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

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VOL. 14, NO. 2

The official publication of the Associated Food Dealers of Michigan Working hard for our members.

February 2003

### Inside

Accomplishments of 2002

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Meet Senator Sanborn
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### AFD's Trade Show unlocks key to savings!

Here's a tip: attend the 19th Annual Buying Trade Show on April 9 and 10 at Burton Manor in Livonia to get a jump on the competition.

AFD is planning ten full hours of uninterrupted buying, along with fun and terrific prizes.

terrific prizes.

With many booths already filled, exhibitors are making plans that guarantee excitement for attendees.

New products will be introduced and show specials will belp your bottom line for months to come.

This will be a perfect opportunity to place your orders for Passover, Easter and Memorial Day. Bring your shopping list!

Watch your mail as AFD will be sending several reminders. Plan now to join your peers and unlock the door to savings!

See the ad on page 35 and call Ginny for more information at 1-248-557-9600

# Welcome to the sweetest ball of the year!



It's almost time for the AFD Annual Trade Dinner and Ball. This year it falls on February 14, 2003...Valentine's Day! Our theme, of course, is "St. Valentine's Ball." New this year, we're featuring a Silent Auction to benefit the AFD Scholarship Program. Please see page 11 for details and if you haven't already, call Michele MacWilliams (248) 557-9600 to save your seats!

# The future of convenience: A decline in growth?

A newly released report predicts that the convenience store industry will see "a significant decline" in sales growth through 2006.

Retail Forward's
Convenience Stores Industry
Outlook report states that
falling gasoline prices,
increasing competition and
decreasing new-store
openings will contribute to
decreased sales growth for
the industry.

The new report estimates that industry sales will advance at an average annual rate of 3.8 percent through 2006--a slowdown from the industry's 11.3 percent annual growth rate over the past five years.

"Heightening competition, declining margins, and a heavy reliance on two core categories—gasoline and tobacco—continue to challenge the convenience store industry," said Sandy Skrovan, vice president of Retail Forward and author of the report. "Convenience

store players increasingly are looking to the inside of the store and innovative technology to redefine the offer, differentiate from the competition, and enhance performance."

Here are some of the challenges pinpointed in the report:

\* Margins under siege outside (gasoline) and inside the store

See Convenience future Continued on page 17

# Bottle Bill expansion to become hot issue

The debate on whether to expand the current bottle deposit law and its effect on recycling in Michigan is going to become a hot topic in the 2003-2004 legislative session.

Expansion of the bottle bill was a major component of the environmental policy proposed during the campaign by then gubernatorial candidate, now Governor Jennifer Granholm. Now the 25 year old law has become the focus of Senate Majority Leader Ken Sikkema, R-Wyoming.

Sikkema has formed a task force to review Michigan's bottle deposit law and make recommendations to lawmakers on whether or not the bill needs to be modified. In addition the Senate Republican Task Force will examine the issue of comprehensive recycling and why Michigan has one of the

lowest recycling rates in the country.

Senator Sikkema has appointed Senator Cameron Brown, R-Sturgis to chair the task force and to hold hearings around the state, beginning in February. The task force will issue a report on its findings to lawmakers in September.

All AFD members are encouraged to attend these hearings to let them know your thoughts and concerns regarding the effect that bottle expansion will have on your businesses.

AFD will keep you apprised of the dates and locations of the hearing. We may be calling upon you to make personal phone calls and to write letters to reinforce our opposition to bottle bill expansion.

### **CIGARETTE TAXES**

Per-pack cigarette taxes of neighboring states.

	taxes of fleighborning	siales.		
STATE	TAX RATE	LAST HIKE		
MICHIGAN	1.25	Aug. '02		
Illinois	.98	July '02		
Indiana	.555	July '02		
Minnesota	.48	July '92		
Ohio	.55	July '02		
Wisconsin	.77	Oct. '01		
Source: National Center	for Tobacco-Free Kids.			

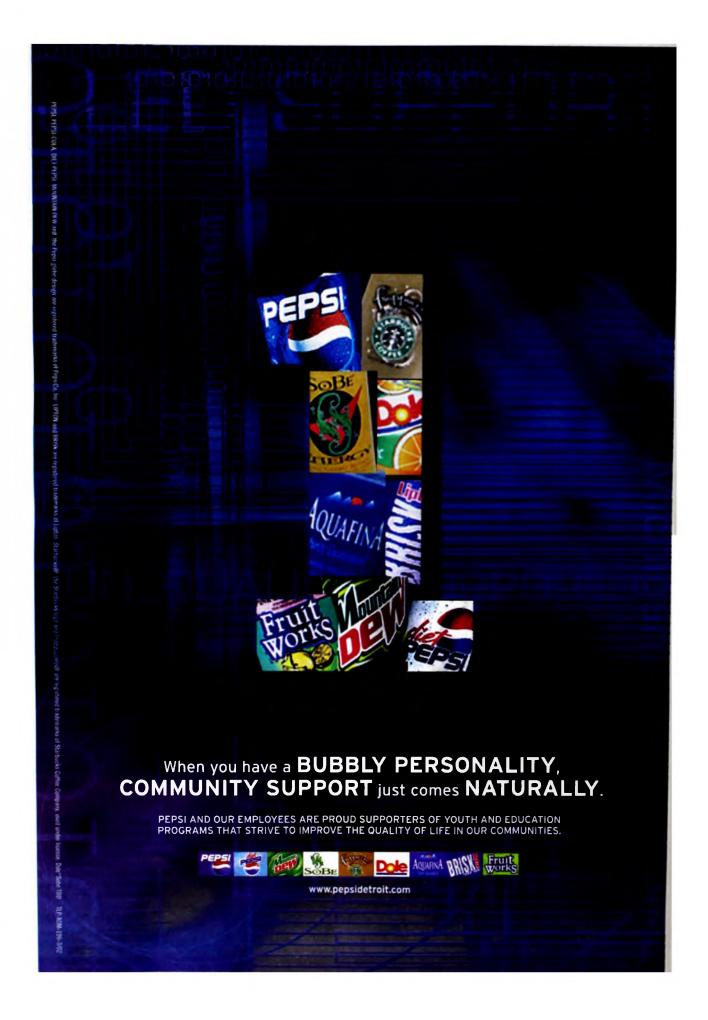
### Sarafa angered by talk of another tax hike on cigarettes

Citing recent reports that the state is considering another cigarette tax hike, AFD President Mike Sarafa called any such effort "overkill" and "a cheap and easy answer" to solving what have become structural budget deficits at the state level.

Last year the state raised the cigarette tax 50 cents per pack. The issue of raising the tax another 25 cents has recently resurfaced as a way to raise still more revenues.

"Another cigarette tax increase would make Michigan the highest tobacco tax state in the country," Sarafa said. He added that any such effort would be "an attempt to balance the state's budget on the backs of the middle class and small business."

Sarafa expressed AFD's vehement opposition to another tobacco tax increase and pledged that AFD would mount a vigorous campaign to block it. Please contact AFD if you are willing to help lobby against any proposed tax increase.



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# Looking back at 2002 to guide us in 2003



By Terry Farida, AFD Chairman It seems that everywhere we look these days, the year-end reports of 2002 and the predictions for this year are basically doom and gloom. Recently released reports tell us that our industry's growth will significantly slow. However, many of these reports don't take into account our industry's biggest competitive advantage - consumers' demand for convenience. There is significant hope at the end of the tunnel!

The Conference Board, one of the leading economic indexes, increased by 0.7 percent in November—the largest increase since December 2001. As these are traditional indicators of future activity, there is evidence that there will be a change for the positive in economic performance in 2003.

There was much to be alarmed about economically in 2002, but high among those concerns was the slide in equity values through most of the year. In general, most business assets were marked down—including those

in the grocery and convenience store

### The year that was

What does all this mean for AFD retail members in 2003? First, let's review some of the key retail statistics through November 2002, according to the National Association of Convenience Stores.

Total retail sales turned in a rather lackluster 1.79 percent growth over 2001 for convenience stores, with grocery stores faring even poorer at 1.26 percent. Food-and-beverage stores were up 1.49 percent, while pharmacies and drug stores were up 5.56 percent. Gasoline stations were up 11.78 percent, but the real stars for 2002 were warehouse clubs and superstores that grew 14.04 percent. Regionally, the South grew total retail sales the fastest at 2.10 percent, followed by the Northeast at 1.89 percent, the West at 1.70 percent, and lastly, us in the Midwest at 1.42 percent.

These results confirm the ongoing trends in other retail sectors that have negatively impacted grocery and convenience store business. Drug stores have been particularly aggressive in recent years, as have warehouse clubs and superstores. In addition, further inroads by hypermarkets pressured retailer

### Predictions for 2003

Here are some predictions for 2003 from grocery and convenience store industry consultant Dick Meyer of Meyer and Associates, located in Neenah, WI. His major predictions include:

Convenience store average

pretax profits per store will improve—approximately \$10,000, assuming comparable companies in the sample.

- Increasingly, grocery and convenience stores will become smarter marketers of "other stuff," and thus, better at leveraging the "convenience" heritage.
- Wholesale "auctioning" of grocery and convenience store properties will prove disruptive to the industry's distribution systems.
- We'll have fewer but smarter operators going forward, Meyer believes that is a positive, because he expects these will be financially stronger companies.

These are provocative statements, but as we move farther into 2003, our industry is faced with unique challenges. Understanding these challenges is the first step to positive growth.

### See you at St. Valentine's Ball!

Since this is my first column of 2002, I would like to wish everyone a happy and healthy New Year. I hope that I will be able to personally greet you at AFD's Trade Dinner, "St. Valentine's Ball," on February 14.

Being part of AFD allows us the opportunity to come together at this event; to enjoy friendships and the fellowship that makes our daily business life more meaningful.

It is obvious that this relationship is meaningful to everyone in our industry. Without a doubt, it will be a great party. We look forward to seeing you on Valentine's Day!

### Highlights of 2002 – The AFD year in review

Although we don't often boast, AFD met some strong challenges in 2002, and made significant progress. Helping our members to be successful is our main goal. To this end, we accomplished the following in 2002:

AFD established Project 20%, a proactive effort to increase liquor discounts from 17% to 20%. AFD continues to meet with members of the Michigan Liquor Control Commission and members of the legislature to lobby for the first increase in 22 years.

AFD successfully stalled Senate Bill 1312, which if passed would allow onpremise licensees (restaurants, bars and hotels) to sell liquor for off-premise consumption. AFD continues to educate legislators on the impact on our industry should a bill of this type be passed.

AFD continues to pressure legislators

not to allow gas stations to apply for beer and wine licenses. Just because it hasn't received a lot of attention lately does not mean it is going away.

AFD has contacted the Family Independence Agency in response to retailer inquiries regarding spreading EBT client payments over the entire month rather than just the first 10 days. This would allow retailers to better control their employee scheduling, to better control inventory and to provide better customer service.

AFD is actively supporting a move toward comprehensive recycling, which could ultimately lead to removing empty bottles and cans from stores.

AFD supported House Bill 6170, which became law in 2002. This law increases fines for minors attempting to purchase alcohol and removes some of

the burden of proof from retailers and places it on minors.

AFD continues to support small market insurance reform, creating a level playing field between for-profit and non-profit health insurance providers. With some work, reform will make BCBSM insurance more affordable for small businesses.

AFD's two trade shows brought a record number of attendees and an even greater variety of exhibitors and savings on products, services and equipment during their successful exhibitions.

AFD's Electric Choice Program continues to save AFD member locations a guaranteed 10% discount on their DTE electric bills.

Belonging to the AFD doesn't cost...it pays!

### Member Profile

### Schmuckal Oil is committed to its community

the

Rapids to

By Karen Braschayko A family-run company based on traditional values. Schmuckal Oil Company of Traverse City finds abundant ways to give back to the community.

The walls in the Schmuckal reception area are covered by plaques of service contributions-the ZONTA Club of Traverse City, the March of Dimes, and the Community Crusade Against Drugs and a thankyou note from Jerry Lewis are just a few. The plaques are so numerous that they stretch down the main hallway. Community is clearly a value at Schmuckal Oil.



Houghton Lake areas as well as 7 stores in the area between Holland and Whitehall," Kevin Schmuckal explained.

> "Our goal is to keep growing. We've had the goal in the past to build one or two new stations a year, but 2001 was a really big year for us. We purchased four new units and built a fifth in Whitehall.

"We'd like to keep growing in the fast food aspect. We have a good relationship with A&W. Their nostalgic theme and

image are to our advantage. Before, A&W seemed to have a dated theme. and had died out for a while. But it's back, and becoming much more

popular," he explained.

Schmuckal Oil Co. is also a Shell lubricant distributor, has a home heating oil business with over 1,200 customers, and other commercial fueling business in the Traverse City area.

Also on the trophy walls are the achievements of the company. "We've won national Shell sales awards, on the gasoline and lubricants side of the business," Kevin said. Schmuckal Oil Company earned 1991 Jobber of the Year for the Mid Continent United States from Shell for outstanding performance in image standards, hours of operation.

See Schmuckal Continued on next page



"We've always been involved. The ties have certainly been important to us," said Kevin Schmuckal. marketing manager. Education is important as well. "We've donated our time and money to the schools of the Grand Traverse area, and Northwestern Michigan College," he added.

Kevin's grandfather, Art Schmuckal, and his former partner George Slane began Slane and Schmuckal Oil Company in 1955 with two small service stations. The two men drove a Shell truck and made deliveries, using word-of-mouth advertising to increase their business. Art bought George out after a few years and the Schmuckal Oil Company was born.

The business grew from there. In the '70s, Schmuckal Oil Company began including convenience stores. Now, there are 28 in total, 24 of them are branded Shell. The four additional stations are Marathon sites in the Traverse City area, purchased in April 2001.

Schmuckal's product offerings have diversified as well. Fast food is making its way into Schmuckalowned stations-three of the convenience stores have A&W, one has a Salubre Pizza and Station Subs too, and one in Whitehall Michigan has A&W and Long John Silvers both.

### The Grocery Zone



### Calendar

February 14, 2003 AFD Annual Trade Dinner Penna's of Sterling Contact: Michele MacWilliams (248) 557-9600

February 23-25 MARKETECHNICS Food Marketing Institute Convention New Orleans, LA (202) 452-8444

February 24-27 NACS Leadership Assembly Ritz Carlton, Naples, FL www.nacsonline.com

April 9 - 10, 2003 19th Annual AFD Trade Show Burton Manor, Livonia Contact: Ginny Bennett (248) 557-9600

April 28-30 nacs.tech 2003 Wyndham Anatole Hotel Dallas, TX (703) 684-3600

July 16, 2003 AFD Scholarship Golf Outing Wolverine Golf Course Macomb Township (248) 557-9600

### Statement of Ownership

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AFD works closely with the following



### Schmuckal Continued from page 4

diversified marketing, and the development of business opportunities.

The Schmuckal family has stayed in the business for three generations. Founder Art Schmuckal is still chairman of the board, his son Paul is president and has worked for the company since 1977. Art's daughter, Barb Benson, began in 1982 and is now vice president. Art's other two children, Evelyn and Don, chose other professions, but Evelyn remained in the Traverse City area as a registered nurse, and Don has returned after a career in the National Parks Service.

"We have a close family—we get together at my grandfather's often," said Kevin.

A graduate of Methodist College in Fayetteville, North Carolina, Kevin returned to Traverse City in 1997. "I wanted to come back to this area—it's a great place to live and bring up a family. I wanted to come back and work for the family business."

Schmuckal Oil's family philosophy extends to its 300 employees as well, with employee of the month and employee of the year programs. "It started out as a family business, and we keep it that way," Kevin Schmuckal explained. "We treat everyone like our family."

Schmuckal's contributions to the community just keep going. "We have a promotion in April or May to sell pink pigs for Child and Family Services. We also run a United Way promotion—every Thursday for the month of October, we donate part of our sales to the United Way," said Kevin.

"We will definitely stay a family business in the future," assured Kevin. And there is no doubt that Schmuckal Oil Company will continue its service and commitment to the Traverse City

Visit Schmuckal Oil Company at www.schmuckaloil.com or call (231) 946-2800.

### Study: Extra weight shortens lifespan

Researchers in the
Netherlands found that people
30 pounds or more overweight
at age 30 or older could lose up
to seven years from their lives.
According to the study, carrying
even 10 to 30 extra pounds
could shorten a person's life
span by about three years.

-USA Today

### Anheuser-Busch brewed record U.S. beer volume in 2002

Anheuser-Busch, Inc., the U.S. beer subsidiary of Anheuser-Busch Companies, Inc., announced that it achieved record U.S. beer sales volume in 2002.

"We are extremely pleased to report that our domestic-beer shipments to wholesalers grew to an all-time high of 101.8 million barrels in 2002—increasing 2.1 million barrels or 2.1 percent over 2001," said company President August A. Busch IV. "For the first time, total domestic shipments exceeded the 100-million-barrel milestone. This record achievement, led by the Bud family and the successful introductions of Michelob Ultra and Bacardi Silver, reflects the hard work

and dedication by all of our employees and wholesaler partners across the country."

Wholesaler sales-to-retailers grew 1.6 percent for the full year and declined 0.3 percent in the fourth quarter. Sales-to-retailers volume in the fourth quarter 2002 reflected a difficult comparison to fourth quarter 2001 sales that were up 5 percent due to unseasonably warm weather and the resumption of consumer activity after the September 11 terrorist attacks. Fourth-quarter 2002 sales-to-retailers represented a 2.3 percent compound annual growth rate from fourth-quarter 2000.

Fourth-quarter beer shipments by Anheuser-Busch to wholesalers grew 2.3 percent, and wholesaler inventories at year-end were essentially the same as last year.

Anheuser-Busch Companies, Inc., will announce worldwide beer volume and consolidated-earnings results for the fourth quarter and full year 2002. Consistent with statements in the third-quarter earnings release, the company continues to expect 14 percent earnings-per-share growth for 2002 and 18.5 percent earnings-per-share growth for the fourth quarter. The company has set an initial earnings-per-share growth target of 12 percent for 2003.

### How's your bank treating you?



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### Students scared straight about underage drinking

More than 600 students from Highland Park High School, Martin Luther King Jr. High School and Southeastern High School had the opportunity to hear a profound delivery about the consequences of underage drinking from Jim Rockwell of the Rockwell Project.

Eastown Distributors invited Rockwell, of Orange County California to come to Detroit. Rockwell has spoken to students across the country, giving a detailed account of his tragic accident that nearly killed him and two other classmates that traveled in the car with him, nearly 17 years ago, when he was a senior in high school.

Rockwell engages his audiences, giving them a full account of the accident detailing how he skipped school, drank alcohol and drove. He stresses that because he made a bad choice of drinking and being irresponsible, he is now paying the high price of disability.

Rockwell teeters when he walks, has only hearing in one ear and

paralysis affects his face and sight.
Because his motor skills are impaired, Rockwell has not been able to drive a car since the accident. He warns students not to take the simple things they are able to do for granted. Students were attentive as they listened to Rockwell's story.



Jim Quasarano, president of Eastown Distributors, speaks to Detroit students.





Woodward Long Lake Shall

# Brown-Forman Spirits Americas thanks the AFD and its members for a great year in 2002.





Gentleman Jack Rare Tennessee Whishey



















GLENMORANGIE SINGLE HIGHLAND MALT SCOTCH WHISKY

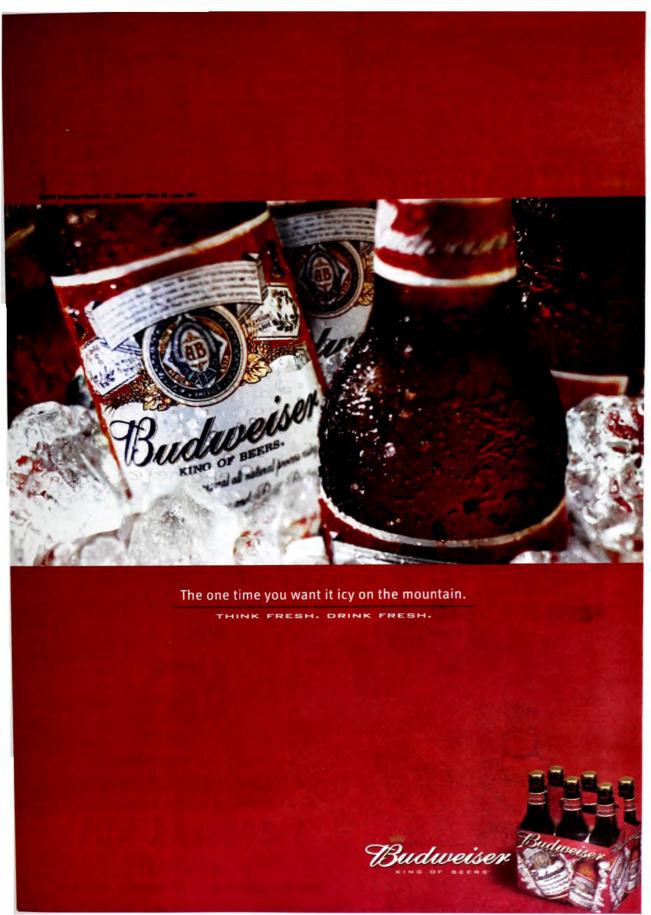




**BROWN-FORMAN** 

**SPIRITS AMERICAS** 





### Kroger honored for designing store to help the visually impaired

Kroger has won The American Foundation for the Blind's 2003 Access Award for building a new store in suburban Cincinnati that makes shopping safer and more accessible for people who are blind or visually impaired. The national award recognizes the Kroger store, built last year in North College Hill near a facility for the blind and visually impaired. for featuring lower aisle markers, sales flyers in Braille and other accommodations. including textured sidewalks. The award will be presented Feb. 20 at a luncheon in Los Angeles.

### News Notes

### **USDA** reports progress on BSE prevention

The U.S. Department of Agriculture more than tripled the number of cattle it tested for bovine spongiform encephalopathy during the last fiscal year and has made significant steps on other prevention measures aimed at keeping the disease from entering the United States, according to officials. In fiscal year 2002, the USDA tested 19,990 cattle for BSE using a targeted approach that tested the highest-risk animals, including animals that are lame at slaughter, animals that die on the farm, older animals and animals exhibiting signs of neurological distress. During the prior year, the USDA tested 5,272 animals. According to officials, the number of tests well exceeds internationally agreed-upon standards, which require BSEfree countries like the United States to sample on 433 head per year.

### Investor to sue ex-**Kmart CEO**

Mobius Venture Capital of Mountain View California said it will promptly re-file in state court its \$56 million lawsuit against Charles Conaway, former chairman and chief executive officer, Kmart Corp., Troy, Mich., after having its suit dismissed by a U.S. District Court judge in Detroit. According to Jack Schriver, Mobius' lead attorney, Judge Patrick Duggan rejected the case because most of Mobius' claims did not involve federal law. Schriver said Mobius had been one of the original investors in BlueLight.com, Kmart's Internet subsidiary in December 1999. In April 2001, Conaway convinced Mobius to trade its BlueLight.com stock for unregistered Kmart stock that Kmart would make its best effort to register within 75 days, according to Schriver. However, Schriver said Conaway delayed the process, and the stock was still unregistered when Kmart filed for bankruptcy in January 2002. Conaway could not be reached for comment.

### Self-care drives sales for top nonfood products

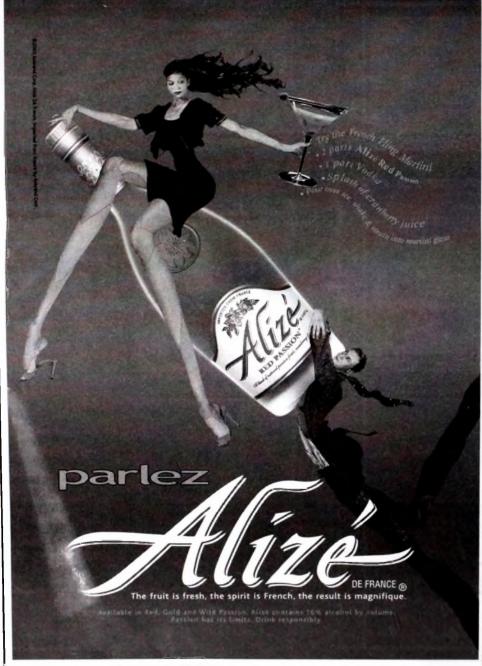
The top four new nonfood products in 2002 were all in the self-care categories, each earning over \$100 million in year-one sales, according to the just-released Information Resources Inc. "2002 New Product Pacesetters: Non-Foods" report. The top four are: Crest Whitestrips teeth whitener with \$192.6 million in sales; Gillette Venus razor and blades with \$172.9 million; Listerine Pocketpaks breath strips with \$152.5 million; and Crest SpinBrush battery-powered toothbrush with \$116.6 million. IRI cited three factors for these products' success: the "aging of America" in the case of the teeth whiteners; convenience for the breath strips; and better results in driving sales for the new razors and powered toothbrushes.

### Coke fosters school attendance in U.K.

The goal of the project created by local Coca-Cola Enterprises Ltd. for Kings Norton High is to encourage children to achieve an attendance level of 95 percent to 100 percent, or to markedly boost their attendance if it has dropped, reports the Financial Times Limited

At the end of final term, prizes will be awarded to those students who reach the attendance goals.

"It has been a resounding success, with a significant improvement in attendance noticeable in just four months," said Kings Norton High Head Teacher John Williams.



10.....AFD Food & Beverage Report, February, 2003

# Presenting ... 4 Valentine Ball

The 87th Annual Trade Dinner and Ball of the Associated Food Dealers of Michigan



Spend a romantic evening enjoying superb cuisine, dancing and entertainment with more than 1,000 industry leaders!

### Friday, February 14, 2003, Valentine's Day at Penna's of Sterling

Co-Chairs: John Jonna, Merchants Fine Wine and Syd Ross, General Wine and Liquor Co.

### Platinum Sponsor: \$10,000

- (Limited sponsorships available)
   Three tables of 10 for dinner (VIP seating) 30-second video or fifteen company images
- for media presentation Title sponsorship signage for: music, photo booth or centerpieces Full page ad w/spot color in the Food & Beverage Report Use of four company products at the dinner
  - (or four additional images in media presentation)
    •\$600 for each additional table

### Gold Sponsor: \$7,000

- •Two tables of 10 for dinner (Prime seating) •15-second video or 10 company images for media presentation Corporate signage at the dinner
  - 1/2 page ad in the Food & Beverage Report •Use of two company products at the dinner
  - (or two additional images in media presentation) \$700 for each additional table



Please call Michele MacWilliams for reservations and sponsorship information: (248) 557-9600

### Silver Sponsor: \$4,000

- One table of 10 for dinner (Preferential seating) • Five company images for media presentation Corporate signage at the dinner
- 1/4 page ad in the Food & Beverage Report
  - Use of one company product at the dinner (or one additional image in media presentation)
    - •\$800 for each additional table

### Bronze Sponsor: \$2,500

- One table of 10 for dinner
- Two company images for media presentation
  - Corporate signage at the dinner 1/8 page ad in the Food &
  - Beverage Report
  - •\$900 for each additional table

### A lack of competition may hike food prices

For the past several decades, the United States has enjoyed relatively inexpensive food. But we need look no further than prescription drugs to see danger signs ahead. Instead of addressing the fundamental problems plaguing competition in the pharmaceutical industry, we search for ways to give seniors enough money so they can afford to be gouged.

# How much worse will it be when competition in our food system is similarly compromised?

Our farming system is rapidly evolving into one of enormous offfarm corporations that own and raise millions of animals in confinement facilities scattered around the country.

Four so-called farms now account for 46 percent of the nation's hog production. Over 1 million breeding hogs with only four owners is something we have never seen in U.S. agriculture. The largest of these four hog production giants is also the nation's largest pork packer.

Senator Tim Johnson, D-S.D., tried to bring the competition question into the latest farm bill debate. His

With so few corporations controlling our food system, we must be concerned that competition can no longer play its vital role.

amendment prohibiting corporations from both raising animals and slaughtering them for market passed the Senate by a 53-46 margin, but it disappeared in conference committee. At a hearing in Sioux Falls, S.D., hundreds of farmers turned out to express their continuing support for Johnson's proposal. Understandably, independent farmers feel that with so few meatpackers, they face take-it-or-leave-it pricing when they bring their animals to market. Then, if the packers are also raising animals, the opportunity for independent farming can vanish altogether. The poultry industry is a perfect example: Virtually all farmers who grow broilers in the United States function more as employees of corporations that own and slaughter birds than they do as independent farmers.

### These are the questions facing farmers.

The rest of us need to ask:
How much longer will our relatively

inexpensive food costs last when increasingly large corporations assume "plow to plate" control of our food system?

Every freshman economics student learns early that the demand for food is inelastic—that is, we will pay whatever it takes to keep from going hungry. They also learn that freemarket systems rely on competition to keep prices in check.

With so few corporations controlling our food system, we must be concerned that competition can no longer play its vital role.

The consolidation worrying the farmers in Sioux Falls is real. The top five corporations in beef packing, pork packing, pork production, chickens and turkeys account for at least 40 percent of sales.

The same can be said for many other vital links in our food system, including corn exports, soybean exports, flour milling and food retailing. These numbers are changing by the week, and always in the direction of fewer, ever larger,

corporations

Evidence is building that large food corporations and low food prices are not a good mix.

For example, a study published in the Review of Industrial Organization found that mergers and acquisitions in food processing industries were more often leading to higher prices than to higher efficiency.

And Purdue University agricultural economist John Connor's title for an address last summer spoke for itself: "The Globalization of Corporate Crime: Food and Agricultural Cartels of the 1990s," (Eighty-five percent of all fines imposed on global price-fixing operations in the past several years were paid by food and agricultural cartels.)

During the Kennedy years, Secretary of Agriculture Orville Freeman warned that dwindling competition would someday lead us down the road to higher grocery bills. Our experience with prescription drugs reminds us that it is time to take his warning seriously.

We must support sensible measurers, such as banning packer ownership of livestock that will keep our food system competitive and our food prices reasonable.



# IN THE WESTERN WORLD, BLUE IS THE COLOR MOST PEOPLE CLAIM AS THEIR FAVORITE.

-FACT



### Lottery Lowdown

### WINFALL coupons help introduce new game



By Acting Commissioner James Kipp

Allied Domecq

· A. Hardy USA

• Barton Brands

Brown Forman

• Cannon Wine

Canandaigua Wine

Chalk Hill Winery

Charles Krug Winery

· David Sherman Corp.

• Charles Jacquin

Carriage House (Verdi)

• Batavia

• Bear Flag

Caravelle

Corterra

Deloach

• Diageo

To help introduce your customers to the Lottery's newest online game -WINFALL - - the Lottery is giving players across the state a chance to cash in on WINFALL for free!

Beginning February 2, 2003, coupons offering one free WINFALL "easy pick" wager with the purchase of a \$1 WINFALL "easy pick" wager will be distributed in select home-delivered newspapers throughout the state of Michigan. Both wagers will be eligible for the next available drawing.

Lottery retailers will get a 12-cent commission for each coupon that is redeemed which is twice the normal commission for a \$1 sale!

The "Buy One WINFALL ticket, Get One Free" coupon expires on March 2, 2003.

Unclaimed Prizes. In addition to all of the big winners this month at the Lottery, unfortunately, a number of prizes currently remain unclaimed.

If your store has sold a top-prize winning ticket that still has not been claimed by its rightful owner, be sure to remind your customers to check their tickets, as any of them could have a winner and not realize it! All unclaimed prizes revert to the state School Aid Fund after one year from the draw date. The following is a list of current unclaimed Lottery prizes:

Dec. 10, 2002, Mega Millions, \$175,000, 03-05-09-16-31 Gold 28 (match first five), Gulley Petro Mart Inc., Dearborn Heights

Dec. 10, 2002, Mega Millions. \$175,000,03-05-09-16-31, Gold 28 (match first five), Meijer #54, Northville

Oct. 28, 2002, Keno, \$250,000, 06-07-10-11-16-19-21-26-31-34-35-36-37-41-42-52-58-59-64-70-71-74 (match 10 of 22), Four Seasons Party Shoppe, Waterford

July 30, 2002, Mega Millions, \$175,000, 02-06-22-27-44 Gold 01 (match first five), Cracker Barrel Party Center, Canton

June 21, 2002, Mega Millions, \$175,000, 13-18-32-39-49 Gold 06 (match first five), 7-Eleven #17629,

April 9, 2002, Big Game, \$150,000, 01-15-17-21-41 Gold 04 (match first five), Mid-Van Petro Mart, Romulus

Mar. 22, 2002, Big Game, \$150,000, 07-12-19-35-41 Gold 34 (match first five), Flamingo Market,

A complete listing of the current unclaimed prizes can also be found on the Michigan Lottery Web site at www.michigan.gov/lottery

Holiday Closing. The Michigan Lottery offices will be closed on Monday, February 17, 2003 in observance of President's Day

New Instant Tickets. The Lottery is excited to debut five instant games in February. Bingo fans will love the \$2 "Bingo Doubler" which goes on sale February 6 with a \$22,000 top prize. In addition, on February 6, the \$5 "Big Bucks" bonus game with a \$200,000 top prize goes on sale. On February 13, the \$2 "Green and Gold" hits counters with a \$17,000 top prize Customers will be flocking to your stores on February 20 for a chance to win big with the \$1 "Find the 9s," offering a \$900 top prize. Also on February 20, the ever-popular \$2 "Cashword" game returns offering a \$35,000 top prize. Finally, on February 27, players can pad their nest egg with the winnings they collect in the new \$2 "Nest Egg," which features a \$25,000 top prize.

### Distributors of GENERAL WINE Fine Wet Goods LIQUOR COMPANY Congratulations, AFD, on your 87th Annual Trade Dinner!

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  - · Heaven Hill Dist.
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  - King Estate
  - Kobrand

  - · Mott's
  - Leelanau Wine Magic "Energy Kick"

  - Matt Brewing Co.
  - Pacific Wine Co.
  - Pernod Ricard
  - Poca Import
  - Purple Wine Co.
  - Raymond Vineyards
  - Remy Amerique
  - Royal Wine

- Rutherford Benchmark
- Seagram's Classics
- Sebastiani Vineyards
- Shaw Ross
- Sidney Frank
- South Corp.
- Spring Mountain
- Stimson Lane
- Tabor Hill
- The Wine Group
- Tod Hunter Imports
- U.S. Distilled Products
- Whitehall Lane
- White Rock Dist.
- William Grant & Sons
- Winesellers Ltd.Wine Wave

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> CAO CUESTA REY

ASTRAL Playboy by Don Diego

MAKERS MARK ASTRAL GRAND RESERVE **PARTAGAS** 

> OVA SOSA

ARTURO FUENTE

MONTECRISTO TE-AMO LAS CABRILLAS

WD BUNDLES **ASHTON DUNHILL** DON HERMAN

FONSECA

Romeo & Julieta CHAIRMAN'S RESERVE ZINO ACID **PUNCH** DON TOMAS CAMEROON

H. UPMANN

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

# Cheers! Drinking alcohol daily can do your heart good

Here's some news to toast to: drinking alcohol of any kind daily can drastically cut the risk of having a heart attack.

A new study found that drinking red or white wine, beer, or any other kind of alcohol can bolster the heart's defenses against a heart attack. The new findings came from the Health Professionals Follow-Up Study being conducted at the Harvard School of Public Health. The study follows the health of 38,077 male health professionals nationwide, reports the Washington Post.

"What is important is the drinking pattern and not necessarily what the individual is drinking or even the average consumption. It's much more beneficial to have about a drink or two a day," said Eric Rimm, associate professor of epidemiology and nutrition at the Harvard School of Public Health. Rimm worked on the study.

The researchers said that after 12 years, the men who consumed one to two alcoholic drinks three to seven days a week had a 32 percent to 37 percent less chance of having a heart attack, giving them the lowest risk among the men. Men who consumed one drink every day had a 22 percent lower risk. The researchers said that consuming even a half a drink every other day can contribute to a lower risk of heart attack.

"This finally puts some numbers to how often you should drink. The dangers of that level of drinking are almost zero, and the benefits are striking," said R. Curtis Ellison, professor of medicine at Boston University School of Medicine. "Everybody should be told the facts and let them make up their own minds. If you drink a lot, it's bad for you. If you drink a little, it's good for you."

Debate continues in the healthcare community about the benefits of alcohol consumption, with some health professionals worried that consumers will take these findings as an excuse to over-indulge.

### Germany starts bottle deposit

Germany instituted a countrywide deposit on cans and bottles. In order for consumers to get their deposit money back, they must show a receipt for the drinks purchased.

The deposits begin at 25 cents for cans and bottles of up to 45 fluid ounces, including beer, mineral-water and soft-drink cans, reports the Associated Press.

The new law is an effort by the government to reduce litter along Germany's highways.

### Dixie and Coca-Cola forge strategic licensing partnership

Dixie, a unit of Georgia-Pacific Corp. and producer of America's best known disposable cups, announced it has formed a partnership agreement with The Coca-Cola Company to produce an assortment of Coca-Cola branded cups for retail distribution.

Plastic cups featuring the Dixie brand and Coca-Cola imagery will be available later this year in food, drug and mass-merchandising retail outlets in the United States and Canada.

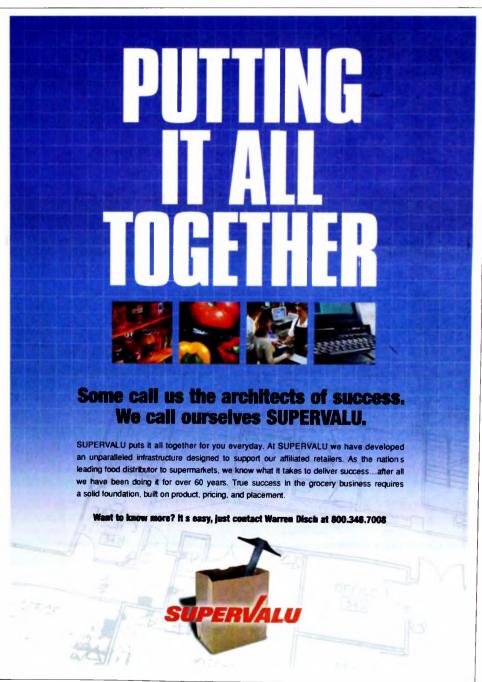
Initial cup designs include a 16ounce "Genuine Coca-Cola® Cup" (bell-shaped, fluted and green tinted to resemble the Coca-Cola contour bottle), a 12 ounce "Holiday" cup featuring Coca-Cola Santa artwork by Haddon Sundblom, and a 12-ounce

"Everyday" cup featuring elements from the brand's packaging graphics. A version of the "Genuine Coca-Cola Cup" also is being developed for distribution to various Coca-Cola fountain customers. Other designs will be developed for retail and customer use on an ongoing basis.

As part of the partnership, the companies also will develop other

types of co-branded marketing and promotional opportunities, including cross couponing, consumer contests and joint merchandising. Displays containing both Coca-Cola branded cups and other Dixie branded products will also be available to consumers through traditional retail channels.

This agreement marks the first time Coca-Cola has licensed a co-branding partner to the drinkware category. Dixie also markets a line of Disneybranded cups.



### News Notes

### Dean Foods milks shelf life of dairy products

Dean Foods Co. announced that its Morningstar Foods division received approval from the U.S. Food and Drug Administration for technology that will lengthen the shelf life of dairy beverages.

According to Reuters, the new technology will extend the shelf life of dairy-based beverages to 180 days. The technology will also enable the dairy products to be shipped and stored at ambient temperatures.

### Veggies and dairy go to battle

Lawyers for the 5 A Day for Better Health program argue that the National Dairy Council's 3-A-Day for Stronger Bones campaign infringes on its trademark. Furthermore, they argue that the 3-A-Day campaign is designed to look like a public health campaign, when it is simply a pro-dairy industry ad campaign; the Dairy Council denies the allegations. Journal and Constitution (Atlanta)

### FDA defends biotech review process

A Center for Science in the Public Interest study suggests the FDA missed "obvious errors" in reviewing some gene-altered crops. According to CSPI, the FDA's procedures are filled with holes and as a result, continued safety of genetically engineered plants cannot be ensured. The FDA says it has always been open to changing its review process if new biotech products demand greater scrutiny. The Washington Post

### Coca-Cola to launch new ad campaign

The campaign touts Coke's biggest brand, Coke Classic. The new ads are set to appear in print and on U.S. TV soon, and in many other countries later.

Coke has been mum about the campaign, which is expected to use more traditional themes than other recent ads, many of which were greeted with hefty criticism.

Some of the new ads are humorous and feature celebrities, such as the actress Penelope Cruz. But those familiar with the ads say the celebrity quotient is low-key.

Coke has gone themeless in the United States, an oddity for a brand made famous by lines like "It's the real thing" and "Coke is it."

The creation of the "Real" campaign has been a top priority at the highest levels inside Coke and comes as rival Pepsi prepares its own advertising rehab. Pepsi just dumped Britney Spears as a spokeswoman in favor of another young singer, Beyonce Knowles.

# Virus outbreak a "blessing in disguise" for some farmers

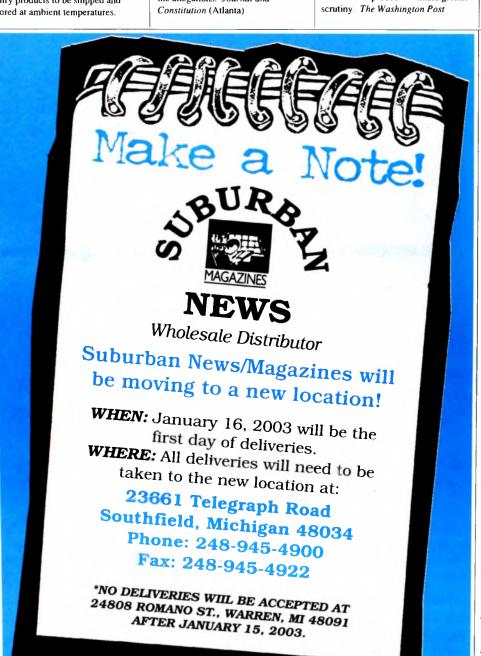
A recent outbreak of Newcastle disease in Southern California has led to the recent destruction of about 1.2 million chickens. Analysts say as farmers are paid for each destroyed bird, the outbreak may be a "blessing in disguise," as some will be able to pay off debt from consecutive moneylosing years. Los Angeles Times

### Ashby's receives ice cream awards

Ashby's Sterling Ice Cream of Allen Park, was recognized by its peers at the National Ice Cream and Yogurt Retailers Association's 69 annual convention held in San Diego, November 13-16 with awards for its best new flavors of the year. Ultimate Peanut Butter Brownie won first place with a blue ribbon, while Key Lime Pie took third place honors, receiving a white ribbon.

Ashby's also received several merit awards based on the more technical standards of ice cream—butterfat, overrun, stabilizers, mouth feel, etc... Blue ribbons were awarded to Ashby's Vanilla Bean, Vanilla and Chocolate flavors for having top technical scores among all ice cream companies submitting samples. French Vanilla placed second.

Ashby's has consistently done well at this national convention among its peers in the ice cream manufacturing sector. All taste samplings are done blindly by the organization's membership.



### No Bull—a lowcalorie energy drink Red Bull has introduced a second energy drink— Red Bull Sugarfree

The new drink, now available in the United States, replaces sugar with Aspartame (Nutra-Sweet) and Acesulfame K. The result is an 8.3-ounce can with 10 calories.

The company said that like its original Red Bull drink, the sugar-free version was developed for consumers to drink in times of increased stress or strain, citing that it can improve performance, increase concentration and reaction speed and improve vigilance.

More than one-third of all soft drinks purchased in the United States are sugar-free or diet.

"Red Bull Sugarfree is the first global energy-drink brand that responds to this consumer need," the company noted.

Based in Austria, Red Bull is the current market leader in the growing energy-drink category, with annual sales of nearly \$200 million.

### Convenience future Continued from front page

\* Tobacco products are garnering a larger share of in-store sales but do not have staying power.

The report also highlighted steps retailers are taking to innovate the industry, including:

- \* Big players are getting bigger. According to Retail Forward, the top-10 retailers generated 28 percent of the industry's sales; today, they generate 42 percent.
- Merged retailers will offer a unified front, using one brand name.
- \* Retailers will continue to brand their offers from the pump to in-store items.
- \* Retailers are upgrading their stores and their offers.
- \* Convenience stores offering more services-from meals-to-go to dry cleaning.
- \* Better utilization of technology.

"The challenge for [convenience] store operators is to redefine convenience for their customers. [Convenience] stores must decide what form/format convenience should take and must figure out how to differentiate themselves to retail existing customers and attract new ones in a landscape that's becoming increasingly crowded with convenience offers," said Skrovan

"Declining margins and increasing competition will continue to be challenges in our industry.

Convenience store retailers are responding by embracing technology to help drive costs out of the system, implementing alternative business models, and revamping foodservice category offerings," said NACS Director of Research and Statistics Bob Swanson.

### News Notes

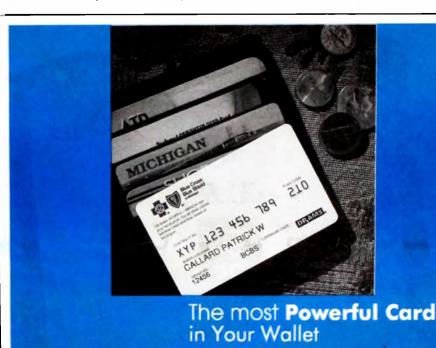
### Convenience stores evolve

A recent article in the *Chicago Tribune* details one reporter's discovery that convenience stores have evolved—and will keep evolving to remain current with marketplace demands.

The reporter enters a Shell store to discover, "It was, well, quaint. A sweet, white, retrofitted garage-cumdiner. On one side, a regulation deli dispensed salami on marble rye. On the other, necessities—gardening gloves, Tide, guava nectar, Advil, soymilk, Wall Street Journals, Elmer's glue, mini Oreos and actual potatoes-awaited grab-n-go urgency. Also, hot coffee.

"Turns out while I've been stamping around in the cold outside, all pay-at-the pump convenience, gas stations have been tidying up inside....The latest version tempts drivers inside by bundling the fill-up with Manhattan Chicken Focaccia, fresh fruit cups, ATMs, Internet access and live bait."

The writer goes on to imagine what the convenience store of the future might be, perhaps the driver wouldn't even have to leave the car while a machine fills the tank, checks the oil, cleans the windshield, puts air in the tires and maybe even slides a cup of coffee through the car window.



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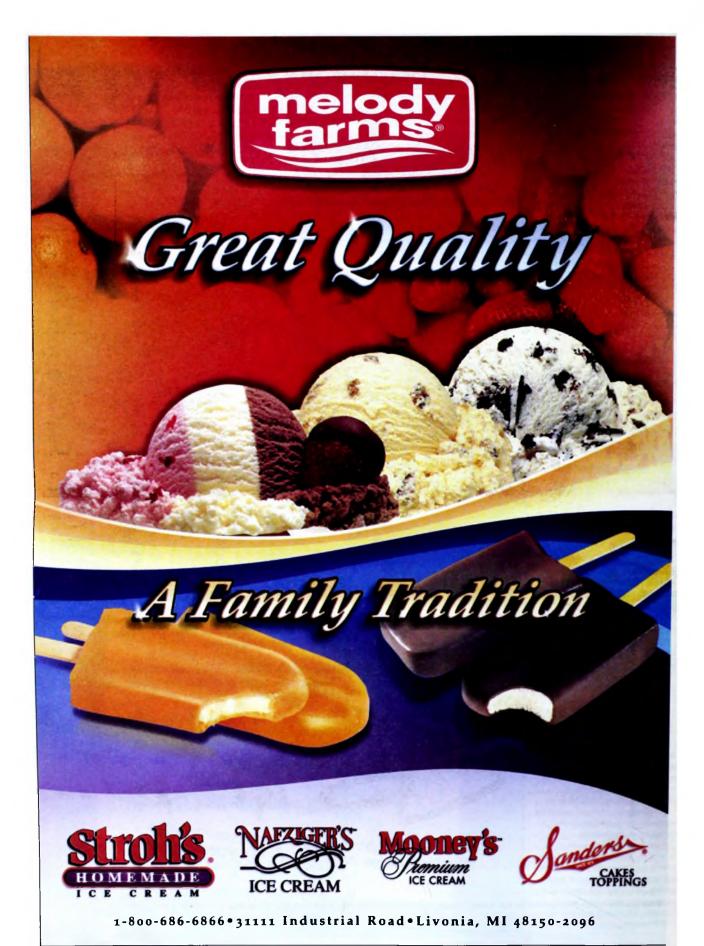
For information about Blue Cross coverage available to AFD members, please call Sheila Reeves at 1-800-66-66-AFD.

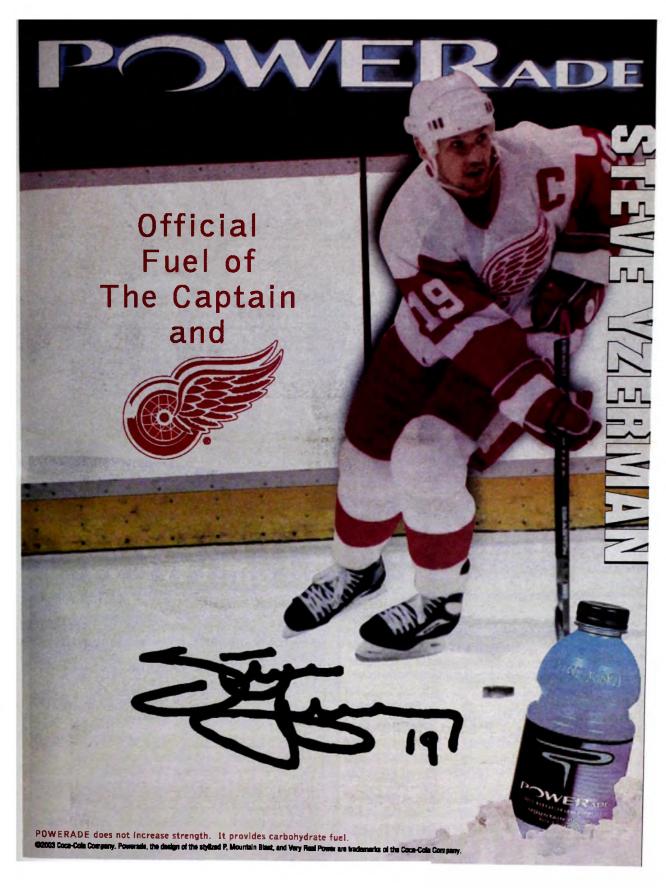
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### Member Profile

# Short Stop provides home-cooked meals and much more

By Michele MacWilliams
Driving north on M-88 from
Mancelona into Bellaire – at the big
left turn heading into town— sits a
landmark convenience store/gas
station called Short Stop. Bellaire is
the seat of Antrim County and is home
to the county offices, sheriff station
and other municipal buildings. The
town is located about a half-hour
northeast of Traverse City.

Short Stop is down about a halfmile and across the street from the county offices and is a favorite haunt of its employees. The building was built before World War II, and



Owner Tina Lovenger (left) and Helen Schuckel, a Short Stop employee for over 24 years.



originally was a machine repair shop/gas station. It was called Tony's back then, but was changed to Short Stop when it became a convenience store.

The name Short Stop fits the store and its current owner to a tee. Tina Lovenger, a teacher by trade, purchased the convenience store nine years ago. Hailing from neighboring Elk Rapids, the under five-foot tall woman immediately felt at home in the business.

Recently divorced and ready for a

change, "I always wanted a store of my own," she remembers, adding that her father owned the Little Caesars in Traverse City.

"We aren't the prettiest store in town," Tina says with a smile. "But the locals know they can come in here and get a good meal."

Tina and her staff are on a firstname basis with just about everyone that walks in. Sometimes, if one of her customers doesn't have the cash or forgets their wallet, Tina just makes a note and they always pay on the next visit.

Short Stop carries a unique product mix that has evolved over the years. There are gas pumps on the side of the building and signs on the exterior walls advertising Tina's seafood specials. Short Stop sells lobster, king crab legs, scallops and shrimp—cooked and uncooked. Gas and seafood? But wait, there's more.

Inside, customers find the traditional convenience store trappings – gum and candy bars, beer and wine, a few grocery staples and cigarettes. However, the tiny store also houses a full kitchen that turns out quite a complete menu of lunch and dinner items.

"Lunch is a madhouse," Tina smiles. Short Stop features homemade pizzas and sandwiches plus daily specials. "I try to keep the lunch tab under four dollars," she adds.

As an example, one recent special was a four-piece barbecued chicken meal with scalloped potatoes and a

See Short Stop Continued on page 33



### Do you have a drug card?

AFD offers eligible members Blue Cross Blue Shield Blue Care Network of Michigan coverage through AFD's sponsored program for groups from 1 to 99 employees. The program guarantees coverage regardless of your medical condition and includes a drug card (dental and vision available for groups of 5 or more).

Networks Available Managed Traditional Blue Choice POS Blue Care Network HMO

Carry the Blue card that is honored by more doctors and hospitals in Michigan than any other health insurance card.



Blue Cross Blue Shield of Michigan and Blue Care Network are independent licenses of the River Cross Blue Shield Association For information on AFD's endorsed Blue Cross program available to AFD members, call: Sheila at (800) 666-6233 or

sreeves@afdom.org



# New from the Midhigan Lottery!





Your players will love WINFALL! It's a great new game that's lots of fun, has lots of winners and is easy to play. Players win by simply matching 6, 5, 4 and even 3 numbers. And if no one matches all 6 numbers when the jackpot reaches \$5 million, then all the prize money, including the cash in the jackpot, is paid out to the match 5, 4 and 3 winners increasing those prizes by about 10 times! You and your players will fall for the fun of WINFALL.



### EASIER to play and EASIER to win!

digas Millioss
529
18 million
952
1,269
%

### Tapping into new beverage trends

Consumers have a seemingly unquenchable thirst for new beverages

According to Information Resources, Inc. (IRI), the beverage industry is brewing up sales of more than \$38 billion. The beverage category grew \$8.5 billion over the last five years—fueled in part by an influx of new flavors and products, such as functional drinks.

As new beverages have been introduced, carbonated soft drinks (CSDs) have seen their market share erode, reports IRI. Many of the CSD manufacturers have created new flavors (Pepsi Blue, Vanilla Coke)

and products, such as <u>fortified</u>
<u>waters—a</u> hot trend at The NACS
Show 2002—to maintain consumer
interest.

Consumers' desire for convenience and growing interest in healthful products will continue to influence the beverage industry. IRI predicts that more fortified waters, milk substitutes, soymilk products, energy drinks and meal-substitute beverages will flood the market.

Here are some of the growth areas that IRI expects to influence the

beverage category:

Grand Rapids, MI 49503

(616) 243-8863

- Convenience—on-the-go consumers want portable potables
- Self-gratification—products with therapeutic ingredients, interesting flavor combinations and "status" labels
- Proof of performance consumers want proof that beverages do what they say they'll do, for example, boost energy
- Health consciousness—natural products and products enhanced with vitamins and minerals
- Aging baby-boomers—this segment of the population has the disposable income to invest in goodfor-you products
- Over-achievers—attracted to performance-enhancing energy depairs.

## Want DVDs with that?

McDonald's has added comedy, drama, science fiction and suspense to its menu by installing DVD-rental machines outside some of its restaurants.

McDonald's has been testing the Tik Tok shops in the Washington, DC, area since last spring, but when asked, store employees have previously denied the company's involvement with the shops.

The company now has 14 Tik Toks in the Washington, DC, area, as well as four in San Francisco. The machines take plastic payment and rent DVDs for 99 cents to \$1.50 a day. Renters can keep the movies from one to two weeks; if they do not return the DVDs, they are charged the full purchase price, reports the Washington Post.

### Helpful numbers for retailers

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



5350 E. Davison • Detroit, MI 48212

(800) 899-9DCI

# Here's something to noodle

Want to know what's hot and what's not? That's Iconoculture's specialty.

Iconoculture uses "anthropological insight and ethnographic fieldwork" to translate trends into strategic plans for businesses. In other words, they tell companies what's in—and how they can profit from it. A recent Iconoculture Update highlighted a few emerging trends.

One of the hot trends is noodlesof all shapes and sizes. '...Today's
food staple of choice is noodles.
From penne to pad Thai, mac and
cheese to soba, noodles are a part of
nearly every culinary tradition in the
world. And the best part about
noodles is that their potential for
flavor variety is endless," according
to lconoculture.

Such eateries as Noodles and Company, Nothing But Noodles, and Oodles of Noodles are capitalizing on the trend and increasing consumers' awareness--and appetite--for noodles.

Iconoculture sums up the trend, saying, "One-stop-shops that allow folks the freedom to explore, discover and try different tastes and experiences together enhance our joie de vivre."

Convenience stores already specialize in being one-stop-shops, and retailers who offer foodservice may want to think about cooking up some noodles for their menus to reap the benefits of this trend.

### Paperless payments

Another trend relevant to the industry is offering paperless payment options. "...The nation's two largest coffeehouse chains--Seattle-hased Starbucks and Minneapolis-based Caribou--have both introduced payment methods that let you skip the Washingtons and Lincolns," reports Iconoculture, adding that customers can now reload their Starbucks Cards online.

The payment card is a hot trend because it allows businesses to, "Win consumer loyalty by giving them quick, convenient, guilt-free ways to indulge in their passions via your brand," states Iconoculture.

Some retailers have already tapped into this trend. Farm Stores' Quick Card allows customers to prepay for milk. 7-Eleven is testing a radio frequency identification (RFID) payment system that lets customers load money via the company's Web site on to a label with an RFID chip. The label can be put on a key chain or another credit card and it is swiped at checkout to debit the amount of purchase. And ExxonMobil's SpeedPass, which was created to let customers pay for gas at the pump, is now being tested in grocery stores, pharmacies and quickservice restaurants

### Cigarette thieves nabbed

Three men who stole cigarette cartons from a convenience store were apprehended by police in Metairie, La. One of the robbers is suspected in a string of cigarette thefts.

The robbers stuffed cartons of cigarettes from a Circle K store into trash bags after toppling a cigarette rack on to the cashier, reports the Times-Picayune.

After the men were apprehended, one of them was also charged with four other robberies involving three Metairie Super Tobacco outlets. Such incidents of cigarette theft have been increasing as state cigarette excise taxes continue to climb. The Bureau of Alcohol, Tobacco and Firearms said that its investigations of cigarette theft and smuggling increased from six in 1998 to 97 in 2002 through July, adding that the reason for the increase is most likely the hikes in state cigarette taxes.

A total of 21 states increased cigarette taxes in 2002, and 14 states currently have state excise taxes of \$1 or more per pack. Retailers across the

nation can expect to see many more states propose cigarette-tax increases in 2003.

To help retailers communicate the industry's concerns about the negative impact of these higher taxes, NACS has developed an online toolkit, "The Impact of Higher State Cigarette Taxes." The information on this site will be updated and expanded regularly.

In addition, NACS has a "Cigarette Theft Fact Sheet" available on its Web site, www.nacsonline.com.



### Creating more convenient carts

Supermarkets increasingly are stocking specialty carts to meet the needs of a diverse customer base and to differentiate themselves from the competition.

One cart that appeals to senior shoppers is the convenience cart made by Americana Cos. Inc. It is smaller than a regular cart, measuring 21 inches by 19 inches, and features a curved handlebar, reports Knight Ridder Tribune Business News.

The convenience cart has proved to be especially popular with older shoppers or customers with limited mobility, said John Bicak, store manager at Baker's grocery store. Bicak said the carts are easier to maneuver around corners.

Supermarkets are "out there looking to gain the loyalty of customers. A shopping cart which is more convenient is a win-win situation," said Bicak.

In 2002, Americana made and refurbished some 200,000 carts in 17 styles. "Put a convenience cart in a store for the mature person, that person is happier to shop. The kiddy cart helps keep children entertained,

and it shows it's fun to shop with mom. A motorized cart helps the customer who can't stand for a long time when shopping," said Teddy Swanson, company president.

SuperTarget offers motorized carts that look like scooters with baskets in the front. "From young kids with broken legs to the seniors, this cart is for anyone who has a problem getting around," said Jeff Foote, store manager. "This is a 200.000-square-foot store, and some guests need that assistance."

Other stores have carts for children

that resemble cars. "When kids are in this cart, they think they're driving," said Mark Telecky, store director for Bellevue No Frills. "The kids are entertained and occupied. Parents can focus on shopping."

Some stores are using shopping carts to gather important customer information. For example, Safeway is testing shopping carts outfitted with touch screens and scanners.

Shoppers are asked to swipe their Safeway Club Cards through the cart's scanner so that their purchases can be tracked. Participants are given discounts on store merchandise. Personalized ads based on shopping history are sent to customers via the touch screens on their carts.

The information Safeway collects from the smart carts can be used to stock its shelves to appeal more effectively to its customers.

# The rap about tongue tape

Interactive candy continues to be a hot item, and Jakks Pacific Inc. is hoping to wrap up its share of the market with a new item called Tongue Tane

Tongue Tape is a kid version of functional-gum products such as Listerine PocketPaks and Eclipse Flash Strips.

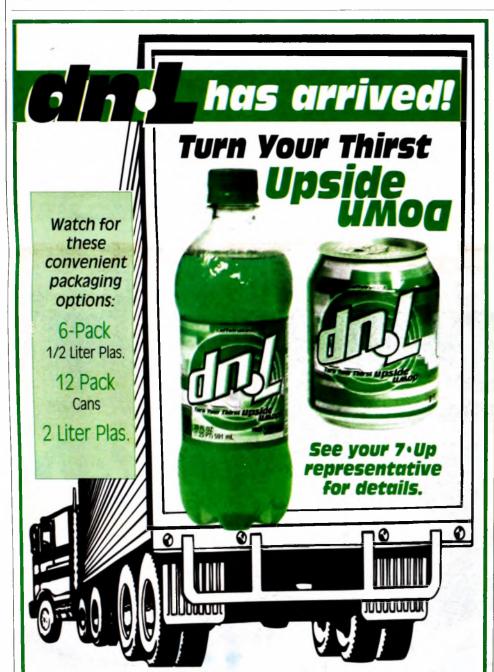
The product will be housed in plastic containers like those being used by Listerine and Eclipse but will be decorated with cartoonish artwork, including a huge tongue that promotes the different flavors, reports the Los Angeles Times.

The packages of 24 strips of Tongue Tape will sell for \$1.99 and be available in flavors such as Growlin' Grape, Lip-Lemony-Lemon, Cherry Pit Stop. Blue Ratsberry, Cinna-Bomb and Ooh-Ooh Orange.

A \$3.99 packet of 36 strips will come with a key chain, necklace, ring or zipper pull. A sour line is also in the works. Sour was a big trend at The NACS Show 2002.

Future versions of Tongue Tape may come in reels, rolls, printed sheets or with the tape rolling out of the wheels of a car.

So far, the basic model is getting a good reception from toy retailers. "When I saw it, I thought, they're going to sell millions of these things and make a ton of money," said Sean McGowan, a toy-industry analyst with Gerard Klauer Mattison. "It puts a bunch of the right things together—it's a toy and a collectible and a cool, Space Age-like candy. What more do you need?"



### Top companies put employees first

It seems so simple. Your managers, with company support, treat their employees well. Beyond standard company provisions such as better than adequate compensation and benefits, this includes challenging assignments, involvement in decisions surrounding their work, recognition for a job well done, and, above all, value and respect as employees and individuals.

Better employee relations are not rocket science, and not impossible to do. It is simply showing employees that, yes, they do matter-to you and to the company. And in return, employees perform at a higher level, and are more productive, more loyal, and, in general, happier with their work and their employer

The payoff to a company that genuinely believes in treating its employees well, and encourages and coaches its managers to use good people practices, can be amazing Research has shown that these companies have lower turnover. increased productivity, stronger employee morale during tough financial times, and contribute more to their communities

Dr. Pat McLagan, a consultant who has worked with organizations and

people in charge all over the world, emphasizes the tangible payoffs to companies and their employees when excellent people practices are put into place, and supported by top management.

So why doesn't every manager in every company put these good people practices into play? Well, the adage 'easier said than done" might apply here. Company top managers talk a lot about applying "excellent"

### Adopting new people management practices can often involve changing behavior.

management practices in all areas of their businesses: operations. technology, finance, communications, marketing, and human resources. But the implementation of those excellent practices, particularly when it comes to people management, is another ball

Adopting new people management practices can often involve changing behavior. And any of us who have gone through behavior changes, whether we chose to make the changes or they were foisted upon us, know that behavioral change is a very changing at such a fast clip that our heads are spinning, and perhaps personal behavior changes are the last thing we want to tackle.

Behavioral change is not only a slow process, it is also hard work. If building a collegial relationship with your employees, and involving them in decision making, and giving sincere and truthful "attaboys" are not your forte, then applying these methods will take time and practice. It's easier to plan and implement a training event, or a new educational video, than it is to change behavior.

However, it is not impossible to do. And remember, the payoffs are there and they are tangible-with both direct and indirect effects on the

A recent Fortune magazine article, The 100 Best Companies to Work For: The Best in the Worst of Times," demonstrates the viability of using good people practices. Included on this list of companies are accounting and consulting firms, dot.coms, hotel chains, retailers, stockbrokers, banks and savings and loans, hospitals, manufacturers, and a child daycare

While their industries vary widely, these companies all share the

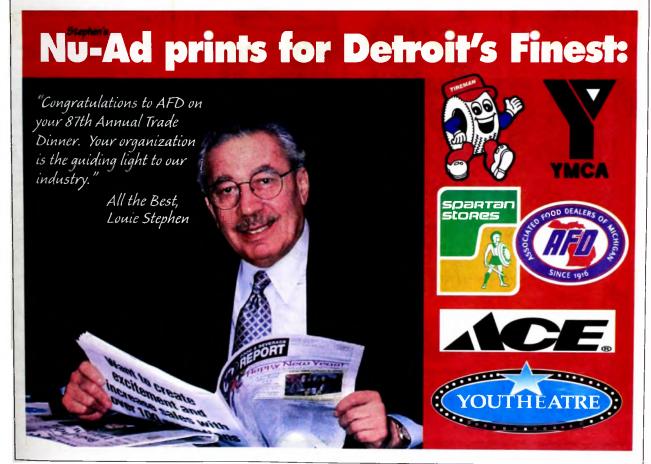
distinction of being "people friendly" places to work. Their excellent management practices often differ. from employee-driven benefits, to actively involved CEOs, to company sanctioned and rewarded community service projects, to treating current employees well during a hiring freeze.

But the common thread, the overriding theme throughout is that our employees matter-they are important-we value what they contribute to this company. And we respect them: as people and as employees

It seems so simple. Treat them well and they will stay. Treat them with respect and they will go the extra mile, every time. Treat them as individuals, acknowledging their needs outside of work, and they will sing your praises to their friends, families and communities.

Excellent people practices come naturally for some managers. For others, they require coaching, nurturing, and training-and, yes. practice-to implement. But the payoff is there.

One of the Fortune 100 Best Companies summed it up this way, "Employees come first...not customers, not shareholders." Amen.



### Healthy Living: Rebuilding the food pyramid

Elizabeth Lee, USDA

The message that low-fat, highcarbohydrate diets aren't ideal for all Americans now resonates from bestseller lists to scientific studies that show eating a moderate amount of polyunsaturated fats may actually be good for you.

Yet the Food Guide Pyramid, the most recognizable symbol of government advice for the ideal diet, continues to depict a diet that goes heavy on the breads and pasta, while lumping all fats together as evils to avoid.

That may be about to change. The U.S. Department of Agriculture is reassessing the pyramid to bring it in line with current dietary guidelines and the Dietary Reference Intakes issued in September by the national Institute of Medicine. A new model could debut in 2005, the next time that the USDA will revise the Dietary Guidelines for Americans, more detailed advice primarily intended for nutrition professionals.

Chances are the underpinnings — a plant-based diet that will supply all necessary nutrients — won't change.

Revisions could include recommending regular physical activity, giving better guidance on portion sizes and allowing a higher-fat diet as long as artery-clogging saturated fat is kept to a minimum.

Criticism of the pyramid's principles, a constant since before its 1992 debut, has grown as obesity rates in America skyrocketed in the past decade.

Much of the early criticism centered around two issues: the USDA's dual role of promoting agricultural products and establishing an ideal diet, a situation that some contend causes a conflict of interest; and the way serving sizes were defined.

More recently, the pyramid has been attacked for treating all fats the same (to be eaten sparingly); for grouping red meat, which is higher in saturated fat, with chicken, fish and dried beans; and for not distinguishing between whole-grain and refined breads, cereals, rice and pasta.

"It doesn't talk about quantities in a way that anyone can understand," says Marion Nestle, author of "Food Politics" and chairwoman of the department of nutrition and food studies at New York University. "If you eat six to 11 marketplace servings of grain, you're going to be as big as a house. They're meant to be tiny."

### Pyramid can't stand alone

Part of the problem, a USDA spokesman says, is that the pyramid was originally designed as a graphic to go in a 32-page booklet explaining the recommendations. But many food labels now carry the pyramid as a stand-alone image.

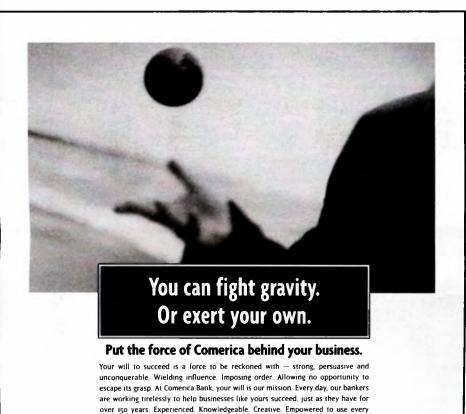
"People are getting the image without the text," says John Webster, of the USDA's Center for Nutrition Policy and Promotion. "Our concern is, what kind of message are they taking away?"

The USDA has started consumer focus-group testing on the pyramid and is seeking members for an advisory committee to draw up the next set of dietary guidelines. That committee will study recent scientific research to see if it warrants changing the recommendations.

Based on the new Dietary Reference Intakes, chances are some changes will occur. The Institute of Medicine, which advises the federal government, issued recommendations in September that called for doubling the amount of moderately intense physical activity, to one hour daily; increased the upper limit for dietary fat from 30 to 35 percent; and set the first guidelines for fiber consumption.

Previous recommendations called for adults to get 50 percent or more of their calories from carbohydrates; the new Institute of Medicine guidelines recommend 45 to 65 percent. The Institute also suggested consuming 20 to 35 percent of calories from fat, while minimizing saturated fats (found in meats, baked goods and full-fat dairy products) and trans-fatty acids (partially hydrogenated vegetable oils found in many margarines and shortenings, as well as cookies, chips and fast foods). Protein levels stayed the same, at 10 to 35 percent of calories.

Continued on next page



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### Food pyramid, from page 26

For now, the USDA will say only that it's likely to add a recommendation for physical activity to the pyramid.

"At this point we don't believe that carbohydrates are the root of obesity," Webster says. "It simply goes back to the guidance we've given for years: If you consume more calories than you burn, they're going to be stored in the form of fat, whether those are calories from carbohydrates or from proteins."

The Dietary Guidelines for Americans, revised every five years, were changed in 2000 to urge consumption of whole grains rather than simply grain products. Nutritionists are hoping the revised pyramid will send a clearer message to choose whole-wheat bread over white, and brown rice instead of white

"We're likely to see an emphasis more on whole foods, instead of a diet that's mostly made up of processed or refined foods," says Chris Rosenbloom, an associate dean for Georgia State University's College of Health and Human Sciences.

Rosenbloom predicts that the revised pyramid will also steer away from recommending moderate alcohol consumption, despite scientific evidence showing some benefit, because some might take it as an excuse to overindulge.

The USDA takes a science-based approach when revising dietary guidelines, Webster says, which means the advisory committee will use research to guide its selections. Nestle says that's problematic, opening up room for policies that favor the interests of the food industry over consumers in any areas of scientific uncertainty. She points to Institute of Medicine guidelines that allow up to 25 percent of calories to come from added sugars, commonly found in soft drinks, candy and pastries. Common sense ought to dictate some guidelines, she says

### Obesity No. 1 problem

"Maybe the science shows that people aren't harmed by diets that contain 25 percent of their calories from added sugar," Nestle says. "But obesity is the biggest problem in this country from a public health standpoint, and a really good way to lower calories is to eat less fat and sugar, whether the science shows it or not."

The pyramid is designed to help Americans maintain a healthy weight; it's not a weight-loss regimen. Despite the appetite for diet plans like Sugar Busters and Atkins — "Dr. Atkins" New Diet Revolution" has been a best-seller for more than five years — it's unlikely the pyramid will embrace a low-carbohydrate approach.

Some longer-term research into the

Atkins diet is beginning, but for now research based on large, multiyear studies points to the healthiest diet as a plant-based one rich in whole grains, fruits, vegetables and lean meats — somewhat like the pyramid, but with some modifications.

"What I'm seeing in the nutrition world is, everyone wants to point the finger at one thing," Rosenbloom says. "It's the food pyramid that's causing us to be fat, it's the soft drink industry in schools, it's fast food. I think that's dangerous and simplistic.

"We're quick to blame everybody else for our weight problems without pointing the finger back at ourselves and saying, 'You know, I really didn't need three pieces of pumpkin pie."

### Popular diet basics

In a study sponsored by the National Institute of Health, investigators will compare the effectiveness of two different diets — the Atkins' New Diet Revolution and Brownell's LEARN Program. Here are the basic tenets of each of the diets:

The Atkins' New Diet Revolution (low-carbohydrate, high-protein)

Atkins suggests that you can lose weight by eliminating foods such as sugars, fruits and high-sugar vegetables from your diet and strictly limiting the consumption of things such as breads, pastas, cereals and potatoes. But you can eat as much meat, butter and eggs as you want. The general idea is this: The body burns carbs and fat for energy.

By limiting the amount of carbohydrates in the system, the body will be forced to burn fat faster. Critics of this diet program remind dieters that highly saturated meats and foods have been shown to increase the risk of heart disease, high cholesterol and some kinds of cancers while some veggies and grains protect against disease.

Brownell's LEARN Program, and other mainstream diets (high-carbohydrate, low-fat)

Many mainstream diets are based on the food pyramid and focus on caloric intake as a key factor contributing to weight loss. Also stressed is the idea of losing weight gradually while making lifestyle and behavioral changes that will work to keep the weight off.

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### Static growing from online phone-card sellers

Prepaid phone cards have become a top-selling item for many convenience stores, but retailers are facing increasing competition from online phone-card sellers.

BuyCheapestPhoneCardsOnline.com launched its new Web site to sell phone cards online. The site lets customers search for the lowest prepaid phone card rates and then purchase the calling card online. The customer then receives a PIN via e-mail.

The prepaid phone-card industry has grown to \$3.6 billion a year; in

1995, the industry was at \$750 million. Currently, there are 300 prepaid-card providers--from big companies like AT&T to small businesses that service particular ethnic populations, according to Atlantic-ACM, a telecom research group.

Convenience stores did brisk phone-card sales during the holidays. For example, 7-Eleven offered the 7-Eleven AT&T Wireless Free2Go Holiday Gift Pack that included a Nokia 3361 wireless phone. \$10 prepaid airtime card and mail-in offer for an additional \$25 time card, carlighter adapter, phone holster, handsfree device, Speakout prepaid ring tones card powered by Moviso, and a coupon for a free 12-ounce Slurpee beverage.

Tim McCallum, 7-Eleven, Inc., product director for Prepaid Services, said, "Prepaid allows consumers to budget time so they know how much they're spending, making it especially good for teenagers."

7-Eleven said that it is the largest seller of AT&T Free2Go prepaid phones and cards, and according to

sales indicators, prepaid is the largest growth segment of the cellular market.

The cards have proved to be particularly popular with immigrants, but are also increasingly finding favor with the rest of the population as a low-cost option for calling long distance.

As the popularity of prepaid cards grows, consumer advocates warn that there can be pitfalls to the cards, including surcharges, connection fees no customer-service assistance and even scams



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### **Robin Hood?**

A car wash in Fredericksburg, Va., couldn't keep its profits from flying away. Every week, the owners found that they were coming up several hundred dollars short.

Bill Dougherty of Magic Wand, Inc., which installs and maintains the car wash, set up a surveillance camera to catch the thieves. The perpetrators turned out to be an organized crime syndicate of birds, according to Baltimore's 98 Rock FM radio station.

One bird flew into the machine, pulled the coins loose and passed them on to other birds that flew off with them. Photos of the thieves in action were posted on the Utah Birds Web site.

Dougherty discovered most of the missing change--more than \$4,000-on nearby rooftops.

No charges have been filed against the birds.

### McDonald's to close more restaurants

More Golden Arches will be coming down around the world, according to McDonald's CEO Jim Cantalupo.

Cantalupo said the company will close more restaurants primarily in Japan and the United States and plans to kill a billion-dollar global IT initiative as part of its restructuring plan, reports Agence France Presse.

Cantalupo said that the company could have greater-than-anticipated fourth-quarter losses and that it will not give quarterly earnings guidance for 2003.

Cantalupo also said that McDonald's would continue to offer its Dollar Menu. Earlier, McDonald's U.S. President Michael Roberts stated in a memo that the company would continue to offer the Dollar Menu in 2003. The Dollar Menu has sparked a burger war among fast-food purveyors and been criticized by McDonald's franchisees.

### Some like it smooth, some like it crunchy

Do you like smooth or crunchy? Are you a classic grape jelly purist, or do you favor a more exotic preserve for your PB& J sandwich? Whatever your preference, chances are you like peanut butter. Half of the 2.4 billion pounds of peanuts consumed in America yearly are eaten as peanut butter. Although we generally think of November as a month for turkey and cranberries, it's also National Peanut Butter Lovers Month (not to be confused with National Peanut Butter Month, which is March). What do you know about

peanuts and peanut butter? Pry your tongue off the roof of your mouth and take this quick quiz by Kenneth C. Davis, the author of Don't Know Much About History and a new children's book, Don't Know Much About the Pilgrims.

- 1. The peanut: Is it a pea or a nut?
- 2. Which state grows the most peanuts?
- 3. Is peanut butter nutritious?
- 4. Which style of peanut butter is more popular: creamy or chunky?
- 5. What famous American is considered the father of the peanut industry?

### Peanut butter answers

- 1. The peanut is a legume. It bears fruit in the form of pods that contain one or more seeds. So the peanut is more closely related to peas than to nuts.
- 2. Georgia produces more peanuts than any other U.S. state-about 40% of the nation's annual crop. However, Asia and Africa produce about 90% of the world's peanuts. Top growers include China, India, Indonesia and Nigeria.
- 3. Yes, although quite high in calories. Nuts and peanuts are packed with fiber, vitamins and

minerals. Their monounsaturated fat fights heart disease.

- 4. Industry sources say 60% of consumers prefer creamy. Women and kids opt for creamy; men go for the crunchy stuff.
- 5. No, not Mr. Peanut! Born a slave, George Washington Carver (1864-1943), was a scientist known for his agricultural research, especially his work with peanuts. Carver made more than 300 products from peanuts, including a milk substitute, face powder and printer's ink. He urged Southern farmers to plant less cotton and more peanuts.

### Cigarette-tax increases proposed in Mississippi, South Dakota

Proposals to increase the state cigarette tax were floated in both Mississippi and South Dakota.

Mississippi State Sen. Debbie Dawkins said that she will file a bill this week to increase the state's current 18-cent-per-pack cigarette tax to 68 cents per pack. The San Herald reports that Dawkins' proposal will mirror one made by Communities for a Clean Bill of Health, a group that's been traveling the state in an attempt to win support for the measure.

The Sun Herald reports that the bill will face an uphill battle, given that state lawmakers usually steer clear of supporting tax increases in an election year; Mississippi will have statewide elections in November.

Meanwhile, the Associated Press reports that the Tobacco-Free Kids Network would like the South Dakota Legislature to more than triple the current 33-cent cigarette tax to \$1 a pack.

South Dakota Gov. Mike Rounds proposed a 30-cent tax increase on cigarettes.

To advance its cause, the South Dakota Tobacco-Free Kids Network claims that a poll it commissioned found that 73 percent of voters are in favor of higher cigarette taxes.

"It is viewed as a public-health measure more than a tax increase," said Dimitri Pantazopoulos, an official with Marketing Strategies, the firm that conducted the survey of 500 voters. "People view it in a much different context than a property tax."

The group's message was echoed by University of Illinois at Chicago economist Frank Chaloupka, who estimated that 8,000 fewer teenagers will start smoking in South Dakota, and 4,600 adults who currently smoke will quit if the tax is increased.



### Retailer Profile

### New franchise opportunity flies high

By Ginny Bennett The new Midfield Terminal at Detroit Metro Airport is the location of the first PizzaPapalis/Rio Wraps dual franchise. As of March, 2003, the two are among 16 franchise and corporate restaurants owned by brothers Joseph & Mark Sheena. Tom Stegeman is a partner in Rio Wraps.

"We get significant recognition in the area because of our airport restaurants," says Mark. The company has hit the heights with an 8,000square-foot dual-concept "showcase" store in West Dearborn. The corporation receives more than 15 franchise inquiries a month, just for Rio

With so many dining options in Metro Detroit, it is significant that PizzaPapalis and Rio Wraps have prospered in their respective categories. Both brands are franchised concepts that were developed in Detroit.

The partners agree that their superior product is the result of their insistence on hands-on-ownership; the finest quality products that are available. prepared fresh on-site daily; and their willingness to grow patiently.

### PizzaPapalis

PizzaPapalis sets itself apart in an industry that typically has rejected quality in an effort to build customer loyalty with low price and giveaways. Pizzerias that spend big advertising bucks to offer free sugar dough balls with every pizza and those that offer two-for-one prices cannot compete with PizzaPapalis. They have cheapened their core product and sacrificed quality and taste

Deep-dish Chicago-style stuffed



pizza is the specialty of the house at PizzaPapalis that brings customers in from all over the area. Traditional handtossed thin crust pizza is always available. Although very different in appearance, the two types have in common the freshest, hand-chopped vegetables for the sauce; hand-grated cheese and first quality meats. Everything, including the dough, is prepared on-site daily

Proprietary items (private label ingredients) like tomatoes, flour, custom-blended spices and specially blended cheeses take some of the guess work out for franchisees, "When customers tell us they have never had anything like our pizza, especially our crust and sauce, we know our insistence on freshness paid off," says Mark. Every vegetable is chopped fresh daily. seasoned and baked before being added

This attention to quality has been



Mark and Joseph Sheena

the secret of success since 1986 when Joe Sheena and his sister, Natalie, opened the first PizzaPapalis.

"A lot of research went into the final product. We traveled around the country and evaluated a lot of pizzas before we hit on PizzaPapalis," Joe exclaimed

Joseph doesn't claim to have invented Chicago-style deep-dish pizza. However he is quite knowledgeable about the originator, Ike Sewell, who introduced Pizzeria Uno to Chicago after WWII. The pizza's roots were in the Naples region of Italy. It is reminiscent of a similar dish, made like a lasagna, except for using bread instead of noodles. "It was a favorite at Easter and Christmas festivals," says Joe

The original PizzaPapalis restaurant is a 375-seat, 10,000 square-foot building in Greektown just across from the Monroe Street Casino entrance

The casino and PizzaPapalis are able to cooperate with promotions and welcome each other's clients. The pizza is something different than typical Greektown fare. Other pizza locations include: Farmington Hills, Southfield, West Dearborn, Bloomfield Hills, Rivertown and Dual Concept in the historic Dime Building in downtown

According to Joe and Mark, the company has never tampered with the formula except to make an improvement or to make sure the standard only goes up. "We raise the bar on ourselves," says Mark

As the oldest son of a convenience store owner, Joseph remembers working hard in school and then working in the store. He saw how hard his Dad worked and wanted to help him all he could.
According to Joe, "To us, working in the store was 'recreation'." Younger brother Mark was able to graduate from college, although he started working in the restaurant his senior year.

Every time a new store opens, keeping this standard of excellence is the biggest challenge faced by PizzaPapalis management. "There was a time," says Mark, "when our biggest hurdle was convincing customers that the product was worth the wait." Each pizza is hand-tossed, thrown and baked in a special rotating oven.

Rio Wraps

The Rio Wraps concept puts the diner in control as the product is chopped. wrapped, and made to order in assembly

line fashion. It is high quality fast food prepared on a Southwestern Grill. Tortillas are hand made and steamed, not fried. Engaging, trained "Rio Wrappers" take the orders and interact with customers throughout the prep process. The good-natured banter, along with music and fun atmosphere makes a short visit to Rio Wraps an event.

No one can leave a Rio Wraps hungry, the owners boast. "We pride ourselves on the good value we give to customers,' says Mark. The 13-inch tortilla is warmed and then filled with,

RIO WRAPS

at least a full pound of ingredients. Rio Wraps has a menu but customers can add extras or leave anything out. "We build each Rio Wrap to order," says Mark. "We serve it the right way, the customer's way!" The wraps are the

foundation of the menu but other popular choices are salads, nachos, burritos and tacos

Rio Wraps may be eaten in the restaurant or taken away. Conveniently packaged, the take-outs are in sturdy boxes that keep hot foods hot and cold foods cold, and include a heaping portion of tortilla chips and housemade salsa

The business has really taken off, say the brothers, in part because of the success of their catering service. The wraps are popular for parties because

they can be served easily and they travel well.

Partner Tom Stegeman brought his multiple-location work experience to the company He formerly worked for A & W. The streamlined plan is similar to a "Mexican Subway." A Rio Wrap offers quality and freshness but it isn't as labor intensive. Unique in their Southwestern Grill flavor niche, Rio Wraps has grown to three

corporate locations since their first one in Detroit. They also have four franchise

For franchise information call Mark Sheena, Director of Operations, at Sheena Ventures L.L.C., (248) 932-4026.



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Michiga

# Macomb County can depend on State Senator Alan Sanborn

by Kathy Blake
State Senator, Alan B. Sanborn,
(R-District 11, northern Macomb
county) takes his duties seriously.
During his first year as State Senator,
he never missed a day of work and
never missed a vote. He was elected
in a special election held in 2001 to
fill an open seat.

Sanborn has worked hard to earn the trust of his constituents. The fact that he was re-elected this past November shows his success. He was elected to represent the new 11th Senate District, due to state-wide redistricting. The 11th district consists of Armada, Bruce Township, Chesterfield Township, Harrison Township, Lenox Township, Macomb Township, Memphis, Mount Clemens, New Baltimore, New Haven, Ray Township, Romeo, Richmond, Shelby Township and Washington Township. He said four of the 10 fastest growing townships in the state are in his district. The population of Macomb Township alone grew from 53,000 in 2000 to 62,000 in 2002. His main concern is planning for smart growth, the best use of land and placement of roads.

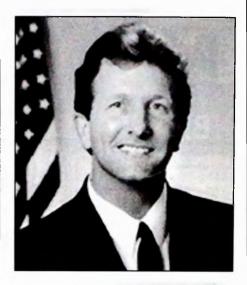
### Background

Senator Sanborn previously held office in Lansing as state representative for the 32nd district. His father, Kenneth Sanborn, was also a state representative and a circuit judge. Senator Sanborn helped on his father's judicial campaigns through the years and obtained a bachelor's degree in Social Science from Michigan State University. He had planned to study to become a lawyer but instead, he fell in love, got married and shortly after, began a family. Sanborn held his responsibility of husband and father as his top priority.

To provide for his family, he worked as a Macomb County probation officer with troubled teens. He held this position for 20 years, during which time he coached basketball, was active in his church and worked on Republican election campaigns. People kept asking him to run for office and once his three children were in school, he ran for state representative in a special election. He was re-elected two more terms. Sanborn holds the dubious distinction of winning 10 elections in five years, counting both primaries and general elections

Republican
District 11,
Northern Macomb County
Assistant President Pro Tempore

Committee assignments: Chairman of Economic Development, Small Business and Regulatory Reform, Banking and Financial Services, Families and Human Services, Judiciary



### Awards and Civic Service

During his time in the legislature, Sanborn has become known for his integrity and professionalism. He has earned awards such as the Michigan Chamber of Commerce Champion of Commerce award in 1999-2000; the National Federation of Independent **Businesses Guardian of Small** Business award in 2000: the 2001 State Legislator of the Year award from the Michigan Credit Union League; the Michigan Business and Professionals Association Award for Distinguished Service in 2001; and Michigan Chiropractic Society's Consumer Advocate Award in 1999.

He is active in local organizations such as the Kiwanis Club and the Church of Christ. He is a member of the Fraternal Order of Police, Juvenile Justice Association of Michigan, and the Criminal Justice Advisory Committee for Rochester College. Senator Sanborn has been active in the Michigan-Ontario Juvenile Officers Association as well area youth and athletic programs.

### Legislative work

As a state representative, Sanborn co-sponsored the bill to reduce personal state income taxes and the bill to eliminate the single business tax. When he switched branches of the legislature, he was able to vote on some issues a second time: first as a state representative and then again as a senator. Comparing his duties in the House and Senate, Sanborn noted that Senate sessions don't run as long as House sessions. Thus, Senator Sanborn, who has a four-hour daily

commute, has more time to spend with his family than he did as a representative.

Sanborn says he believes their main accomplishment last year was balancing the budget without raising taxes. "I hope we're able to continue that." Sanborn said.

Mike Sarafa, AFD president said, "Senator Sanborn is a big supporter of small business. He has supported tax relief for small business owners as a representative and as a senator. He's also been a leader in preventing the expansion of beer and wine sales in gas stations."

As chair of the Finance and Insurance committee last year, he worked to prevent government-mandated coverages. "The fastest growing cost to business owners is health insurance. I do everything in my power to keep costs down. Mandated coverages makes insurance costs rise. It becomes burdensome to small business owners," Sanborn explained. He is opposed to privatization of Blue Cross Blue Shield. "If it becomes 'for profit,' in the end, more people will become uninsured," he said.

### Current leadership

His senate colleagues elected him to the leadership position of Assistant President Pro Tempore last month. His election marks the first time in recent history that a Macomb County Republican senator has been chosen for a Senate leadership role. When presiding, he is responsible for maintaining order in the Senate chamber and ruling on procedural

issues raised by members of the body.

As current Chairman of the Committee on Economic Development, Small Business and Regulatory Reform, Senator Sanborn is responsible for overseeing legislation that affects business and economic growth throughout the state. He plans to work on job growth for Michigan. "I want to work on enticing more businesses to Michigan and keeping them, but not overregulating them," Sanborn said. He is also a member of the Banking and Financial Services Committee. the Committee on Families and Human Services, and the Judiciary Committee.

Sanborn said he will stay focused on maintaining the trust of the people of his district during the coming four years. He said, "I'll be doing the very best job I can to serve constituents."

### Personal

A lifelong resident of Macomb County, Senator Alan Sanborn was born and raised in the city of Mount Clemens

He and his wife, Lori, a school teacher, live on a horse farm in Richmond with their three children. They enjoy sports, keeping physically fit and watching old movies. The senator enjoys reading and most recently read "Bush at War" and "John Engler."

To reach Senator Sanborn, call him at (517) 373-7670, email: senasanborn@senate.michigan.gov. or write: The Honorable Alan Sanborn. State Senator, State Capitol. P.O. Box 30036, Lansing, MI 48909-7536.

### Classifieds

FOOD EQUIPMENT FOR SALE—BKI Rotisserie Machine, Charbroil Grill, Deep Fryer, Soft Serve Ice Cream Machine. Contact Eddie or Jason at (313)

SUPERMARKET EQUIPMENT FOR SALE—Meat department equipment, shelving, produce case, stainless steel sink, etc. Call 810-506-4404.

WALK-IN COOLER FOR SALE—10 door Also Ann Arbor Bailer, Model 610. Will accept best offer. Both items at 1426 Broadway, Detroit. Call Joe Aubrev at 313-965-7275.

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. Call 989-275-6246 for more information. Buy business and property or just business and lease

S.D.D. and S.D.M.-Liquor Licenses for sale. Call

FOR SALE—12.000 sq. ft. supermarket located in pleasant thumb town. Remodel done in 1996. SDD-SDM license. Possible easy terms—MUST SELL (517) 879-7055 after 5:00 p.m

ITEMS FOR SALE—(1) Hi-Low, (2) Jacks: (1) 20-F1. 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-

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. Wine, Deli, Lotto Lapeer area Interested buyers inquire to P.O. Box 622, Lapeer, MI 48226

PORT HURON LOCATION—2 blocks from Blue Water Bridge Beer. Wine and Lotto 8,000 sq ft. water bridge beer. While and collo open of a grocery equipped with deli, bakery and meat department, with smoke house. 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

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

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

FOR SALE-Liquor dell 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, ce 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+ cash flow Owners retiring. Great opportunity with strong potential for growth \$275,000+ inventory The Stratford Company (Broker) 616 385-4101

BUYER MERCHANDISER—Spartan Stores, Inc. Is seeking a Buyer Merchandiser, reporting directly to the Meat & Seafood Director of Purchasing. This po on is responsible for purchasing and marketing specific liems for the purpose of growing sales within the Detroit marketing areas. Ideal candidates must have a strong procurement sales background in meal ind seafood as it relates to specific ethnic markets Excellent negotiation, communication, organizational problem solving and analytical skills. Understanding of the wholesale/retail distribution industry. Strong product and industry terminology knowledge is nec ry. For consideration send your resume to Spai lan Stores, Inc., Human Resources Department, 9075 Haggerty Road, Plymouth, MI 48170 Fax. 734-451-5991. Email: rick\_muzingo@sparlanstores.com

### Short Stop. Continued from page 20

wedge of homemade pie - all for four dollars. Tina says the specials are very popular with the construction crews that work on building projects at nearby Shanty Creek resort.

Not only is Short Stop a favorite with local customers, the store is also a good neighbor to the businesses in

"We don't sell fishing licenses or tackle because other stores do," says Tina. "We live in a small town and want to get along with everyone.

That attitude has paid off. Many times during the winter, when the local snow plowers come to get a tank of gas, they'll drop their blade and plow Tina's lot.

"Inside the store, all I have to do is get out a screwdriver and one of my customers will help me with whatever needs fixing," she adds.

The home-like atmosphere of Short Stop extends to Tina's employees as well. Helen Schuckel and Debbie Pecar all came with the store when Tina bought it and "can run the show

Both Helen and Debbie have worked at Short Stop for over 20 years and through three different

Tina spends winters in Arizona, now that her children are out of the house, leaving her trusted employees to keep things running smoothly. Come spring, though, she'll be back at it, working 12-hour days.

Tina loves Northern Michigan and says that it is a great place to raise a family. Her daughter graduated from John Hopkins University and is working on a doctor of pharmacology and psychology with a specialty in heart research. Her son graduated from the University of Michigan with a degree in international business, currently working in Siberia

Now that the kids are on their own, Tina is looking to sell the store However, leaving Bellaire and all her friends will be difficult.

"I love this town," Tina says, "but I have elderly parents that need assistance," she adds. For the time being, however, she's happy to run Short Stop, serve some great lunches and enjoy her Bellaire friends.



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

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(Stella D'Oro)		D.J. King & Associates	(800) 781-5316	RESTAURANTS:		Serv-Tech Cash Registers Taylor Freezer	
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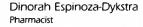
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