will again be a two-percent increase over the same quarter in 2001. Your Lottery District Sales Representative or your Tel-Sell representative will provide you with your historical instant sales information and will help you identify and achieve your goals each quarter.

**Big Game Countdown.** The countdown has begun to a bigger, better and more exciting Big Game! The addition of New York to The Big Game will significantly increase the player base for the game, making it necessary to make changes to the game. May 14 marks the final drawing for The Big Game in its

See Lottery, Page 29

### Sunflower Seed Shipper

Original plus 2 NEW FLAVORS

ON SALE for 79¢

(REG. 99¢ — Beginning April 2002)



The value you expect is here...

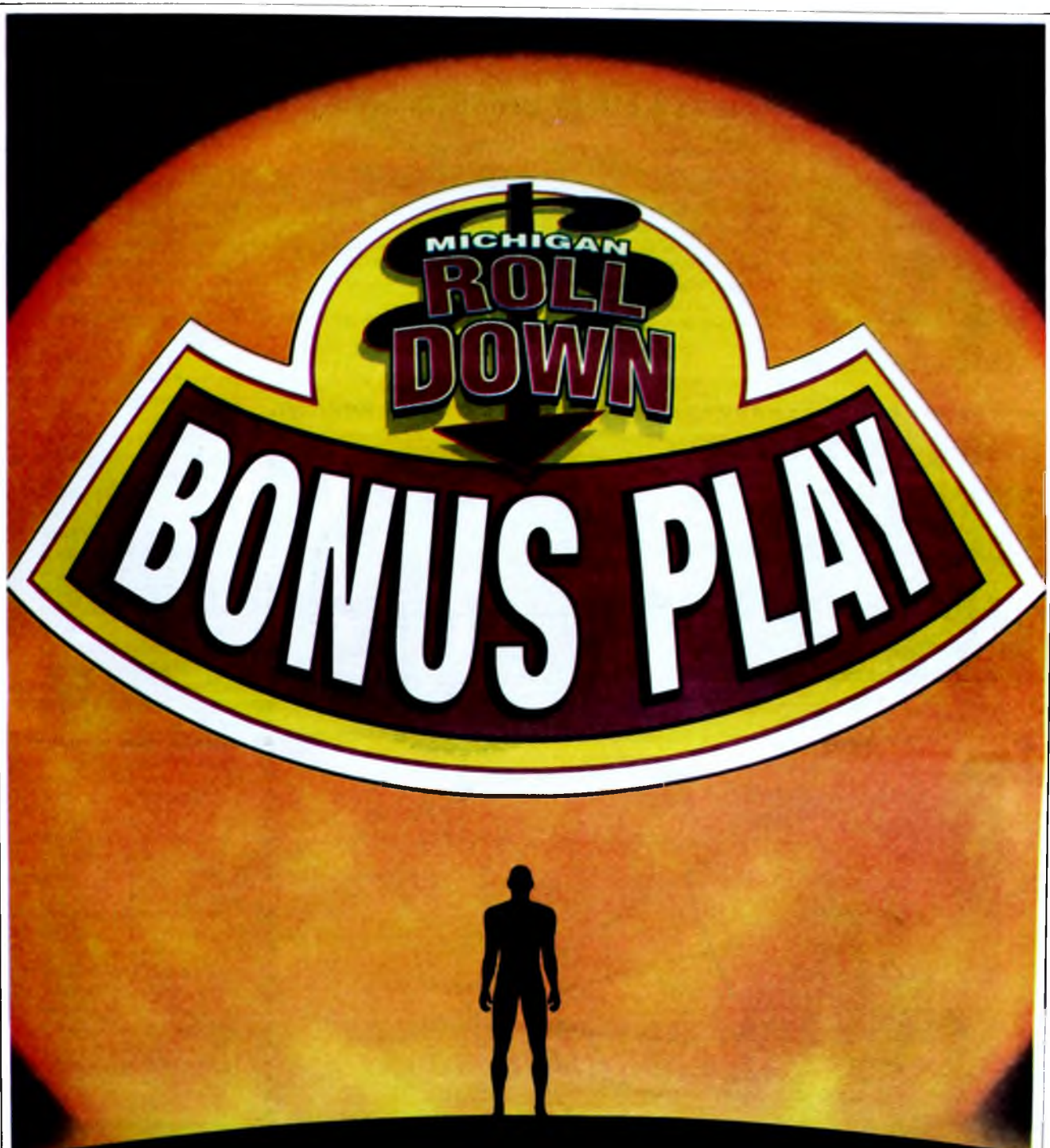
- and here,
- and here,
- and here,
- and here,
- and here,
- and...



Made in MICHIGAN  
for Snack Lovers Everywhere.  
Full line supplier of nuts, meat snacks and candy.

1-800-KAR-NUTS  
www.karsnuts.com

KAR NUT PRODUCTS CO. • FERDALE, MI 48220



## A great promotion dawns again

Players buy 5 Rolldown wagers, get 1 free and  
retailers earn 20% more commissions

Michigan Rolldown Bonus Play promotions are always a glowing success! From March 1 through March 30, every Rolldown player who purchases a 5-panel ticket will receive a sixth Easy Pick FREE — while retailers earn 20% more commissions on every five-panel ticket sold.

With the previous Bonus Play resulting in over 350,000 free wagers and an average daily increase of 9.1% in sales statewide, you'll be sure to bask in the glow!



*The Taste of...*

**melody  
farms**



**QUALITY THAT TAKES YOU BACK**

**Stroh's**  
HOMEMADE  
ICE CREAM

**NAZZARI'S**  
ICE CREAM



**Mooney's**  
Premium  
ICE CREAM

**Sanders**  
CAKES  
TOPPINGS

ENJOY OUR FAMILY OF PRODUCTS

1-800-888-8888 • 31111 Industrial Road • Livonia, MI 48150-2000

# VERY REAL POWER™



Powerade provides carbohydrate fuel and rapid rehydration. It does not increase strength.

© 1997 The Coca-Cola Company. Powerade, the design of the Powerade logo, Mountain Blast, and the text "LIQUID HYDRATION + ENERGY DRINK" are trademarks of The Coca-Cola Company.

## Stewart's Ginger Beer honored with American Taste Award

The American Tasting Institute has selected Stewart's Ginger Beer as an American Taste Award winner in the soda category for 2001.

Stewart's first introduced their authentic alcohol-free beer in 1992. In staying true to the original Jamaican-style ginger beer, Stewart's Ginger Beer - which features a zesty pepper-flavored taste - was instantly a hit among ginger beer drinkers nationwide and continues to be a ginger beer favorite.

A panel of American Tasting Institute chefs - founder Chef Jesse Sartain and other A.T.I.-affiliated chefs - conducted a blind tasting in San Francisco using premium sodas.

The products were judged on appearance, freshness, and most importantly, taste. As an award recipient, Stewart's Ginger Beer was judged "excellent" in all categories.

Chef Jesse Sartain and his professional Chef colleagues founded the American Tasting Institute in 1993 to promote taste, safety, and nutritional standards.

Stewart's flavorful 'Fountain Classics' line of sodas includes Root Beer, Cream Soda, Orange N' Cream, Ginger Beer, Key Lime, Lemon Meringue, Cherries N' Cream, Grape, Peach, Black Cherry Wishniak, Birch Beer and Strawberries N' Cream.

## Miller Brewing in talks for merger or buyout

Miller Brewing Co. has held informal talks with several potential buyers or merger partners, including Adolph Coors Co., Scottish & Newcastle PLC, and South African Breweries, Ltd., the *Wall Street Journal* reported.

Pressure is building on Miller to find a partner because the brewer is seen as a drag on earnings growth for parent Phillip Morris Cos., the newspaper said.

Reaching a deal could prove difficult because analysts perceive weakness in the U.S. beer market and expect stiff competition from Anheuser-Busch. Although Miller is the no. 2 U.S. brewer, its share of the U.S. beer market has fallen below 20 percent for the first time since the mid-1980s.

Industry experts said Miller could fetch as much as \$5 billion, depending on the terms, the newspaper said.

## SUPERVALU earnings up

Strong improvement in its retail grocery operations, improved efficiency and cost-cutting helped SuperValu Inc. boost earnings by 24 percent in the third fiscal quarter, beating analysts' expectations.

SuperValu said that earnings for the quarter totaled \$59 million, or 44 cents a share, up from \$47.5 million, or 36 cents a share, a year earlier.

The results beat the mean estimate of analysts surveyed by Thompson Financial/First Call by 4 cents.

"Our above-consensus third quarter results were driven by strong improvement in our retail operations including strong momentum at our extreme value retail format, Save-A-Lot," said Jeff Noodle, president and chief executive of the Eden Prairie-based grocery retailer and wholesaler. "We also continue the important work of repositioning our distribution network for improved efficiency, completing the reconfiguration of five facilities so far this year."

## Non-carbonated drinks: The last frontier?

In a move the *The New York Times* says signals the fact that non-carbonated drinks may be the "last frontier" in the beverage business, PepsiCo has created a new 100-employee unit dedicated to selling and promoting that class of beverage.

Non-carbonated beverages made up just 15 percent of PepsiCo's sales in 2001, but accounted for 75 percent of its growth last year. The company believes that in the next five years, bottled water, fruit drinks, iced tea, and coffee could generate as much as 40 percent of PepsiCo's North American sales.

## E-Commerce, Kmart get high customer satisfaction marks

In two separate, new studies - one on purchasing items online and the other on the retailer Kmart - both scored well in terms of customer satisfaction.

According to a report issued by the American Customer Satisfaction Index (ACSI), e-commerce scores well on key components of customer satisfaction, such as perceived quality and value. In fact, overall satisfaction with online retail is higher than traditional retail. Amazon.com posted the highest score among e-commerce companies, followed by BarnesandNoble.com and eBay.

The Index is produced through a partnership among the University of Michigan Business School, ASQ, and consulting firm CFI Group. The e-commerce report was produced in partnership with ForeSee Results, a firm that specializes in assessing web customer satisfaction.

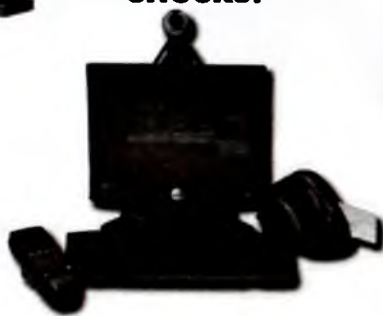
As for brick-and-mortar companies, Kmart, which currently is in bankruptcy, showed the largest jump in customer satisfaction among discount and department stores for the fourth quarter. However, because previous scores had been low, the study also showed that Kmart had the most room for improvement.

Kmart's score still trailed Target Corp., which leads the sector in customer satisfaction. Target is followed by Nordstrom Inc. and Sears, Roebuck and Co. Among supermarkets, Publix scored highest on the index. - *morningnewsbeat.com*



**Nice, but bulletproof glass doesn't protect you from bad checks.**

**This does.**



BioPay™ employs fingerprint technology to easily and affordably enhance your check cashing operations. Fingerprints are the one form of ID that cannot be changed or faked. BioPay lets you verify the identity of your customers before you hand them the cash!

**BioPay**

Biometric Payment Systems  
[www.eft-direct.com](http://www.eft-direct.com)

Just imagine... more customers, quicker lines and less fraud. After a quick enrollment, BioPay customers simply touch their finger to verify they are not associated with fraud. Protect your business with BioPay!

Call Alex Nouri (Toll Free) at

**1-800-881-7604**

or e-mail me at: [alex@eft-direct.com](mailto:alex@eft-direct.com) for more information

## AFD Trade Show offers show specials, new products and PRIZES!

*You have a chance to win a Million Dollars when you attend AFD's 18th Annual Buying Trade Show, Swing into Spring, April 23 and 24 at Burton Manor in Livonia.*

Exhibitors will be offering show specials and new products. Attend the show, visit the participating booths and get your score card stamped. A completed card, selected in a drawing, qualifies you for a chance to win a million dollars by hitting a hole in one (courtesy of Allied Domecq). Plus, AFD will be giving away great prizes and CASH throughout the show!

Of special interest to Spartan retailers will be an opportunity to hear CEO James Meyer speak at a luncheon on Wednesday, April 24 at 12:30, which will precede the second day of the AFD Trade Show.

Watch the mail for information on exhibiting and attending Swing into Spring. See page 23 for more details and call Ginny Bennett at AFD (248) 557-9600. This is a show you can't afford to miss!

## WMU offers operations course for the food industry

Western Michigan University and FMI are offering a week long course which is highly interactive, focusing on the complex operations side of the supermarket industry. The course takes place August 11-15 at Western Michigan University in Kalamazoo. Geared for individuals who are in store management positions, it is also ideal for those seeking to improve their knowledge of overall store operations.

Course content includes food industry trends, store layout, financial analysis, merchandising, retail technologies, recruiting and retraining employees and much more! The emphasis is on practical information for day-to-day supermarket operations. Plus, store tours of innovative local operators are part of the total learning package.

Tuition for FMI members is \$1695, non-members \$2495. Tuition includes accommodations, most meals, all course materials and store tours.

For more information, call Elizabeth Newton at (202) 220-0711.

## OSHA recording rules effective 2002

The revised OSHA illness and injury record keeping rules and forms took effect January 1, 2002. The agency is promoting the revisions as "updated, easier requirement for recording on the job injuries and illnesses."

OSHA's website houses backgrounders, the official notices of the rulings, FAQ's and the actual forms along with a briefing brochure and power point presentation on the new rule and forms in the "record-keeping" section of the [www.osha.gov](http://www.osha.gov) page.

The rules require senior managers to sign off on injury logs and then carry liability for their accuracy. Further, OSHA may use these records, which need to be held on file for six years, to target sites for inspection and determine the scale of a given inspection.

The agency will be mailing the new record-keeping forms and the instructions of how to fill out the forms to 1.4 million employers (affects all employers who staff 11 or more employees at any point in the year) affected by the rule.

## Michigan Liquor Control Commission announces added feature for Electronic Fund Transfer customers

The Michigan Liquor Control Commission announced a new advantage for liquor licensees with multiple locations to use Electronic Fund Transfer to pay for liquor bills.

Commission Chairman Dan Gustafson announced EFT participants will now receive an electronic report, which details by licensee location and by week for liquor invoices paid via EFT. The report enables electronic banking

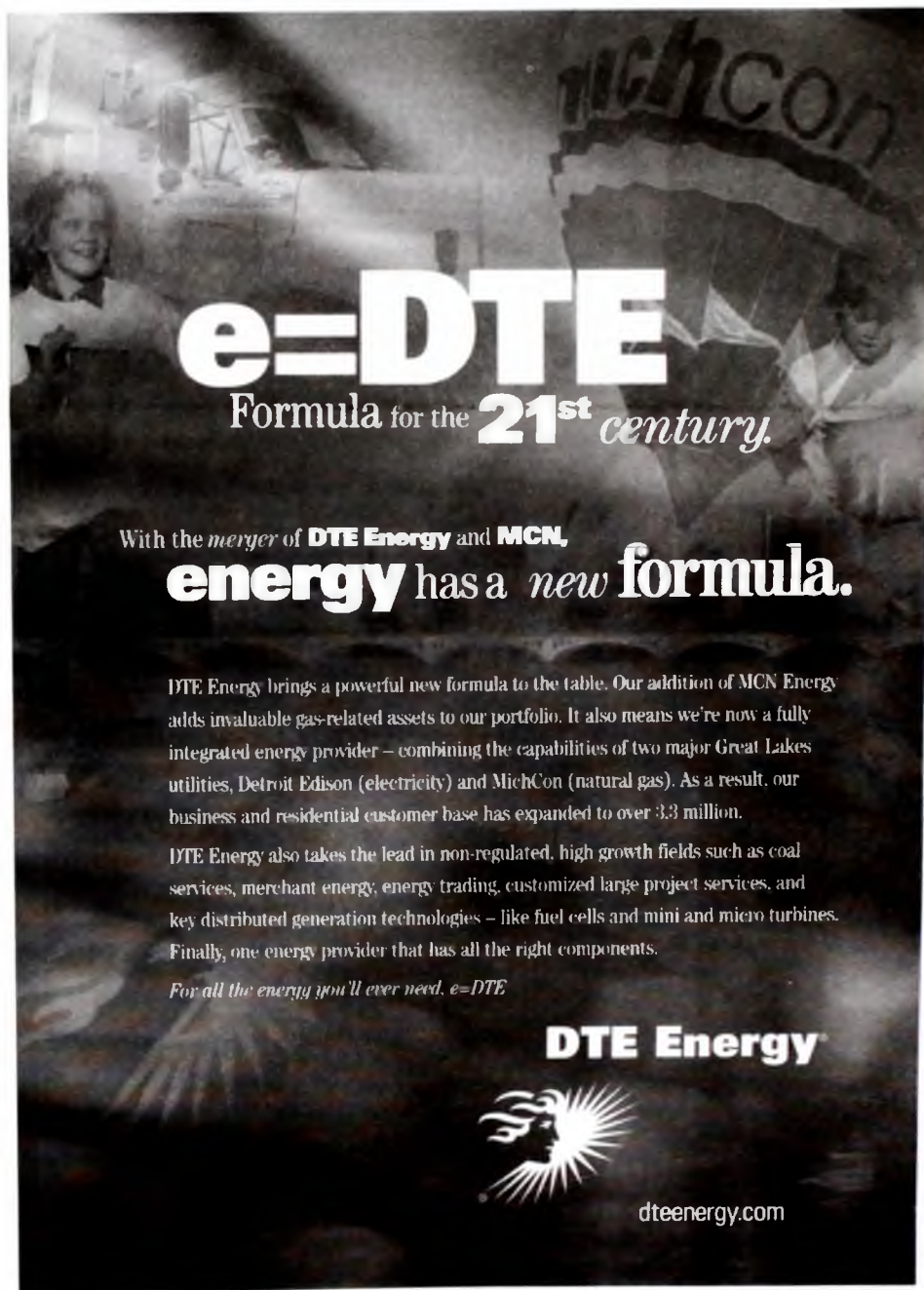
reconciliation for chain licensees.

This enhancement to the Liquor Commission's EFT program resulted from a partnership between state government and private industry. Commission staff worked one-on-one with multiple-location licensees to explore ways for the Liquor EFT program to fit their needs. The result was the design and implementation of the new report, which is generated and sent electronically by the Commission's EFT program

automatically.

"The best part about this service is that it's free," Gustafson said. "We hope this EFT program enhancement will entice more of our chains, both restaurants and stores, to sign up for EFT so they can reap the time and cost-saving benefits of this program."

The program has successfully transferred \$100 million in liquor invoice payments for liquor licensees since it was launched in February, 2000.



**e=DTE**  
Formula for the **21<sup>st</sup>** century.


With the merger of **DTE Energy** and **MCN**,  
**energy** has a *new formula.*

DTE Energy brings a powerful new formula to the table. Our addition of MCN Energy adds invaluable gas-related assets to our portfolio. It also means we're now a fully integrated energy provider – combining the capabilities of two major Great Lakes utilities, Detroit Edison (electricity) and MichCon (natural gas). As a result, our business and residential customer base has expanded to over 3.3 million.

DTE Energy also takes the lead in non-regulated, high growth fields such as coal services, merchant energy, energy trading, customized large project services, and key distributed generation technologies – like fuel cells and mini and micro turbines. Finally, one energy provider that has all the right components.

*For all the energy you'll ever need, e=DTE*

**DTE Energy**



[dteenergy.com](http://dteenergy.com)

## Rep. Glenn Anderson is hooked on politics

by Kathy Blake

State Representative Glenn S. Anderson (D-Westland), was a wide-eyed young boy when he first saw politics in action. His grandmother would take his cousin and him to various political events in their native Tennessee city of Carthage. Taking it all in and storing it under his hat, Anderson continued to soak up information, receiving reinforcement from his educators.

Incidentally, Anderson went to the same elementary school and had the same third grade teacher as former vice-president, Al Gore. Anderson said the teachers there at Carthage Elementary School stressed civics and government, which surely contributed to both men's career choices.

Anderson moved to Dearborn when he was in high school and in his senior year, he had the honor of being among the first 18-year-olds to vote in a presidential election. The 26th Amendment passed in 1971, lowering the minimum voting age from 21 to 18 years of age.

During the 1972 presidential campaign, Anderson became a precinct delegate for George McGovern who was running as the Democrat candidate. Although Richard Nixon became the president, Anderson was transformed by his experience.

"I met people from all over the country. It was extremely interesting to me to see how the process works," said Anderson. After attending numerous county and state conventions over the past 30 years as a delegate, Anderson learned more than just the ropes.

"When I got to Lansing, (January 2001), I already knew a lot of people on both sides of the aisle." This helped him become effective in his position as a freshman state



**"I met people from all over the country. It was extremely interesting to me to see how the process works," said Anderson, regarding his work as a precinct delegate.**

representative.

Anderson is Democratic Vice Chair of the House Transportation Committee and is a member of the House Insurance and Financial Services Committee.

Rep. Anderson said that the legislature will be working on legislation to simplify Michigan's method for collecting diesel fuel taxes. Currently, there are two taxes for diesel fuel which are combined together and partially rebated.

"The way diesel fuel tax is currently handled is convoluted and extremely complicated," explains Anderson. The new proposal would eliminate the rebate, but the motor fuel tax would be raised from 15 to 19 cents per gallon, the same as the gasoline tax rate. The Motor Carrier fuel tax would be lowered from 21 to 19 cents per gallon. According to Anderson, the net diesel tax has not been raised since 1984.

The county road commissions are concerned because the proposal for spending the additional revenue, estimated at \$36 million annually,

would go to a new commercial highway fund, mostly benefiting the main routes, state and interstate roads, rather than local roads and bridges.

Rep. Anderson said that road maintenance warranties will be coming under scrutiny in the transportation committee. "We're going to be working on road warranties for construction companies providing service. The existing warranty requirements are minimal and loosely defined. We need stronger language and improved requirements."

Anderson said a bill requiring timely payment for services by insurance companies to health care providers passed unanimously in the Insurance and Financial Services Committee. The bill had formerly passed in the house and senate last session, but was vetoed by Governor Engler due to confusion on the term "clean claim." The committee defined it as no challenge to the amount of the bill, due to pre-determined agreements of customary

costs between insurer and provider. Rep. Anderson expects the governor to sign the bill this time around.

The representative also worked on House Bill 4657, requiring restaurants to give notification to consumers when a gratuity is added into their bill. The business is given the option to either print the notice on menus or on a sign in a conspicuous place.

Rep. Anderson attended the University of Michigan-Dearborn and Wayne State University. He worked for Ford Motor Company for 28 years and has been a member of the UAW since 1972. He was a union steward for two of those years. His last position at the auto manufacturer was Quality Control Inspector.

Anderson received his realtor's license in 1979 and is currently with Century 21 Towne Pride, although he says he hasn't been showing many houses lately due to his responsibilities in Lansing.

From 1991-2000, Anderson served on the Westland City Council. He also served as Nankin Transit Commissioner, Planning Commissioner, and Civil Service Commissioner. He is a past director of the Michigan Municipal League Elected Officials Academy, Democratic Precinct Delegate and a member of the Western Wayne NAACP.

Rep. Anderson is married with two children, a daughter and a son. They vacation in his native state, Tennessee, to visit family members.

To reach Representative Anderson call him at (517) 373-2576, email: glennanderson@state.mi.us, or write State Representative Glenn Anderson, P.O. Box 30014, Lansing, MI 48909-7514.

THANK YOU FOR YOUR BUSINESS!  
**HUBERT DISTRIBUTORS, INC.**  
Since 1937



**Excellence in Sales and  
Marketing Services**



47111 West Five Mile Rd.  
Plymouth, MI 48170  
Phone #: 734-737-1260

**AFD Trade Show Testimonials: Join your peers at**

# **AFD's 18th Annual Buying Trade Show**

## **April 23 and 24, 2002!**

**At Burton Manor, Livonia, MI**

*"The AFD show is valuable to us because of the deals,"* said Joyce Polsky from Fox Hills Medi Mart.

*"I go to the show to learn about the latest trends in the industry, and see if any unique ideas are appropriate for our stores,"*

said Thom Welch from Hollywood Supermarkets

*"I'm looking for new products; I want to see something different,"*

said Richard Schiff from Richard's Drugs.



### **Show Hours:**

**Tues., April 23, 2002**

**5 p.m. - 9 p.m.**

**Wed., April 24, 2002**

**2 p.m. - 8 p.m.**

**Ask for more details about winning a million dollars!**



*"I came to the show with a specific agenda, to purchase products that could be used for a Spring/ Summer promotion,"*

said Bill Schmid from Manhattan Marketplace.

**Admission ticket required. • \$5 at the door**  
**No bags allowed in or out. Proper attire, please.**  
**The law demands that you must be at least 21 years of age to attend this Trade Show.**

*"My customers are looking for fast and easy meals-on-the-go, so I want to see branded food concepts,"*  
said Jay Beydoun from Jay's Redford Amoco.

**Call Ginny at AFD for more information at (248) 557-9600 or gbennettafd@pop.net.**





# AFD learns to make dough

## Staff takes a tour of Wonder Bread facility



By Michele MacWilliams

Each year, for a change of pace, the AFD staff chooses a location to hold an out-of-the-office meeting. For our last meeting, Don Parks of Interstate Brands offered us their board room and, as a special treat, a tour of the Wonder Bread facility.

Ever "Wonder" how the bread in the white bag with red, yellow and blue polka dots is made? Read on!

Opened in 1999, the 163,000 square-foot bakery is one of the largest and newest in the country. At this plant, in Northwood, Ohio, Interstate bakes bread, buns and dry goods such as croutons.

Amazingly, they can produce 10,000 loaves an hour on a breadline that runs three shifts daily. Altogether, the plant produces between 1,200,000 and 1,600,000 pounds of finished goods each week. That's a wonder in itself!

It all begins in the patented 400,000-pound silos, where flour is stored and the 80,000-pound sugar tanks. They use liquid yeast, and the 90,000-pound tanks hold it at just the right temperature of 40 degrees.

Through a system of shoots, the ingredients are mixed on the mixing platform. It is a computerized batching system that makes 2,500 pounds of dough in each batch,

without the touch of a human hand.

The dough then goes to the fermentation room, where the yeast does its work and the dough rises, is punched down, remixed and rises again.

On this amazing dough line, pans are automatically greased and a dough divider plucks off just the right amount for the loaf. A rolling pin device, or sheeter, rolls the dough while pans are floured and dusted. Little dough balls then roll down a conveyor and plop into the prepared pans. They can produce 180 loaves per minute of white bread, or 160 "lpm" of wheat bread.

Conveyor belts take dough to the proof box, a room that contains both wet and dry heat. The atmosphere is controlled to 180 degrees, with 70 percent humidity, the perfect environment for the dough to rise in the pans. After rising, the conveyor takes the dough through a buttering machine and then it's on to the ovens.

"Oven" isn't really a suitable word to describe this enormous unit. It is a 185-foot long tunnel, with 123 burners that produce 8 million BTUs per hour. That's a lot of heat!

The loaves move slowly through the giant tunnel oven. We watched them bake through small portals along the side of the oven.

A gentle vacuum lifts the loaves from the pans. The internal temperature of the bread is now 200 degrees and must be cooled in a cooling device. Next comes the slicer. For those of us that weren't around in the 1930's to remember this fact, Wonder Bread was the first company to introduce sliced bread.

Razor-sharp band blades cut the bread into uniform slices. From there a machine gently puts each loaf into a bag and inkjets the shelf life and the retail price.

The loaves are placed on pallets by a state-of-the-art pulper palletizer machine that automatically groups and trays the product for distribution.

The Interstate Brands bakery in Ohio ships fresh breads south to Kentucky, west to Kansas City, North to Michigan and east to Pittsburgh. They produce stuffing and croutons for the whole United States.

Touring the plant was an interesting adventure. Tasting the product, as it comes off the line, just may be the best thing since sliced bread!



Photos top and left: The bun line.



Recognize this good looking group? (l to r) AFD's Harley Davis, our host Don Parks of Interstate Brands, the lovely Dan Reeves, Sheila Reeves, Cheryl Twigg, Ginny Bennett and Melissa Varney.

## Workers' Compensation Coverage exclusively for AFD Members!

The AFD has teamed up with Southfield-based Star Insurance Company to provide workers compensation insurance coverage exclusively for AFD members.

Star is a specialist in designing workers compensation programs for trade groups and associations nationwide.



A member of Meadowbrook Insurance Group

For more information about the AFD / Star workers compensation insurance program, please contact Sheila or Dan at AFD, (800) 66-66-AFD.

## CHECK ID. AT THE VERY WORST YOU MIGHT MAKE A 35-YEAR-OLD'S DAY.

"May I see your ID?" A simple phrase, but one of great importance. To help store owners, Anheuser-Busch designed a program called "Operation ID." It helps retailers spot fake IDs and verify valid ones. In the last 10 years, Anheuser-Busch and its distributors have given retailers nearly one million of these ID-checking tools to help stop sales to minors. It's people like you and programs like this that have helped reduce teenage drinking by 45% since 1982.

WE ALL MAKE A DIFFERENCE.

Budweiser

Central Distributors of Beer  
(734)946-6200

## Annual trade dinner brought Michigan's food and beverage industry leaders to the table

The 86th annual AFD Trade Dinner and Ball, "An Evening in Paris" was a night to remember.

Approximately 1,000 industry leaders came to Penna's of Sterling to eat, drink, dance, see old friends and make new ones.

Highlights of the evening included a beautiful rendition of "God Bless America" by Devon Dallo, daughter of AFD Chairman Emeritus, Sam Dallo. Bishop Kevin Britt gave a moving invocation and Sam Dallo passed the gavel to new AFD Chairman Terry Farida.

Penna's was transformed into a Paris nightclub, complete with an Eiffel Tower in the lobby. Paris artists sketching caricatures of guests and festive, colorful tables with fresh floral arrangements.

A special thanks go to AFD's Trade Dinner Co-Chairs, Johnny Karmo of Market Square and Clark Walker from Coca-Cola Bottling Company, who were superb hosts!



Here is a photo from AFD's 1962 Trade Dinner. Recognize any faces? Forty years have passed and the event is bigger and better than ever! For photos from this year's event, turn the page.

# GENERAL WINE & LIQUOR COMPANY

*Distributors of  
Fine Wet Goods*

*General Wine & Liquor Company  
is proud to present the following  
Fine Cigars:*

<b>DON TOM</b>	<b>ASTRAL</b>
<b>MONTECRISTO</b>	<b>H. UPMANN</b>
<b>DON DIEGO</b>	<i>Playboy by Don Diego</i>
<b>HAMILTON by H. UPMANN</b>	<b>TE-AMO</b>
<b>Romeo &amp; Julieta</b>	<i>Hamilton by Davidoff</i>
<b>MACANUDO</b>	<b>MAKERS MARK</b>
<b>LAS CABILLAS</b>	<b>CHAIRMAN'S RESERVE</b>
<b>LA GLORIA CUBANA</b>	<b>ASTRAL GRAND RESERVE</b>
<b>LA DIVA</b>	<b>WD BUNDLES</b>
<b>ZINO</b>	<b>ROYAL BUTERA</b>
<b>PARTAGAS</b>	<b>ASHTON</b>
<b>ACID</b>	<b>LA AURORA</b>
<b>GOURMET DESSERT</b>	<b>LEON JIMENES</b>
<b>GRIFFINS</b>	<b>AVO</b>
<b>DON LINO</b>	<b>DUNHILL</b>
<b>EXCALIBUR</b>	<b>PUNCH</b>
<b>CAO</b>	<b>SOSA</b>
<b>DON HERMAN</b>	<b>DON TOMAS CAMEROON</b>
<b>CUESTA REY</b>	<b>ARTURO FUENTE</b>

*State of Michigan's Largest Distributor of:*

## Wines • Spirits • Beers Non-Alcoholic Beverages & Cigars

- |                       |                                 |                                  |
|-----------------------|---------------------------------|----------------------------------|
| • A. Hardy USA        | • Davies & Co.                  | • Remy Amerique                  |
| • Austin Nichols Wine | • Deloach                       | • Royal Wine                     |
| • Barton Brands       | • Distillerie Stock             | • Seagram's Classics             |
| • Brown Forman        | • <del>C</del> artano Specialty | • Sebastiani Vineyards           |
| • Canandaigua Wine    | • Geyser                        | • <del>S</del> idney Frank       |
| • Cannon Wine         | • Great Lakes Liquor            | • <del>S</del> outh Corp.        |
| • Caravelle           | • Heaven Hill Dist.             | • <del>T</del> od Hunter Imports |
| • Charles Jacquin     | • Kendall-Jackson               | • U.S. Distilled Products        |
| • CK Mondavi          | • Kobrand                       | • Warner Wine                    |
| • Conbrio             | • Mott's                        | • White Rock Dist.               |
| • Corterra            | • Leelanau Wine                 | • William Grant & Sons           |
| • David Sherman Corp. | • Magic "Energy Kick"           | • Winesellers Ltd.               |
|                       | • Newton                        |                                  |

*For more information please contact your  
sales representative or call (313) 852-3946*

# The 86th Annual AFD Trade Dinner and Ball, "An Evening in Paris"

Friday, February 8, Penna's of Sterling



Ed and Rusty Ache with Firyal and Jerry Yono.



Independent Bakery's Larry Polak, Sandy Thompson of Awrey, Josie and Ed Hunwick of Koeplinger and Bob Bartok.



(l to r) John Easterhouse, Carrie Pizzuti, Elizabeth Meram, Faiez Asmary and Joe David - all part of National Wine & Spirits' group



(l to r) Bob Althouse of Fleming, Thomas Simann of Lafayette Park Market and Suzie Althouse



Kevin Puente and Cheryl Livingston enjoy the hors d'oeuvres.



(l to r) Elias and Bassina Francis, Henry and Collette Elkhoury, Mark Bodtke, Jill and Mike Rosch of General Wine & Liquor.



Debbie and Scott Sobolewski with Marti and Ken Burrow of Acosta.



Rick and Shannon Brown with Mark Bodtke of General Wine & Liquor



Gary Davis of Tom Davis & Sons Dairy, Brian Belohradic and Bill Jones of Anheuser Busch.



Carl and Senaa Dallo of First Choice Mortgage and Sophia and Nick Najjar of Century 21



Deirdre Scott of Blue Cross Blue Shield gets her caricature drawn by one of the Paris artists.



The Everfresh group.



Detroit Edison Group Tom Sokol, Sam Francis, Don Alexander, Yasmine and Nameer Yono



(Top row l to r) Jeff Whitlow, Brian Belobradic, Jason Lictaman, Tim Sirovy and Jim Trischett. Seated Rochelle Whitlow, Karen Sirovy and Ashland Trischett at the Anheuser Busch table.



Co-Chairs Johnny Karmo and Clark Walker at the podium.



Elias and Bassina Francis



Devon Dallo sang "God Bless America."



(l to r) Joe O'Bryan of American Bottling group, Al Favemyesi of VOS Buying Group and the Director of Sales for the Michigan Lottery, Terry Bunting.



Sonya and Bashar Haio of Standard Federal



Johnny Karmo and Sam Dallo



David Dallo, his father, AFD's past chairman Sam Dallo, and Al Chittaro of Faygo.



Phyllis and Frank DeSmet



Brian and Anwar Yaldoo



Clark and Jennifer Walker



(l to r) Peggy Valerio, Yvette Pierce, Tom Waller, Larry Pierce, Terry Valerio, Costas and Pamela Sambanis



Johnny and Diane Karmo with AFD's new chairman, Terry Farida.

## Ashby's Sterling Ice Cream customers choose new flavors for 2002



Ashby's Sterling Ice Cream Parlor Program provides a "co-brand" opportunity for food service.

Ashby's Sterling Ice Cream of Oak Park, held its annual "Flavor Selection Day" open house on Sunday, February 10, 2002 at the Holiday Inn - Fairlane where the company's customers and associates tasted 30 new flavors of ice cream brought in by flavor and ingredient companies from around the United States. The flavors were carefully savored and voted on to choose the best ones for Ashby's Sterling Ice Cream's lineup for the 2002 ice cream season.

Ashby's Sterling ice cream retailers and distributors were asked to eat their way through all 30 brand

new flavors and vote on their top four favorites. Flavors such as Caramel Cheesecake, Bearfoot Brownie, and Bahama Mama were three of the flavors receiving favorable comments. New flavors will be introduced in April. Two of the flavors chosen at last year's open house: White Cliffs of Dover and Just Moussing Around went on to win "Best New Flavor" honors from the National Ice Cream and Yogurt Retailers Association (NICRYA). By letting their customers decide the new seasonal flavors, Ashby's Sterling Ice Cream has been

successful at winning the "Best New Flavor" award seven out of the previous 11 years as a member of NICRYA.

Ashby's Sterling Ice Cream is a division of Tom Davis and Sons Dairy Company, distributors of fine dairy products in Southeastern Michigan for over 55 years. Ashby's Sterling was created 15 years ago to fill the need for an "old-fashioned ice cream parlor ice cream" that was delicious and moderately priced. Today, Ashby's Sterling Ice Cream is distributed throughout the United States East of the Rockies.



Jamie and Katie Bennett enjoy a visit with Elsie.



Roscoe the Clown entertained the crowd.



*The point is . . .*  
**Color makes a difference!**

STEPHEN'S  
**NUAD** INC.

Electronic Design, Imaging & Printing

17630 East Ten Mile Road • Eastpointe, Michigan 48021

Phone (810) **777-6823** • Fax (810) **777-1434**

Visit our Website: <http://www.nuad.com>

E-mail: [help@nuad.com](mailto:help@nuad.com)

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

# Mark your calendars for these AFD events!

## Trade Show: April 23-24, 2002

Come and see over 200 food and beverage industry leaders display their new products and new services. The show specials are extraordinary! Retailer attendees are eligible to win cash shopping sprees to be spent on the show floor. The show dates are April 23 and 24, 2002 at Burton Manor in Livonia, Michigan. The law requires that you be at least 21 to attend this Trade Show. The deals are great, so come ready to buy.

## Academic Scholarship

**Program: Application Deadline March 31, 2002**

Every year we award over 30 academic scholarships to deserving youths who are affiliated with an AFD member organization. Applications are accepted from January 15 - March 31. The nail biting ends in May when all applicants are notified of the results.

## Lottery,

Continued from page 16

current form. The number of draws available for multi-draw wagers start "counting down" by one after the March 3 drawing. Please see your March issue of Gameline for a complete countdown schedule.

### Rolldown "Bonus Play"

**Returns.** From March 4 through March 30, 2002, Rolldown players who purchase a five-panel wager will get a sixth "easy pick" free on the same ticket. Players get a free wager with six through nine-panel wagers too. Buy a 10-panel wager and get two "easy

New Instants. The Lottery is excited to debut six new instant games in March. On March 7, Lottery players will be spelling their way to big bucks when the \$5 "Bingo Mania" instant ticket goes on sale offering a \$300,000 top prize! Also on March 7, the Lottery will introduce the \$1 "Lucky Duck Doubler," with a top prize of \$4,000. For the high rollers, also on March 7, the \$10 "Casino Riches" will go on sale offering a \$1,000,000 top prize. On March 14, lucky Lottery players all over Michigan will be winning big with the new \$5 "Fortune Hunter," which offers a \$250,000 top prize. Lottery players will be on the path to wealth with the \$2 "Money Path," which hits ticket counters on March 21 offering a top prize of \$25,000. Finally, on March 28, your customers will be reeling in the prizes with the \$1 "Cash of the Day" instant game, offering a \$5,000 top prize.

## Scholarship Golf Outing: Wednesday, July 17, 2002

Get in the swing! All proceeds from the golf outing fund over 30 academic scholarships. Here's the score. A day on the course includes, golf and cart, continental breakfast, barbecue lunch, snacks and drinks all day, dinner, premium open bar and door prize eligibility. The outing is on Wednesday, July 17, 2002 at Wolverine Golf Course and we need your swing to make the tournament complete. Grip it & Rip it!

## AFD/Beverage Journal Holiday Show: September 24-25, 2002

The show dates are September 24 & 25, 2002 at Burton Manor in Livonia, Michigan. Come and see new holiday products, and enjoy special holiday pricing. The law requires that you be at least 21 to attend this show.

## Toast Michigan: November

AFD will repeat its successful all-Michigan wine tasting event. A portion of the proceeds go to charity.

## Training Seminars T.I.P.S. Call to set up a seminar for your employees.

AFD offers training seminars to help keep you informed. Most frequently, we host a two hour T.I.P.S. training seminar in order to teach and certify retailers to sell alcohol for off-premise consumption within the law. Call Dan Reeves (248) 557-9600 and we will set up a seminar for your employees.

Call AFD's Special Events Director, Michele MacWilliams, with any questions at (248) 557-9600.

Our  
outstanding  
service has made  
North Pointe  
#1!

# North Pointe Michigan's Leader in Liquor Liability for 14 years running!

- Competitive Rates
- Endorsed by AFD for 14 consecutive years
- Never assessable, no deductibles, policy fees or surplus lines tax
- Available through the Independent Agent Network with over 1,000 agencies to serve you



(800) 229-NPIC  
Fax: (248) 357-3895

Admitted, Approved and Domiciled in Michigan

or call AFD at:  
(248) 557-9600  
or  
(800) 666-6AFD

## Rocky's Party Store's contribution to America's rich diversity

By Ginny Bennett

Every new culture that comes to the United States makes up another piece that adds texture, color and strength to the patchwork quilt of America.

The stitches hold the pieces together and are like the individuals in the group. Some are delicate and decorative, others strong and straight forward and sewn together they make the whole of America—the most uniquely diverse country on earth.

Since they came from Iraq in 1980, the Bitrus family of Rocky's Party Store in Washington Township has become an integral part of the societal fabric of Macomb County. Macomb is growing rapidly with an influx of Hispanics, Asians and Chaldeans like Karim and Ansaf Bitrus and their children.

Recently the Bitrus' were singled out by the *Macomb Daily* and the *Macomb-Romeo Observer* as representative of the best of the newcomers that have changed the ethnic face of the community.



Karim Bitrus stands in front of Rocky's in Washington Township.



The Bitrus family of Rocky's Party Store. (l to r) Riva, Karim, Randy and Ansaf.

**"Every American shared the pain of the victimized families, and sought ways to help. We believe this is how America stays united and strong. I felt the pain of September 11, my customers felt it and the whole world felt it."**

The paper took a stand after the terrorist attacks of September 11. In an effort to diffuse ethnic strife, an editorial proclaimed that America's "strength depends on the growing diversity of creeds, cultures and religious faiths."

To flee the terror of religious persecution as a practicing Catholic in Iraq, Karim emigrated to Detroit in 1980. He came on July 14 as did Ansaf on July 11. They did not know each other in Baghdad but met through friends who helped them arrange an old-fashioned marriage.

They married in 1982 and have four children. Rocky, for whom the store was named 17 years ago, is 18 and will graduate high school this year. He has a sister Reem in the 11<sup>th</sup> grade, a sister Riva who is 11 and a brother Randy, nine.

Karim studied economics before he came to America and Ansaf was a law school graduate in Iraq. Neither have ever looked back with

any regret since coming here. They have invested 17 years in the store. Karim has reached many goals in life and done very well. His 2,500 square-foot store has sold winning Lottery tickets, and won a Keno contest. He has a wonderful customer base. He knows most people by name and counts his friends among them. He is even able to manage his bottle returns on the honor system.

Still, Karim dreams that some day he will own his building and have a liquor license. He has worked hard to make it happen. He

says, "I have been patient and if I realize this dream it will be God's gift to me. My happiness comes from my family."

The Bitrus family has earned their acceptance in the community. They support schools, sports, charities and community groups. They make an effort to know their neighbors and have become members of several organizations.

With other members of St. Joseph Catholic Church in Sterling Heights, the Bitrus family joined in prayer for the victims of September 11. They continue to pray for the victims families and for the U.S. soldiers in harms way.

Patrons chipped in at the store and together with the Bitrus' they raised \$1000 to donate to the Red Cross.

Karim was quoted in the *Macomb* paper, "Every American shared the pain of the victimized families, and sought ways to help. We believe this is how America stays united and strong. I felt the pain of September 11, my customers felt it and the whole world felt it."

The Bitrus' are typical of many mainstream middle American families that blanket this country and make America work so well. From beyond our borders some might describe us Americans as a crazy quilt of cultural disparity. What they don't understand is that when we are tested we are Americans first and we can come together as one.



Karim and Ansaf

# Bad customer service costs

Would you believe that more than twenty percent (on average) of your customers walk out of your stores without making a purchase? An equal number stop shopping at your store altogether, and twenty-six percent tell their friends and urge them not to shop there if they experienced bad customer service, according to a survey sponsored by MOHR Learning, the retail training unit of Boston-based Provant, Inc.

"While the most common response to poor service is to complain to a store manager, many people seem to protest with their pocketbook instead," said MOHR Learning CEO, Michael Patrick. "Retailers need to recognize the less visible impact of bad service – the quiet erosion of their customer base." In the survey, consumers were asked: "When you experience bad customer service when shopping, which of the following describes your typical reaction?" They were allowed to select as many as apply. According to the survey:

- 39.3% complain to a store manager.
- 25.7% tell a friend about the experience and urge them not to shop there.
- 22.2% stop shopping at the store.
- 22% walk out without making a purchase.
- 15.3% just ignore it.
- 12.7% get upset, but continue to shop at the store anyway.

"Some retailers assume customers don't care about service and that it's something they take for granted," said Patrick. "But our research suggests people really get upset – even if they're reluctant to say anything. In fact, some customers who would never complain to a store manager will do so to their friends. And word-of-mouth can be as powerful in retailing as it is in the motion picture business." Patrick said retailers have to assume that every customer who complains represents two others who have experienced the same frustration, but didn't voice it. "It's not enough for store managers simply to address individual customer complaints. The better solution is to provide training and supervision to employees so that such incidents are not repeated." Among the survey's other findings:

- The more affluent a customer, the more likely he/she is to walk out without making a purchase (26% of those making \$50,000+ vs. 16% of those making \$15,000-\$24,999).

- Men are more likely than women (26% vs. 19%) to walk out without making a purchase, while women (44% vs. 34%) are more likely to complain to a manager.

- Customers ages 45-54 are least likely to ignore bad customer service, while those over 55 are most likely (9% vs. 18%).

—Source: *Progressive Grocer, Daily News Center*

## Michigan Liquor Control Commission notes 2001 accomplishments

The Liquor Control Commission (LCC) had many accomplishments in 2001. Here are a few of the highlights:

Governor John Engler announced Daniel J. Gustafson as chairman of the LLC. In March, 2001, the LCC reintroduced a program to allow price reductions on certain liquor products in the state, helping retailers clear their shelves of products. Off-premises liquor license holders can now request approval over the internet from the commission to reduce prices, as much as 50 percent, on some items.

LCC Electronic Fund Transfer

program was deemed a success in April as it processed more than \$46 million since the program was first initiated in December, 1999. The EFT program makes liquor orders more efficient for retail liquor.

In June, the LCC announced customers have the option to pay for license application fees and other services by credit card.

The LCC made lists of Michigan liquor license holders by county available for free on the internet in July. Consumers previously had to make a telephone call and pay a fee for the service.

## A world of experience working for you.

With a market that's more competitive than ever, you need a banking partner that's more capable than ever. One that offers global strength, financial stability, and industry expertise, whether you're competing locally or globally. Standard Federal Bank gives you all this and more. As part of the ABN AMRO global banking network – one of the world's

ten largest banks – we provide a complete range of financial solutions, including commercial lending services, treasury management, international and foreign exchange products, e-Commerce capabilities, cash letter services, and more. So put a world of experience to work for you – the commercial banking experts of Standard Federal Bank.

### Commercial Banking Services

Standard Federal Bank  
Member of the ABN AMRO Group  
800/643-9600  
[www.standardfederalbank.com](http://www.standardfederalbank.com)



Member FDIC  
©2001 Standard Federal Bank



## Save money with Clear Rate Communications' 4.9 cents/minute long distance phone program

**Here's another great reason to be an AFD member. You can save a lot of money on your long distance phone bills!**

AFD recently selected Clear Rate Communications as the official long distance carrier for AFD and its members. Based in Oak Park, Michigan, Clear Rate provides long distance phone service to business and residential customers. Unique

features like the Automatic Rate Reducer, which lowers your long distance rate once per year every year guaranteed, separates Clear Rate from the other carriers.

As is the case with all services endorsed by AFD, this long distance program is intended to save money for the members. Since there are many long distance carriers providing literally hundreds of service plans, AFD chose Clear Rate's program for the competitive rate and clear terms:

- 4.9 cents per minute for all calls

in the Continental United States, including local-toll, in-state, and state-to-state

- Same 4.9 cents per minute program for toll-free numbers
- No contract / no hidden or monthly fees / no monthly minimum requirement
- Low international rates
- 10 cents per minute to Canada
- Travel cards available at 22 cents per minute

Clear Rate provides its customers with a clear and concise invoice, so they can see the savings. The invoice

was designed with the busy business owner, office manager, and consumer in mind, so it can be quickly reviewed and understood. Just another way Clear Rate provides convenience and service to its customers.

Switching your service has never been easier. In most cases, after Clear Rate receives your authorization, they handle the transition without any additional involvement from you. The transition to Clear Rate is seamless and trouble-free. Once service is activated, you will receive a welcome letter in the mail confirming that your service has been changed.

AFD is a Clear Rate customer and is extremely pleased with the quality of service. If you would like to participate in this program, please call AFD at 248-557-9600. Clear Rate Communications and its authorized sales agency, AMT Telecom Group, can provide a complete analysis of your telecommunication needs.



## Delivers In More Ways Than One.

# One Source

MANY RESOURCES

### FINANCIAL

- Blue Cross/ Blue Shield Health Care
- Ameritech Payphone Program
- Verizon Wireless
- Coupon Redemption Program
- Clear Rate Long Distance
- MasterCard/Visa Acceptance
- Northpointe Liquor Liability Insurance
- Security Express Money Orders
- AAA Auto & Home Insurance
- Star Workers Compensation Insurance

### LEGISLATION

- Full Time Lobbyist
- AFD PAC Committee
- Legislative Updates
- Liaison with Governmental Agencies

### EDUCATION

- A/VLoan Library
- T.I.P.S. Seminars
- Legal Consultation
- Accounting Advice
- Monthly **Food & Beverage Report**
- Scholarship Awards

### ACTIVITIES

- Annual Trade Show
- Formal Trade Dinner
- Scholarship Golf Outing
- Annual Seniors Picnic
- Thanksgiving Turkey Drive
- Beverage Journal Holiday Show

*For more information on any of these excellent programs, call:*

**ASSOCIATED FOOD DEALERS OF MICHIGAN**  
18470 West Ten Mile Road • Southfield, Michigan 48075

**1-800-66-66-AFD**

**or (248) 557-9600**

## AAA offers travel services

With all of the travel choices out there, how do you know you're getting the most value for your money? It's simple. Contact AAA Travel.

From weekend getaways, to the cruise of a lifetime, AAA's travel agents do more than simply book trips. They'll take the time to get to know you and provide valuable advice and helpful recommendations.

Your AAA travel agent can answer questions, provide handy tips and help you avoid any surprises. Here are a few examples:

• **Cruise cabin upgrades.** Select cruise lines let AAA members move up to a more spacious stateroom at no extra charge!

• **Shipboard credits.** Use them just like cash to pay for almost anything on a cruise ship. Available exclusively to AAA members on select cruises.

• **International Driving Permits (IDP's)** - Full-service AAA branches offer IDP's. Plus they will acquaint you with everything you need to know about driving overseas.

• **Passport Photos.** Stop by any AAA full-service branch office and they can provide passport photos, plus applications and advice for visas and immunizations.

Combine all this with their exclusive savings and member-only benefits that you can't find anywhere else. For more information, visit any full-service branch office, call 1-800-AAA-MICH or go to [www.aaamich.com](http://www.aaamich.com).

## Classifieds

**FOR SALE**—C-store with bakery, ice cream & general merchandise, good gross also BP Gas with brand new Clawson 10,000 gal. perma tank and enviro-flex piping located downtown Roscommon, MI. Call 989-275-6246 for more information. Buy business and property or just business and lease property.

**FOR SALE**—Ice Cream Maker and Pizza Oven. Call Patrick at (586) 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.

**S.D.D. and S.D.M.**—Liquor Licenses for sale. Call 586-634 3658.

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

**ITEMS FOR SALE**—(1) Hi-Low; (2) Jacks; (1) 20-Ft. Electric Conveyors, moveable; (1) 35-Ft. Conveyor; (1) 5-Ft. Showcase; (5) Sets Leather booths; (1) 400-Lb. Ice Freezer. More. Call for appointment: 1-313-274-0028.

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

**PARTY STORE**—Choice location. Liquor, Beer, Wine, Deli, Lotto. Lapeer area. Interested buyers inquire to P.O. Box 622, Lapeer, MI 48826.

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

**PORT HURON LOCATION**—2 blocks from Blue Water Bridge. Beer, Wine and Lotto. 8,000 sq. ft. grocery equipped with deli, bakery and meat department with smokehouse. Includes real estate and equipment. Always shown profit. Owner retiring—no reasonable offer refused. More information: call (810) 329-4198.

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

**FOR SALE: LIQUOR STORE**—Good location in Detroit on main thoroughfare. Also has deli and groceries. Beer, wine, lottery. Size 4,000 sq. ft., business and property. For more information, call (313) 561-5390 evenings. Leave name, telephone number on answering machine.

**KITCHEN HOOD FIRE SYSTEMS AND EXTINGUISHERS**—Low discount pricing to all AFD members. New installs, remodels, inspections, recharging and testing. Also servicing auto paint booths and gas stations. All brands. **Ansil**, **Pyrochem, Range Guard**, Servicing Southeastern Michigan 24/7. Call Alan Ross at GALLAGHER FIRE EQUIPMENT—800-452-1540.

**PARTY STORE FOR SALE**—Beer, wine, Lottery, deli and grocery. Located on Dequindre Road in Warren. Call Sam at (586) 756-4010.

**FOR SALE**—Party Store in Warren. Excellent location! Good business with GREAT income. Call Sam or Mike at (586) 751-6440.

**ESTABLISHED PARTY STORE**—Port Huron, MI. High traffic area. SDD, SDM and Lotto. Owner retiring. Leave message. (810) 985-5702.

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

**WELL ESTABLISHED PARTY STORE**—160 miles north of Detroit in area of seven inland lakes. Ten miles from Lake Huron. Beer, wine, grocery, pizza, ice cream. 85% remodeled. Includes two-family home next door. \$299,000. Ask for Martha: 989-469-9341.

**SPECIALTY WINE SHOP FOR SALE**—SW Michigan location, SDD, SDM and Lotto. \$1.6mm revenues. \$100M+ cashflow. 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 989-539-2261. Price \$395,000.00 plus inventory.

**FOR SALE: CONVENIENCE STORE**—6 Mile & Beech Daly. 2,425 sq. ft. Asking \$200,000 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 28,000 SQ. FT.

**SUPERMARKET FOR SALE**—Open house August 7 & 8, 9 a.m.-2 p.m. 2 Miles north of I-75 on Baldwin Road in Onon Twp. North of Great Lakes Crossing Mall. Call 248-391-2212.

**MOVE OUT OF THE CITY** to a quieter life. Northern and Mid-Michigan Grocery Stores for sale. Contact Ron at 1-800-968-0117.

# Focusing on food: Retailers discuss what's next for convenience store food

by Tracey Graves

It's been said that man cannot live on bread alone, but with margins shrinking, many convenience store operators have begun relying more heavily on "bread" to earn a better living. That is, increase profitability.

Whether it's the bread wrapped around a made-to-order hamburger or the bread holding together a mound of fixings on a prepackaged sub, no matter how you slice it, foodservice can be a viable opportunity for c-stores.

"Nothing requires more labor and proper execution, but nothing can add more potential gross profit dollars than foodservice," said Grant Wilson, director of sales for Cincinnati-based Pierre Foods, during CSP's State of the Industry Executive Summit. The roundtable was moderated by Jeff Miller of Miller Oil and Kay Segal of CSP.

C-store retailers are carving out their foodservice niche with everything from quick-serve restaurants to self-serve offerings. Even major oil companies are joining the ranks. Exxon Mobil, for example, is looking to gain its share of the foodservice dollar with its On the Run Cafe, a newly developed proprietary line of self-serve and made-to-order offerings.

Although finding the right foodservice operation can be tricky business from labor and tracking sales to developing a consistent, quality offering that consumers trust, most retailers believe in the profitability power of foodservice in some form or another.

## What's in a name?

Many c-store retailers consider branded quick-serve restaurants to be growth opportunities. However, some are still weighing the operational pros and cons from taking a hands-off approach by leasing or opting to own to maintain quality, image and controls. While the jury is still out on these and other issues retailers grapple with including labor and increasing competition, QSRs are generating approximately \$3.1 billion or 22.5% of foodservice dollars, according to the NACS State of the Industry report. QSRs pulled in about \$126 billion in sales in 2000.

"QSRs are good opportunities for travel plazas and c-stores," said Mark Falkenstein, business development manager for Arby's.

Adding a QSR provides consumers with an increased variety of offerings that can translate into increased sales. But several discussion participants cautioned that consumers aren't



buying into limited-menu "express" locations. "What works best is a full-blown, blow out," Falkenstein said. "Express sites are out/EMD/nobody knew they were there."

On the other side of the fence, several retailers are swearing by proprietary programs as the way to go to maximize cost efficiencies, maintain labor, controls and image, as well as convey a point of difference.

Jeff Miller, president of Norfolk, Va.-based Miller Oil Co., has moved away from branding and is developing the chain's proprietary offering.

"We couldn't get consistency across stores," he said. "We had Arby's, Burger King and weren't good at any of it."

Although Mechanicsville, Va.-based Fas Mart Convenience Stores already operates several Dairy Queens, Brad Chivington, vice president of marketing for the company, said it too is developing its proprietary line. The chain is taking it a step further by adding "components that are modular and can go in and out of stores based on demographics," Chivington said.

Salt Lake City-based Maverick Country Stores is also on team proprietary. "We don't want a product that anybody else has," said Zann Horlacher, director of foodservice for the chain, which offers its own line of pizza and sandwiches.

Chris Chila, foodservice category manager for Waltham, Mass.-based Store 24, said the company's proprietary packaged sandwiches made by a third-party commissary has been successful for the past three years. "We had about 30 delis and a few Taco Bells in the past, but our commissary-prepared sandwiches are our future."

Manufacturers like Pierre Foods are getting on board by developing

proprietary programs for c-stores. "I see the future moving toward packaged products because it cuts labor," said Wilson of Pierre Foods. "Customers coming into c-stores several times a day want variety," said Vicki Steinbrook, director of sales and marketing, White Castle Distributing. "Our product serves customers who want branded products, as well as the operator who doesn't want a full-service operation."

"Sara Lee's proprietary branded programs are very successful because a retailer can have complete control," said Earle Davis, director/vice president of Sara Lee's c-store group.

Chivington of Fas Mart said manufacturers should understand specific needs and goals of retailers and assist with development as well as promotion. A canned program can't work for every retailer, Chivington said.

Rich Levin, vice-president of marketing for Turkey Hill Minit Markets, Lancaster, Pa., agreed, saying manufacturers should come to the table with "all the pieces."

## Faster and fresher

There is greater pressure to turn product quicker and fresher, the group agreed. The partnership between product and equipment manufacturer is key, explained Hans Volk, national sales manager for Roundup Food Equipment, Carol Stream, Ill. "It's really about how the product formula and equipment can work together to maintain the quality of the product longer," he said.

"No one wants to buy the last one," said Horlacher of Maverick Country Stores. "We're keeping our bakery counters full by making less more often. I'd rather throw away five and sell 20 than throw away one and sell five."

There's a cultural mindset in convenience stores that's fixed on inventory control, Miller of Miller Oil explained. The group agreed that c-store foodservice staff has to be trained to a new mindset of building inventory to highest sales rather than lowest.

Go back to the basics, suggested Mike McDonough, Piccadilly Circus. That means smiling, being friendly and offering hospitality, he said.

"The basics are free, but nobody likes them because there's no 'wow' factor," he explained. "But if we get people to come back, we can up the profit of all categories."

Can't get a better "wow" than that—CSP

# SUPPORT THESE AFD SUPPLIER MEMBERS

## AUTHORIZED LIQUOR AGENTS:

General Wine & Liquor	(248) 852-3918
National Wine & Spirits	(888) 697-6424
	(888) 642-4697
Encore Group/Trans-Con, Co.	(888) 440-0200

## BAKERIES:

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
Interstate Brands Corp.	(313) 591-4132
Oakrun Farm Bakery	(800) 263-6422
S & M Biscuit Dist. (Stella D'Oro)	(586) 757-4457
Taystee Bakeries	(248) 476-0201

## BANKS:

ATM of Michigan	(248) 427-9830
Comerica Bank	(313) 222-4908
Financial Corp.	(313) 387-9300
Michigan National Bank	1-800-225-5662
North American Bankard	(248) 269-6000
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
Allied Domecq Spirits USA	(248) 948-8913
American Bottling	(313) 937-3500
Anheuser-Busch Co.	(800) 414-2283
Bacardi Imports, Inc.	(248) 476-6400
Bellino Quality Beverages, Inc.	(734) 947-0920
Brown-Forman Beverage Co.	(734) 433-9989
Canandaigua Wine Co.	(586) 468-8650
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
Coors Brewing Co.	(513) 412-5318
Delicate Family Vineyards	(248) 766-3451
E & J Gallo Winery	(248) 647-0010
Eastown Distributors	(313) 867-6900
Faygo Beverages, Inc.	(313) 925-1600
Garden Foods	(313) 584-2800
General Wine & Liquor Co.	(313) 867-0521
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
Josulete Wines, Inc.	(313) 538-5609
Leelanau Wine Cellars	(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
Oak Distributing Company	(810) 239-8696
Pepsi-Cola Bottling Group	
Detroit	1-800-368-9945
Howell	1-800-878-8239
Pontiac	(248) 334-3512
Petiprin, Inc.	(586) 468-1402
Red Bull North America	(248) 229-3460
Seven-Up of Detroit	(313) 937-3500
Stony Creek Brewing Co.	(313) 299-5411
Tri-County Beverage	(248) 584-7100
UDV-North America	1-800-462-6504

## BROKERS/REPRESENTATIVES:

Acosta-PMI	(734) 737-1250
Bob Arnold & Associates	(248) 646-0578
CrossMark	(734) 207-7900
Hanson & Associates, Inc.	(248) 354-5339
J.B. Novak & Associates	(586) 752-6453
James K. Tamakian Company	(248) 424-8500
S & D Marketing	(248) 661-8109

## CANDY & TOBACCO:

Philip Morris USA	(734) 591-5500
R.J. Reynolds	(248) 475-5600

## CATERING/HALLS:

Emerald Food Service	(248) 546-2700
Farmington Hills Manor	(248) 888-8000
Karen's Kafe at North Valley	(248) 855-8777
Penna's of Sterling	(586) 978-3880
Southfield Manor	(248) 352-9020
St. Mary's Cultural Center	(313) 421-9220
Tina's Catering	(586) 949-2280

## DAIRY PRODUCTS:

Country Fresh Dairies	(800) 748-0480
Golden Valley Dairy	(248) 399-3120
Melody Farms Dairy Company	(734) 525-4000
Superior Dairy Inc.	(248) 656-1523
Tom Davis & Sons Dairy	(248) 399-6300

## EGGS & POULTRY:

Linwood Egg Company	(248) 524-9550
---------------------	----------------

## FRESH PRODUCE:

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

## ICE PRODUCTS:

Party Time Ice Co.	(800) 327-2920
U.S. Ice Corp.	(313) 862-3344

## INSURANCE:

AAA Michigan	(800) AAA-MICH
Blue Cross/Blue Shield	1-800-486-2365
Capital Insurance Group	(248) 354-6110
Gadaletto, Ramsby & Assoc.	(800) 263-3784
Frank McBrine Jr., Inc.	(586) 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
------------------------	----------------

## MANUFACTURERS:

Home Style Foods, Inc.	(313) 874-3250
Jacaggi Hillsdale Country Cheese	(517) 368-5990
Kraft General Foods	(248) 488-2979
Nabisco, Inc.	(248) 478-1350
Old Orchard Brands	(616) 887-1745
Philip 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:

Bar S Foods	(248) 414-3857
Family Packing Distributors	(248) 738-5631
	or (313) 873-3999
Ganor's Meat Packing	(989) 269-8161
Hartig Meats	(313) 832-2080
Hygrade Food Products	(248) 355-1100
Kowalski Sausage Company	(313) 873-8200
Nagel Meat Processing Co.	(517) 568-5035
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	(800) 292-2826
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 Chronicle	(313) 963-5522
WDFN-AM 1130	(313) 259-4323
WDIV-TV 4	(313) 222-0643

## NON-FOOD DISTRIBUTORS:

Items Galore	(586) 774-4800
--------------	----------------

## POTATO CHIPS/NUTS/SNACKS:

Better Made Potato Chips	(313) 925-4774
Frito-Lay, Inc.	1-800-359-5914
Germack Pistachio Co.	(313) 393-2000
Jay's Foods	(800) 752-5309
Kar Nut Products Company	(248) 541-7870
Niklas Distributors (Cabana)	(248) 582-8830
Rocky Peanut	(313) 871-5100
Variety Foods, Inc.	(586) 268-4900

## PROMOTION/ADVERTISING:

Enterprise Marketing	(616) 531-2221
Huron Web Offset Printing	(519) 845-3961
J.R. Marketing & Promotions	(586) 296-2246
PJM Graphics	(313) 535-6400
Stanley's Advertising & Dist.	(313) 961-7177
Stephen's Nu-Ad, Inc.	(586) 777-6823

## RESTAURANTS:

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

## SERVICES:

1st Choice Insurance Agency	(586) 737-2339
AAA Michigan	(800) AAA-MICH
A & R Delivery	(810) 638-5395
Abbot, Nicholson, Esshaki & Youngblood	(313) 566-2500
Action Inventory Services	(586) 573-2550
AirPage Prepay & Talk Cellular	(248) 547-7777
American Mailers	(313) 842-4000
Andrews Brothers Inc.	
Detroit Produce Terminal	(313) 841-7400
AON Risk Services	(248) 359-6080
Beilanca, 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
Central Alarm Signal	(313) 864-8900
Check Alert	(231) 775-3473
Cherry Marketing Institute	(517) 669-4264
Container Recovery System	(517) 229-2929
Deford Distributing	(989) 872-4018
Detroit Edison Company	(313) 237-9225
The Employment Guide	(800) 752-8926, x230
Eskey Com. Inc.	(317) 632-3870
Financial & Marketing Ent.	(248) 541-6744
Follmer, Rudzewicz & Co., CPA	(248) 355-1040
Gadaletto, Ramsby & Assoc.	(800) 263-3784
Goh's Inventory Service	(248) 353-5033
Great Lakes Data systems	(248) 356-4100
J & B Financial Products LLC	(734) 420-5077
Karoub Associates	(517) 482-5000
AI Bourdeau Insurance Services, Inc.	(800) 455-0323
Law Offices-Garmo & Garmo	(248) 552-0500
Market Pros	(248) 349-6438
Metro Media Associates	(248) 625-0700
Michigan Bankard Services	(517) 323-6017
Nordic Electric, L.L.C.	(734) 973-7700
North American Interstate	(248) 543-1666
Paul Meyer Real Estate	(248) 398-7285
Payment Authority, The	(248) 879-2222
Quality Inventory Services	(586) 771-9526
REA Marketing	(989) 386-9666
Sagemark Consulting, Inc.	(248) 948-5124
Sal S. Shmoun, CPA	(248) 593-5100
Salm 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
T.D. Rowe Corp.	(248) 280-4400
TeleCheck Michigan, Inc.	(248) 354-5000
Travelers Express/Money Gram	(248) 584-0644
Verizon Wireless	(248) 763-1563
	or (517) 896-7000
Western Union Financial Services	(513) 248-4900
Westside Cold Storage	(313) 961-4783
Whitey's Concessions	(313) 278-5207

## STORE SUPPLIES/EQUIPMENT:

Belmont Paper & Bag Supply	(313) 491-6550
Brehm Broaster Sales	(989) 427-5858
Culinary Products	(989) 754-2457
DCI Food Equipment	(313) 369-1666
Ernie's Refrigeration	(989) 847-3961
Hobart Corporation	(734) 697-3070
Martin Snyder Product Sales	(313) 272-4900
National Food Equipment & Supplies	(248) 960-7292
North American Interstate	(248) 543-1666
Serv-Tech Cash Registers	(800) 866-3368
Taylor Freezer	(313) 525-2535
TOMRA Michigan	1-800-610-4866
United Marketing Assoc.	(734) 261-5380
Wadie Makhay Produce Specialist	(248) 706-9572

## WHOLESALE/FOOD DISTRIBUTORS:

Capital Distributors	(800) 447-8180
Central Foods	(313) 933-2600
Chase Farms Frozen Food Process	(231) 873-3337
Consumer Egg Packing Co.	(313) 871-5095
CS & T Wholesalers	(248) 582-0865
Dolly's Pizza	(248) 360-6440
EBY-Brown, Co.	1-800-532-9276
Economy Wholesale Cash & Carry	(313) 922-0001
Elegance Distributors	(517) 663-8152
Energy Brands	(231) 223-9451
Epstein Distributing Co.	(248) 646-3508
Fairway Packing Co.	(313) 832-2710
Fleming Company	(330) 879-5681
Food Services Resources	(248) 738-6759
Great North Foods	(989) 356-2281
Hamilton Quality Foods	(313) 728-1900
Hav-A-Bar	(810) 234-4155
I & K Distributing	(734) 513-8282
International Ice	(313) 841-7711
International Wholesale	(248) 544-8555
Jerusalem Foods	(313) 538-1511
Kaps Wholesale Foods	(313) 567-6710
Karr Foodservice Distributors	(313) 272-6400
Kay Distributing	(616) 527-0120
Kingston Distributing	(989) 872-3888
Kramer Food Co.	(248) 851-9045
L & L Jiroch/J.F. Walker	(517) 787-9880
L.B. Enterprises	(517) 546-2867
Liberty Wholesale	(586) 755-3629
Lipari Foods	1-(586) 447-3500
Mr. Dee's Gourmet Foods	(734) 747-8475
Mr. Pita	(586) 323-3624
Nash Finch	(989) 777-1891
National Bulk Foods	(313) 292-1550
Niklas Distributors (Cabana)	(248) 582-8830
Norquick Distributing Co.	(734) 254-1000
Preferred Brands	(313) 381-8700
Robert D. Arnold & Assoc.	(810) 635-8411
S. Abraham & Sons	(248) 353-9044
Sherwood Foods Distributors	(313) 366-3100
Spartan Stores, Inc.	(313) 455-1400
Suburban News: Warren Flint	(586) 756-4008
	(810) 785-4200
SuperValu Central Region	(937) 374-7874
Tiseo's Frozen Pizza Dough	(586) 566-5710
Tom Maceri & Son, Inc.	(313) 568-0557
Tony's Pizza Service	(616) 795-0220
U.S. Ice Corp.	(313) 862-3344
Value Wholesale	(248) 967-2900
Weeks Food Corp.	(586) 727-3535
Wine Institute	(313) 882-7630

## ASSOCIATES:

American Synergistics	(313) 427-4444
Canadian Consulate General	(313) 567-2208
Livemore-Davison Florist	(248) 352-0018
Minnich's Boats & Motors	(810) 744-3408
Wilden & Associates	(248) 588-2358
Wolverine Golf Club, Inc.	(586) 781-5544

# Country Fresh™

## Take Home the Dairy Best!

**NEW!**

**Country Fresh**  
**RANCH DIP**  
16 oz (453g)

Introducing the NEW 16oz. Country Fresh Ranch Dip. The NEW creamy-cool Ranch Dip joins the family of Country Fresh dips: Vegetable Dip, French Onion Dip, and Nonfat French Onion Dip.



**Country Fresh**

For more information on our fine dairy products  
please call 1-800-748-0480, ext. 1659.

Country Fresh, LLC • 4460 44th St. SE • Grand Rapids, MI 49512



# We're Looking for Talented People Who Can...

merchandise a store...**design** an ad...stock shelves...drive  
our trucks...print a flyer...bake bread...arrange flowers...keep our  
books...**manage** departments...sell groceries...program  
computers...write a brochure...display produce...cut meat...carry out  
groceries...**develop** a promotion...manage finances...install  
new technology...buy real estate...**promote** private label  
products...**train** our associates...prepare deli foods...select  
warehouse orders...fill a prescription...design a web page...help our  
customers...**create** marketing strategies...and much more.

## Join Our Diverse Work Force!

If you're interested in career opportunities, learn  
more about our company by visiting our website at  
[www.spartanstores.com](http://www.spartanstores.com).



**SPARTAN STORES, INC.**  
THE FOOD PEOPLE

A publicly traded company.