The official publication of the Associated Food Dealers of Michigan

**MAY 2004** 

### Just In

### Liquor Tax Increase voted down in House

The Michigan House of Representatives on April 21 killed the liquor tax proposal (HB 4865) that would have raised the state liquor mark up from 65 percent to 74 percent. A similar bill, introduced in the Senate, has not been acted upon. AFD will continue to press the Senate to pass a different bill, HB 4458 (called the Rocca Bill), which would allow retailers to sell liquor above the state's set price but not below it. That bill passed the House last year and is awaiting action by the Senate.

"Any attempt to raise the liquor tax without addressing, in real terms, the profit margin for retailers will be vehemently opposed by AFD," says AFD President Mike Sarafa. "Either that must happen or the Senate must take up and pass the Rocca Bill and allow retailers the possibility of a higher profit margin for the first time in over two decades."

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### Livonia Council Rejects Costco Liquor Sales

Livonia residents and liquor retailers, with the support of AFD, convinced Livonia City Council to reject Costco's request for two liquor licenses for its Middlebelt and its Haggerty stores. Livonia currently has 32 liquor licenses in use. The state permits the city to issue up to 34. AFD was asked to step in by area members when Costco applied for the licenses.

According to AFD attorney Jim Bellanca, Costco suggested at one point that it anticipated annual liquor sales of approximately \$1 million per store. This would have represented 30 to 40 percent of the total liquor sales in Livonia.

"The obvious result would be that some of our member businesses, which have contributed to the community for years, would be forced to close," said AFD President Mike Sarafa, who spoke on behalf of the current liquor stores at the City Council meeting.

Councilman Don Knapp said the city is well served by the current 32 liquor-licensed establishments. "We'll over saturate the market, especially at the Middlebelt location," Knapp said.

Council President Joe Taylor said he wanted to stay consistent with the past city council practice of keeping liquor sales in the city's smaller stores where it's believed the inventory is better monitored.

"AFD really stepped up to the plate

to help us," said Todd Berteni of Wine Castle on Seven Mile. "I happily renewed my membership this year and will continue to support the organization."

The Costco liquor license issue has kept AFD busy for most of 2004. Costco first applied to the Livonia Planning Commission, and with AFD's help, their requests were rejected. Costco then appealed to the Livonia City Council. AFD prepared a presentation, complete with photos of existing stores, facts about Livonia liquor sales and

opinions of Livonia residents. The presentation helped convince the Livonia council to reject Costco's requests.

"This is a community-supported action," said Kelly Denha of Wine Palace, which is within sight of Costco's Middlebelt store. "With AFD's help, the Livonia City Council saw that Costco could force us to close," Denha added.

Several Livonia officials said that they expect Costco to appeal the council ruling in Wayne County Circuit Court.



### AFD Trade Show locked up the Savings!

Attendees to the 20th Annual AFD Trade Show were treated to plenty of food, fun, prizes and —best of all—great deals and show specials. Held April 20 and 21 at Burton Manor in Livonia, the sold-out event showcased a wide array of products and services to the large, enthusiastic crowd. Look for more photos next month!

The Allied Domecq booth kept customers "locked up" with an assortment of new products and specials.

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### We're Getting Ready for Golf!

The Annual AFD Foundation Golf Outing is scheduled for Thursday, July 22 at the beautiful Fox Hills in Plymouth.

Place your marker (on the calendar that is) to set aside this important tee time! See page 21 for details, because you know it's important to "follow through!"

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

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### President's **MESSAGE**

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### Retail Economy Ticks Upward but Competition Remains Stiff



By Mike Sarafa AFD President

Economists have predicted and the evidence is bearing out that the economy may have turned the corner. Coming off a relatively strong holiday season, 2004 first quarter growth is expected to be strong due, in large part, to an increase in consumer spending. This is good news for Michigan retailers who have suffered both from the national economic downturn as well as tougher times in the state.

Other anecdotal evidence includes

AFD's record turnout at this year's Trade Dinner, a sold out and well attended Trade Show in April and our increasing membership. While all this is good news for our industry, the fact remains that the competitive environment is intense and can only be expected to bring further economic pressure on Michigan's food and beverage retailers.

Costco, Wal Mart, Sam's Club, Target and others are branching into new categories -such as controlled beverages- at an increasing rate. Around the state, there are more and more service stations that are obtaining beer and wine licenses through loopholes in the state law. Convenience stores, in general, are gaining market share in the snack, soft drink and tobacco categories. The influx of smoke shops as well as the constant threat of tobacco tax increases has taken supermarkets and many party stores right out of the tobacco business. And dollar stores and the limited selection/no brand stores are increasing their

market share of the grocery business.

At AFD, we remain committed to helping our members not only survive but thrive in this environment. We will stay on top of the latest national trends in category management, marketing, pricing strategy and technology and do our best to help inform and educate our membership. We will continue to protect our members' interests and bottom line wherever and whenever possible. This is why we successfully helped Livonia retailers block Costco's two applications for liquor licenses in their city and why we are helping the local community in Charlevoix fight a proposed Wal Mart store there.

In addition, we continue to harness tremendous resources in the legislative and regulatory arena. We are actively engaged with a large coalition to try to block the regressive and unfair tobacco tax increase and we remain hopeful that liquor retailers will get some longawaited-for relief on liquor profits. We are still pushing the state to consider twice-monthly food stamp payments to help stores control inventory and labor costs. Through our strong vendor relationships, we continue to aggregate the collective power of independent grocers and negotiate competitive rates on supplies and services. And through our two annual trade shows, we bring the latest products and best offers available on the market to our membership.

At the end of the day, none of the concepts I've mentioned nor any competitive pressure will be able to overcome the independent's advantages in quality and service. This is what has made our membership so successful. On this front, AFD takes great pride in our efforts to promote this fact to consumers, the media and the state's opinion leaders. Because of our membership, we have a great story to tell. As President of AFD, I will continue to take every opportunity to help tell this story.

### The Grocery Zone



### **Date Marking Guidelines for Grocery Store Delis**

Editor's Note: It is critical that grocery store operators and deli managers comply with Food Code date marking requirements that apply to many ready-to-eat, potentially hazardous foods. This article is intended to assist stores in complying with these requirements.

### Why is Date Marking needed?

Date marking is a way to track proper product rotation of refrigerated foods. Refrigeration prevents food from becoming a hazard by slowing the growth of most, but not all, bacteria.

Pathogens like Listeria monocytogenes have been found in deli environments and can grow at cold temperatures on deli items.

Date marking is one of the practices used to reduce the risk of foodborne illness by making sure food is rotated or discarded before Listeria can multiply to greater numbers.

### Ways to Mark the Date

A grocery operator can choose any marking method that suits their needs. Options include using an actual date, a color code, or any other system that is effective. It is even possible to use a dry-erase board to track items in the deli case and their dates. It is important to know that whatever system you use, it must be understandable, effective, and consistently used by the employees. It must be clear to an inspector during the inspection how your system works so you should consider writing a store policy for employees to follow.

#### Methods of Marking

Here are some examples of ways to mark on working containers, display tags, display bowls, or plastic over-wraps:

- Day dots
- · Dry erase markers
- · Scale labels
- · Dissolvable stickers

There may be other ways to track dates without marking on the actual containers. You may come up with your own method as long as it can

be verified that the employees and the inspector understand it.

#### **Deli Salads**

Containers of salads like potato, pasta, and seafood salad must be marked when opened or made on the premises.

Many manufacturers offer smaller sized containers of salads (e.g., three pounds) that can be used all at once in a display bowl. This eliminates a working container. However the bowls of salad in the display case must be marked if held more than 24 hours.

If fresh salad is continually added to the display ( "topping off" the display) over the course of a few days, be sure to use the date of the original load. You must break the cycle within seven days (preferably much more frequently) by removing the salad, cleaning & sanitizing the bowl, and starting with fresh salad.

#### **Deli Meats**

Date marking applies to entire loaves of deli meats once the original package is opened in the deli. Refrigerated deli meats should be purchased in sizes that can be sliced and sold within seven days of opening. If this is not possible, a way to use up a slow moving loaf of deli meat is by making it into other products such as sandwiches. But do this right away instead of waiting until day seven.

#### Frequently Asked Questions:

### What Date Applies if I Package Deli Items for Sale?

While "date marking" is a rotation date for the employee to know, a "last-date-of-sale" is a date the consumer sees on a package. Whenever a deli item is packaged for sale out of a self-service case, the package must be marked with the last-date-of-sale (or sell-by date). The sell-by date should take into consideration a reasonable period of time the product will be used in the consumer's home and still be wholesome and safe. Date marking helps you know how long the

product has been opened in your store before packaging it and thus helps you determine a meaningful sell-by date. For example, if a tub of potato salad was opened in the deli four days ago and you want to prepackage some half pound containers for sale in the self-service case, you should take into consideration those four extra days and use a shorter sell-by date than if the packaging occurred on day one. Regardless of the date you choose, the product cannot be sold after day

#### Our deli goes through salami so fast that the loaf will be gone in less than 4 days. Do I still need to date mark it?

Yes, if the food is not going to be served, sold, or discarded within 24 hours, it must be date marked.

#### What if I freeze the food?

Freezing food stops the date marking clock but does not reset it. So if a food is stored at 41° F for two days and then frozen at 0° F, it can still be stored at 419 F for five more days when it begins to thaw. The freezing date and the thawing date need to be put on the container along with the prep date, or an indication of how many of the original 7 days have been used. If food is not dated with these dates, it must be used or discarded within 24 hours.

### What if I combine food that was opened on different dates?

When different containers of foods are combined, the date of the oldest ingredient becomes the reference date. For example, if today is Wednesday, and you are mixing salad that was marked on Monday with salad that was marked on Tuesday, the combined salad marking would be based on a starting date of Monday.

#### Items Requiring Date Marking Here are some examples of

Date marking, continued on page 6.

### Calendar

#### June 6-8

Dairy-Deli-Bake Seminar & Expo Washington Convention Center Washington, DC (608) 238-7908

#### June 6-10

Executive Leadership Program Cornell University Ithaca, New York (703) 516-0700

#### June 8-10

National Confectioners Association All Candy Expo McCormick Place Chicago, IL (703) 790-5750

#### July 22

AFD Foundation Golf Outing Fox Hills Golf Course Plymouth, MI (248) 557-9600

#### August 25- August 26

The Southern Convenience Store and Macon CenterPlex Macon, GA

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

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

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

ADVERTISERS: For information on advertising rates and data, call AFD, Ray Amyot, 18470 W. 10 Mile, Southfield, MI 48075, (248) 557-9600 or (989) 386-9666.

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## Why Michigan's electric deregulation law is bad for us and bad for you.

We've been responsible to the people of Michigan for over a hundred years. And in all that time we've never cried wolf. But now the wolf is at the door. Because of flaws in the electric deregulation law, Public Act 141, out-of-state companies are coming in, snatching up the biggest electricity customers and leaving the rest of us to pay the price to keep the entire system running.

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don't care about homeowners or

small businesses. There's

not enough profit

there. In fact, the

law says out-

of-state sup-

pliers don't

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We do serve them, of course, we always have.

PA 141 says we must cover to entire cost of the electric system—a

PA 141 says we must cover the entire cost of the electric system—all the power plants, a million utility poles, 42,000 miles of power lines—and all the people who make it work. The out-of-town suppliers don't contribute fairly to the maintenance and upgrading of the system. That

remains our responsibility.

The reliability of that system is at serious risk. The only way we can properly support

and sustain the electric system is to make up for the loss of revenue by increasing rates to homeowners and small businesses. We're talking about rate hikes of up to 30%. Is that fair to you? No. But our hands are tied. It could come to a rate increase or a very real energy crisis.

Michigan's electric deregulation law was meant to stimulate competition, give everyone a choice and keep electricity affordable. It's done none of those things.

As the law stands, it just isn't fair, not to you and not to us. It needs to be fixed. Help us change a law that simply doesn't work. Log on to dteenergy.com and find out how you can help keep energy reliable and affordable for everyone.

authory & Bailey for

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refrigerated, ready-to-eat, "potentially hazardous" foods requiring date marking:

- · Deli meats and deli salads
- · Soft cheeses like Brie, Cotijo, Cottage, Ricotta and Teleme.
- · Blue cheese and ranch dressings (unless the manufacturer provides documentation otherwise).

#### Items Not Requiring Date Marking:

Some deli items may not require date marking. "Non-potentially hazardous" foods, like acidified vegetable items (pickles) or shelf stable meat, do not need to be date marked. Ask your supplier for a letter from the manufacturer for those items that are "non-potentially hazardous"

#### Here are other examples:

- Commercial acidified dressing like mayonnaise and thousand
- · Hard cheeses like Asiago old, Cheddar, Gruyere, Parmesan, Romano and Sapsago.
- · Semi-soft cheeses like Asiago fresh, Soft, Blue, Brick, Colby, Edam, Gouda, Monterey,

Pasteurized processed cheese. Provolone and Swiss.

#### Questions?

Check with your Inspector or contact the MDA regional office nearest to you.

For more information about date marking requirements, ask for the MDA Food Code Fact Sheet on Date Marking or the 1999 Food Code.

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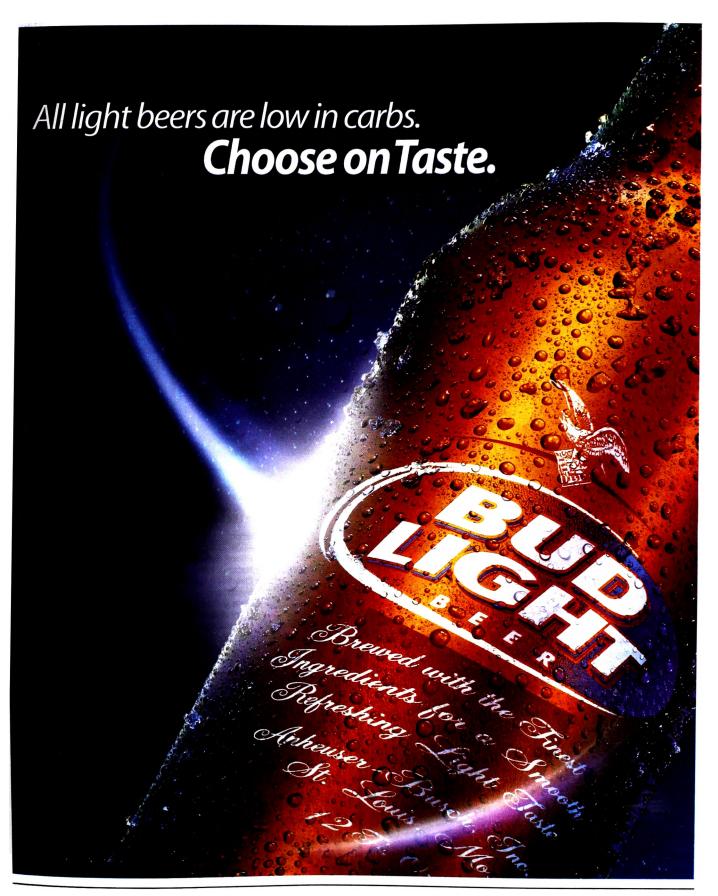


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### LegislatorProfile

### Van Regenmorter is called the "Father of **Crime Victims' Rights"**

By Kathy Blake

State Representative William Van Regenmorter (R-74), is a freshman legislator yet he has served in Lansing for over 20 years. Starting in 1982, he served eight years as a state representative. Then he was elected to the Michigan Senate from 1990 to 2002 and now he's back in the House. During his first term as state representative, he wrote landmark legislation establishing rights for victims of crimes.

"Ours was the first comprehensive Crime Victims' Rights Act," said Van Regenmorter.

This legislation was enacted in 1988 and with an amendment to the Michigan constitution, became a model for the nation. For this, Van Regenmorter is known as the "Father of Crime Victims' Rights."

He said, "Our justice system needs to provide swift closure for crime victims and their loved ones."

He has written numerous laws for protecting victims and upholding integrity in Michigan's criminal justice system. Combining his

former state rep. service and his next tour of duty as state senator, Van Regenmorter wrote over 140 laws, many dealing with criminal justice.



One of the laws prevents those who have confessed before a judge to be able to appeal. "That had created an incredible backlog which has now disappeared," he said. Another law requires the court to consult with the crime

victim before a plea bargain. He sponsored Michigan's truth-insentencing law which requires convicts to serve the minimum

sentence given by a judge. "This puts integrity into the system," said Van Regenmorter.

Also while state senator, he chaired the Senate Judiciary Committee and served as Majority Whip for the Republican caucus.

Currently, Van Regenmorter is serving as Chairman of the House Criminal Justice Committee; Vice Chair of the Joint Committee on Administrative Rules; and is a member of the House Judiciary Committee: the Employment Relations, Training and Safety Committee and the House Committee on Health Policy. He has continued his work to protect innocent people and recently authored Michigan's new drunk

Van Regenmorter, continued on next

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Van Regenmorter, continued from previous page.

driving law, which reduces the driving limit of blood alcohol level from .10 to .08 grams.

Another recent law he wrote known as the "overpass law," went into effect in January. It creates tough penalties for individuals throwing or dropping objects such as bricks at passing vehicles. "It sends a clear message that throwing objects at moving vehicles is extremely dangerous and will not be tolerated," he said.

Among other issues, Van Regenmorter wrote the law that prohibits same sex marriages and authored legislation for a significant reduction in taxes for Michiganbased companies who hire Michigan

He helped pass a law that exempts vehicles which transport recyclable materials from the Motor Carrier Act and one that requires municipalities to make public all sewage overflows and pay for testing water quality.

Van Regenmorter's work has been documented in numerous news reports as well as the Pepperdine University Law Review. The representative has been featured nationally by Good Morning America, 60 Minutes, Court TV, USA Today and Reader's Digest.

He is highly decorated with awards for his contributions in crime victims' rights. Mothers Against Drunk Driving (MADD) of Michigan established an annual award named "The William Van Regenmorter Award". He has received three major national awards, including "National Legislator of the Year" by the National Center for Victims of Crime, (NCVC), in Washington D.C., an honor never before awarded to a state legislator. David Beatty, former executive director for the NCVC said, "Representative Van Regenmorter has done more to advance the cause of victims' rights in the U.S. than any other state legislator. From my point of view, his career as a statesman and champion of victims' rights can best be described by one simple statement, 'he's brought criminals to justice and justice to victims."

The representative grew up in Jamestown, Michigan which is in his district. He represents parts of Ottawa and Kent counties. He

represents the cities of Coopersville and Grandville as well as the townships of Alpine, Georgetown, Crockery, Polkton, Tallmadge and Wright. The economics include office furniture, manufacturing and farming. Ottawa county is one of the world's largest growers of blueberries.

Rep Van Regenmorter's father was a grocer; he ran an old-time general

store. The representative worked there as a teenager before attending Calvin College. He holds an honorary Doctor of Law degree from the Detroit College of Law at Michigan State University.

Van Regenmorter worked as an analyst for Dun & Bradstreet for 12 years. His first public office was commissioner for Ottawa County. He has owned a small furniture

store. Van Regenmorter is married with four children and six grandchildren.

To reach State Representative Bill Van Regenmorter, call (517) 373-8900, email to wmvanreg@house.mi.gov or write to The Honorable Bill Van Regenmorter, State Representative, State Capitol, PO Box 30014. Lansing Michigan, 48909-7514.



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### Detroit**Gem**

### Ryan's Foods Offers Many Choices for Detroiters

By Michele MacWilliams

Editor's Note: In February we began featuring Detroit stores that do a particularly good job of serving their community and the city. We're continuing our feature of "Detroit's Gems" with this profile of Rvan's Foods.

Catering to the diverse cultures of the customers that frequent Ryan's Foods in Detroit must be a difficult task. Located at 5858 West Vernor near the Ambassador Bridge, Ryan's is in the heart of the city's Hispanic community. Colorful Mexican restaurants, clothing stores and specialty markets surround the store while the huge Holy Redeemer Church serves as the area's anchor.

The streets in this part of Detroit are busy, and the residents friendly. A lot of people walk to do their shopping at Ryan's and the other stores in the vicinity. It's a closeknit community within the city, where people know the merchants at the local shops.

Ryan's Foods fits right into this mix, catering to the Mexican community with piñatas jicama, Mexican squash, bata tasyamme, Mexican spices and aisle markers in both English and Spanish. However, Ryan's is a full-service supermarket that carries all the

traditional products plus a wide assortment of fresh produce, a complete dairy and deli case, a hot food counter and service and selfserve meat counters.

"People of all cultures shop here," says Raad Kathawa, of Ryan's.



Raad Kathawa in Ryan's Foods

Kathawa has run the spotlessly clean Ryan's Foods for 16 years and recently completed a remodeling of the store to freshen its looks and appeal,



Extensive line of produce and clean, efficient checkout counters at Ryan's Foods

Ryan's Foods, continued on page 25.

### 2 New and Exciting Retailer programs for 2004 from FRITO LAY!



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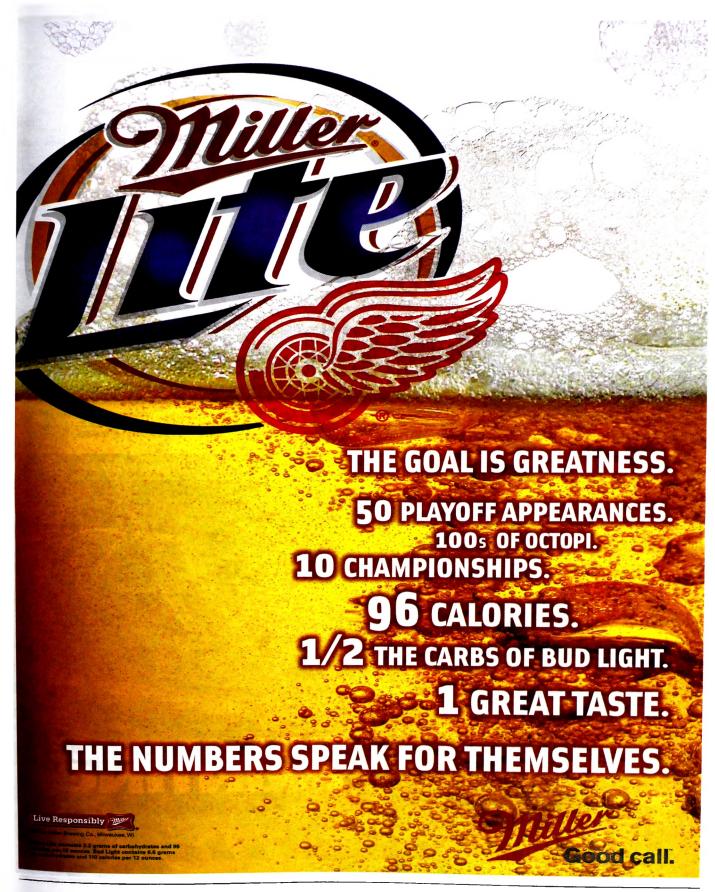
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### Member**Profile**

### Maker's Mark Reaches The Half-Century Mark

Fifty years ago at a farmhouse near the rural village of Loretto, Kentucky, Bill Samuels Sr., a sixth generation distiller, burned his family's 160-year-old bourbon recipe. Samuels was on a mission to make bourbon taste better. "At the time that was a rather lofty goal," said his son, Bill Samuels Jr.

Bourbon whiskey then was far from pleasant tasting. In fact, the prevailing image of bourbon was as a backwater drink with a rough flavor.

"As it turned out, that burned batch produced the first barrels of Maker's Mark, a bourbon that would become an American icon," said Samuels, who is president of the company his late father founded. "We had been making bourbon since the 1790's. Only recently -- 50 years ago -- did we get it right," Samuels added.

Back in 1954, convinced that his family's old recipe was not the answer, Bill Samuels Sr.



experimented with different grain formulas by baking hundreds of loaves of bread until he found the right balance and the gentle taste he was seeking. Samuels Sr. burned the recipe after deciding he had struck

gold by using soft red winter wheat, instead of spicier, bitter tasting rye, as was the age-old custom.

However, he couldn't get a bank to lend him money to build a distillery. So the elder Samuels used \$36,000

in savings to build the Loretto, Ky,, facility where Maker's Mark is still made today.

"He really did add a degree of refinement to the craft, because that is what he was interested in," said Samuels Jr., whose mother, Marge, named the whiskey and designed the distinctive bottle.

As a fine pewter collector, she had always searched for "the mark of the maker." She was also a collector of bottles of cognac, many of which were sealed in colorful wax. That led to the idea of sealing the Maker's Mark bottle neck with its signature red wax.

It wasn't the most practical idea, Samuels said. But his mother insisted. And it's an idea that continues to resonate with consumers.

"We carry every size, and all the

Makers Mark, continued on page 20.



N

### **Michigan Liquor Vendors (MLC)**

### **Who We Are**

- · Brokers of distilled spirit products.
- · Suppliers of distilled spirits products.
- The spirit industry employs over 1000 people in the state of Michigan.
- Our members represent the majority (90%) of the 5 million plus cases sold in the state.
- The spirit industry generates \$221 million for the state of Michigan.

### **Our Objective**

 Promote and market our products on equal footing with other consumer products.

#### **Our Products**

- Distilled spirit products that are 10% alcohol by volume or 20 proof and higher.
- Low proof products (under 20 proof) are sold through either beer or wine wholesalers.
- Pricing is set by the MLCC and is the same for all retailers throughout the state.

### **Our Role**

- We perform a sales and merchandising function in the independently owned off and on-premise retail accounts.
- · Conduct special events
- · Introduce new product
- · Conduct training seminars
- · Promote responsible use of alcohol

### ess -

### **Michigan Spirits Business**

- 5.7 million cases sold in 2003
- · Largest of the 18 control states
- · Sixth largest state in the U.S.
- Is one of the largest revenue sources for the state.

### Spirit Revenues vs. Beer & Wine

	Spirits	Beer	Wine
Excise Tax	\$103m	\$43m	\$8m
Mark-Up	\$118m	0	0
Total	\$221m	\$43m	\$8m

Revised February 2004

The MLV opposes all liquor tax increases. If you agree, please call the Senate at 517-373-2400 and the House of Representatives at 517-373-0135 and ask for your legislator's office to voice your opinion before it's too late!





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### AFD's Sarafa Completes Half Marathon Race

On Sunday, April 18, AFD President Mike Sarafa took a major step on his quest to race in the Detroit Free Press/Flagstar Bank International Marathon this fall. He entered, and completed the West Bloomfield Half Marathon. "It wasn't pretty, and I had to walk about half of the last three miles, but after a few days of recovery, I feel alright again," Sarafa said.

The half marathon - 13.1 miles was sponsored in part by AFD

member PizzaPappalis and is the longest distance that Sarafa has run to date.

Sarafa will run the Free Press marathon in order to raise funds for the AFD Foundation. As the race draws nearer, he will take pledges per mile that he finishes, with all proceeds going to the Foundation. He hopes that his training and goal of a marathon race will inspire others as well.

"The half marathon made me

realize that I have a good deal of training to do before this fall," Sarafa laughed. "At this stage of the game, I can't imagine running twice as far as I did on April 18."

Will he actually complete the Detroit Free Press/Flagstar Bank Marathon? We'll know for sure on October 24, but you can place your wager now. Just call Mike at (248) 557-9600. Remember that it's all in fun...and for a great cause!

### Vanilla Prices Soar

Cyclones have wiped out about one-third of all vanilla vines in Madagascar, home to 60% of the world's vanilla production, and floods in Mexico also have taken their toll, resulting in a spike in wholesale prices from \$40 to \$500 per kilogram. One vanilla bean can cost as much as \$5 in New York retail markets. -The New York Times

### Arsonist Strikes Muslim-Owned C-Stores

A third Muslim-owned convenience store in San Antonio, Texas, was set on fire by an arsonist on Monday, April 5.

According to WOAI.com, the Commercial Food Mart is the third act of arson against Muslim-owned convenience stores this spring. The estimated cost of the damage to the three stores is more than a quarter of a million dollars.

In March, two other stores were set on fire, causing safety concerns among Muslim residents.

"If you look at them, there is definitely a pattern to it," said Sarwat Husain. "As a community spokesperson, I would like to know what law enforcement [is] doing to step up the protection of the

Muslims' lives and their businesses." Arson investigators told WOAI that they must first make an arrest before they can determine whether

The FBI issued a warning last year that the war with Iraq could result in increased incidents of hate crimes against Arab-Americans, Muslims

### Starbucks to **Enter Liqueur** Business

Starbucks Corp. is working with the Jim Beam unit of Fortune Brands Inc. to develop a premium coffee liqueur to be sold in bars, restaurants and liquor stores - but not in Starbucks' 7,800 retail locations. The product will be test marketed later this year.



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### Lottery **Lowdown**

## Michigan Lottery Celebrates Start of Motorcycle Riding Season in Waterford



By Commissioner Gary Peters

I am excited to announce that the Michigan Lottery has teamed up with ABC Harley-Davidson® in Waterford to kick-off the Harley riding season and launch the Lottery's new Harley-Davidson® instant game.

On May 1, the Lottery will host "Kick-Start" – a full-day event at

ABC Harley-Davidson® located at 4405 Highland Road (M-59 and Pontiac Lake Road), in Waterford. "Kick-Start" includes live music, great food, merchandise giveaways, an official Harley-Davidson® Ride-In Bike Show, and the headline event – a National Coney Island coney dog eating contest!

The coney dog eating contest — dubbed "Who's the biggest HOG?" — will feature nominated contestants from HOG chapters across the state and will be judged by Jean Davidson, granddaughter of cofounder Walter Davidson; myself and other local Detroit celebrities. The winner of the contest will be awarded a \$500 first place prize! Proceeds from the contest will be donated to the greater Detroit Muscular Dystrophy Association (MDA) — the official charity of Harley-Davidson®.

We will also conduct a raffle for participants to win fantastic Lottery and Harley-Davidson® merchandise. If you purchase Michigan Lottery Harley-Davidson® instant tickets, you not only have a chance to win a great cash prize, but you can also enter to win Harley-Davidson® and Michigan Lottery merchandise "prize packs" – valued at \$100!

There will be activities for people of all ages to come out and enjoy! For more information about "Kick-Start," please visit the Michigan Lottery's Web site at www.michigan.gov/lottery and click on the "Kick-Start" icon. I hope to see you there!

"Casino Millions" \$2,000,000
Grand Prize Giveaway! Sales of
"Casino Millions" instant game
tickets are soaring! This \$20 instant
ticket features a \$2,000,000 top
prize that will be awarded during a
special grand-prize drawing event.
Winners of \$1,000 prizes in this
game are automatically entered into
the drawing to be one of the five
grand-prize drawing finalists.

All \$1,000 prizes must be claimed by the close of business on Wednesday, June 9, 2004 to be eligible for the finalist drawing. The drawing for the five finalists will be held on Friday, June 11, 2004. Lottery officials will notify the five finalists by telephone and by mail after the drawing takes place.

The \$2,000,000 grand-prize drawing event will be held in the winner's circle at the Michigan International Speedway in Brooklyn on Sunday, June 20, 2004. The live drawing event will take place prior to the start of the NASCAR® Nextel® cup series. It will definitely be a first-place finish for one lucky finalist who will walk away as Michigan's newest multimillionaire!

Additionally, players across Michigan will be revved up on April 20 when the newest \$20 instant ticket goes on sale! "Double Millions" is the next \$20 instant ticket to offer a \$2,000,000 grandprize that will be awarded during a special drawing event this fall.

"Daily 3 & 4 Daily Double" Debuts. Beginning on April 25, 2004, Lottery players have had the chance to double their fun while playing the Daily 3 & 4 games.

With the "Daily 3 & 4 Daily Double," players first choose their regular Daily 3 or Daily 4 number, then play it straight, boxed or 2-way (the easy pick and wheel bet options are not available with the Daily Double). Next, they can elect to play the "Daily Double" option for just \$1 more.

When playing the "Daily Double" game, two sets of three-digit numbers (for the Daily 3 game) or four-digit numbers (for the Daily 4 game) are printed at the bottom of each ticket. The first set of numbers is the player's original wager for the regular midday or evening drawing. The second set of numbers is that ticket's "Daily Double" number, which is randomly drawn through the lottery terminal. If the player's Daily Double numbers match, according to the bet type selected, the player wins instantly! Prizes for winning with the "Daily Double" game are approximately 20 percent more than those paid out for the regular Daily 3 & 4 drawings.

For example, if a Daily 4 number is played straight in a regular drawing and a match is made, the prize is \$5,000. If the same match occurs in the "Daily Double" game, the prize payout is \$6,000!

Be sure to tell your Daily 3 and 4 players about the new Daily Double game! I also encourage you to prominently display the point-of-sale materials the Lottery has provided for you to promote this great new game, and be sure to ask for the sale.

"Buy a \$3 Instant Ticket, Get a \$1 Instant Ticket FREE!" On April 18, the Michigan Lottery distributed special promotional coupons in more than 1.6 million newspapers across

Lottery, continued on next page.



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Lottery, continued from previous page.

the state offering players a free \$1 instant ticket with the purchase of any \$3 instant ticket.

Your customers are not the only ones who will benefit from this promotion.

It also creates an opportunity for Lottery retailers to earn an additional 44 percent commission on a \$3 instant ticket sale!

I strongly encourage you to take advantage of this opportunity to showcase the Lottery's instant games in your stores, and again don't forget to ask for the sale!

Two Unclaimed Mega Millions Ticket Set To Expire. Two \$175,000 Mega Millions winning tickets from June 2003 have yet to be claimed. The prizes are:

Draw Date: June 10, 2003 Game: Mega Millions

Winning Numbers: 14-15-23-32-52 Gold Mega Ball 37 (match first

five numbers) Prize: \$175,000

Retailer & City: Grand Ledge

Draw Date: June 13, 2003 Game: Mega Millions

**Winning Numbers:** 12-15-16-20-51 Gold Mega Ball 33 (match first

five numbers) Prize: \$175,000

Retailer & City: Meijer #109

Michigan Lottery players have one year from the draw date to claim any online prize. Since the one year anniversary date of the June 13 Mega Millions ticket falls on a Sunday, when Lottery offices are closed, that ticket holder will have until the close of business on Monday, June 14, 2004 to claim the prize.

If Michigan Lottery prizes are not claimed within the one-year period, the winnings revert to the state School Aid Fund, which supports K-12 public education in that state of Michigan. For more information about any unclaimed Michigan Lottery prize, players can call (517) 335-5640.

New Instant Games For May. The Michigan Lottery will introduce lots of exciting new instant games in May and some featuring a taste of

the Great Lake State. On May 4, the \$5 "Cash Across Michigan" game makes its debut. This travel-themed game is sure to please with its \$200,000 top prize! It joins another great instant game highlighting Michigan - - the \$1 "Michigan Rewards" - - which went on sale on April 27, offering a \$5,000 top prize. On May 4, players will be feeling

lucky when the \$1 "Lucky Spot,"

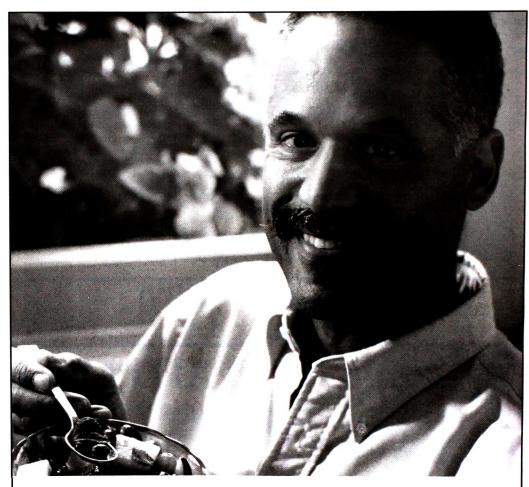
with a \$5,000 top prize, goes on sale. Players will be hunting for cash on May 11 when the new \$2 "Scavenger Hunt II," with a \$30,000 top prize, goes on sale. Also, on

May 11, the \$2 "Domino Bingo," with a \$20,000 prize, makes its

Players will be scratching their way to instant wealth on May 18 when the \$10 "Instant Fortune"

bonus game, offering a \$500,000 top prize, hits store counters. Your customers will come on down to your store when the \$3 "The Price Is Right," featuring a \$50,000 top prize, debuts on May 18. On May 25, the Lottery will also unveil the \$1 "Crazy Cat Cash," which features a \$6,000 top prize and the

\$2 "Blazin' Red 7s," offering a \$17,000 top prize.



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### Farmer Jack Opens New Superstore in Waterford

By Michele MacWilliams

On the morning of April 2, a flying cow, assorted pigs, the Waterford Mott Marching Band and a bevy of local dignitaries marched across a parking lot to cut a ribbon officially opening the new Farmer Jack store at 4998 Dixie Highway in Waterford.



Waterford Supervisor Carl Sadler gave the key to the city to Farmer Jack President Mike Carter. Oakland County Prosecutor L. Brooks Patterson was also on hand to welcome the new store.

Invited guests were treated to samples in every department of the clean, full-service 48,000 squarefoot facility, which features the latest concepts in Farmer Jack store development. Departments include: the Family Deli, produce and floral, the Seafood Cove, The Butcher Shoppe, The Corner Bakery, grocery products, general merchandise, pharmacy, customer service counter and U.S. Post Office.

Farmer Jack is part of the A&P family of supermarkets.





### Miller Announces it's Running for "President of Beers"

Miller Brewing Company debuted new television advertising from the "Miller... Good Call." campaign Saturday, April 3, during the NCAA Final Four tournament broadcast on CBS. The advertisements feature candidate Miller running for "President of Beers" on a platform of character, challenging the selfanointed king of beers.

'President of Beers,' and the subsequent presidential ads deliver our messages, our brand benefits and the character of Miller," said Bob Mikulay, executive vice president

for marketing at Miller.

Wieden & Kennedy of Portland, Ore., developed and produced the ads, which were first shown to Miller distributors at the annual Miller distributor conference on March 25. The new Presidential spots tout Miller Lite's great taste and less filling benefits and Miller Genuine Draft's genuine flavor and cold-filtered smoothness. Shortly after the debut of "President of Beers," four additional Presidential spots follow on a variety of prime time network and cable television

### Coke Searches for New Leadership

Coca-Cola is continuing its search for an executive from another company to replace outgoing Chairman and CEO Douglas Daft; those on the list are reported to be from Procter & Gamble, Mattel,

Kellogg and Gillette. The company's second-highest ranking executive, Steven Heyer, also is being considered for the job and a decision is expected soon.

-The Wall Street Journal



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Maker's Mark, continued from page 12.

different wax seals," said Linda Flick, owner/manager of Flick's Package Liquor, Inc. in Lamberville. Last year Maker's Mark kicked off a promotion targeted to sports enthusiasts. They colored the wax seals in maze and blue, green and white and other team sports colors. "We really had a lot of fun with that," stated Flick, adding that

Maker's Mark sales have picked up considerably. "It's the young, male professionals that seem to be buying it," Flick said that she has seen an across-the-board resurgence in brown goods. "I'm very excited about that," she added.

Maker's Mark was a somewhat obscure Kentucky bourbon until 1980 when a Wall Street Journal reporter visited the distillery and wrote a front-page story about

Maker's Mark. The article gave Maker's Mark a whole new audience of urban sophisticates.

Allied Domecq, the second-largest liquor company, acquired Maker's Mark in 1988.

Audrey Saunders, renowned master mixologist and beverage director at New York's Carlyle Hotel, stated, "Maker's Mark is an incredible bourbon that created and defined the premium bourbon

category. Fifty years of fine craftsmanship opened the door for newer entries. But without Maker's Mark, bourbon would still be seen as a cheap drink for those who cared little or nothing for taste. Maker's Mark is in a class by itself and is the perfect spirit for bourbon novices and afficionados alike, as well as for those who seek an ideal accompaniment to a fine meal."

According to the Distilled Spirits Council of the United States, Maker's Mark holds a 77% share of the U.S. fine bourbon market. In a bourbon category experiencing relatively flat sales, fine bourbon has experienced high double-digit sales growth annually since 1996, as other bourbon distilleries followed in the footsteps of Maker's Mark and began to offer more upscale products.

"Maker's Mark is a great bourbon at a great price," said Todd Berteni of Wine Castle in Livonia. It's a 'go to' product, for people who want to experience the next level of bourbon '

The industry trade publication, Impact, recently gave Maker's Mark its "Hot Brands" award -- a distinction given to brands that have produced double-digit sales growth for at least three consecutive years. The magazine said Maker's Mark increased its growth rate at an average of 14.1 percent per year.

In fact, sales have gone up by double digits every year since 1996, says Allied Domecq. The biggest problem the brand has is supplying its growing customer base.

'We can't keep enough in stock to meet the demand," said Jim Clerkin, president of Allied Domecq Spirits North America.

Maker's Mark's Loretto, Kentucky distillery was designated a National Historic Landmark in 1980, becoming the first distillery in America to be so recognized. Of the nation's bourbon distilleries, Maker's Mark is the oldest bourbon distillery on its original site, and a key stop on the Kentucky Bourbon Trail. Throughout 2004, Maker's Mark is incorporating the reenactment of the burning of the original family recipe into the distillery tours, which are open to the public and run regularly, seven days a week. For distillery tour information, visit www.redwax.com.



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### News Notes

### Rising Soybean Prices Reflected at Grocery Checkout

With soybean prices above \$10 a bushel. food manufacturers who rely on the legume as an essential ingredient in cooking oil, pet foods, soy milk and veggie burgers have been raising prices on those items, and some analysts say a tightening soybean market could drive prices even higher. China has purchased 13% of the U.S. soybean harvest, but Bush administration officials who seek to reduce the U.S. trade deficit with China will be reluctant to curb exports. Commodity executives who had hoped to import soybean products from Brazil have been disappointed by a smaller-thanexpected harvest there.

-The Wall Street Journal

### It's Not Your Father's **Doughnut Dunk**

Dippable foods sales are set to take off as new products flood the market, analysts say. From a new McDonald's menu item featuring sliced apples with a caramel dip to Mrs. Paul's Fish 'n Dips, marketers are going after the 4 to 12-year-old set, because they say parents are increasingly replacing formal meals with more frequent snacks and kids want more control over their food. -USA TODAY

#### Low-carb Diets a Fad That Few Can Follow, Studies Say

A market research firm says about 4% of Americans report being on some form of low-carb diet, but most of them haven't cut their intake of carbohydrates enough to get any benefit. The report predicts that the diet craze is just a passing fad, and a separate study says there are now more people who quit the diet than are currently on it. Executives at food giants Nestle, Unilever, Campbell and Kellogg express doubts that low-carb diets are here to stay, but many say they have to market what's hot now. "The Atkins fad has come, and the Atkins fad will go," said Campbell Soup's Douglas Conant, adding that his company will provide lowcarb foods as long as customers want them.

#### **Bottled Water Sales Soar**

The Beverage Marketing Institute reports that for the first time, bottled water volume in the US has surpassed that of beer, milk, and coffee. Bottled water volume grew 7.5 percent last year, reaching per capita consumption of 22.6 gallons, up from 21.2 gallons a year ago. Together, Pepsi, Coke, and Nestle accounted for 58 percent of sales, with Pepsi's Aquafina accounting for 11.3 percent market share.

#### Lite Beer, Lightweight Decision

The Wall Street Journal reports that the US Treasury Department's Alcohol, Tobacco, Tax and Trade Bureau issued a ruling designed to define "low-carb" so that weightconscious beer drinkers can make more informed choices. The WSJ writes. "Miller Lite, which has 3.2 grams of carbs in a 12oz. serving, boasts in ads that it contains 'half the carbs' of its rival, Bud Light, the nation's biggest beer brand. Bud Light, which has 6.6 grams of carbs, has fought back by saying that all light beers are lowcarb beers. The bureau could have set a limit declaring that only beers with fewer than six grams can refer to themselves as low carb. Instead, it set the cutoff at seven, so most light beers aren't affected."

#### The Kellogg Comeback

Five years ago, as baked goods were eating into the breakfast cereal market. Kellogg saw a 22% drop in earnings. However, the company has undergone a transformation in the last few years, as a new CEO shifted Kellogg's focus, revamped existing product lines, divested itself of some brands and introduced new products to respond to trends. The company saw a 43% increase in net sales last year over 1999's results. -Detroit Free Press

#### Lawyers Prepare for New Wave of Food Industry Lawsuits

Despite pending federal legislation that would ban consumers from suing food companies over obesity claims, lawyers on both sides say the food industry is a likely target of future lawsuits. Nutritional labels and marketing to children are two examples of possible future targets within the food industry. One George Washington University professor says the threat of lawsuits may force companies to make changes, and representatives from Coca-Cola, Yum! Brands and other large food companies recently met in Washington, D.C., to discuss how to protect themselves against such lawsuits. -The New York Times

#### The Grocery Store Bank is Back

U.S. Bancorp is aggressively expanding its grocery store full-service banks, planning to open 160 branches in Safeway and Vons this year. A record 750 supermarket banks are expected to open this year, as bank firms are pushing their growth as an easy means to access large amounts of customers. While some speculate customers won't want to talk finance while shopping, U.S. Bancorp plans to combat the problem with an aggressive sales force. -Star Tribune

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September

October

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### News Notes

### Giants of Diet Industry Dealt Blow by Atkins

Low-carb dieters seeking rapid weight-loss results have turned away from the diet industry's established players, but some companies are fighting to stay in the garne through their reduced carbohydrate offerings. Slim-Fast Foods, whose sales dedined 27% last year, has launched promotions for shakes they say can be part of a low-carb diet. Weight Watchers also jumped on the rapid weight-loss bandwagon with the introduction of FastTrack, a protein-intensive program that helped boost membership. — The Arizona Republic

### Industry Works to Find Best Way to Warn of Acrylamides in Foods

A proposed law in California would require food manufacturers to put warning labels on all products containing acrylamides, substances shown to cause cancer in laboratory rats. Supporters of Proposition 65 argue consumers have a right to know about possible dangers in their foods, but a former FDA official asserts such labels and wamings would be "absurd" because "When you have too much information, and it doesn't discriminate, it does not inform."

-Los Angeles Times

#### Americans Unhappy With Customer Service Levels

The Washington Post reports that a study done by the University of Michigan Business School suggests that Americans are thoroughly disenchanted with customer service levels in the US.

The average score for complaint handling, according to the survey, is 57 (out of 100) - not a very good score. Local telephone companies got the lowest score...but supermarkets, in fact, got the highest, at 76 points.

The biggest problem seems to be that customer service has gotten so bad in the US that it is driving people away. Part of the issue - as retailers have sought to reduce labor costs and increase efficiency, customer service inevitably took the biggest hit in the budget cutting.

Ronald C. Goodstein, a professor at Georgetown University's McDonough School of Business, said research suggests that 40 percent of customers desert companies because of poor service.

### Opinion: Mid-calorie Colas Will Get Stuck in No-man's Land

Marketing consultant AI Ries writes in Advertising Age that PepsiCo and Coca-Cola's decision to release Pepsi Edge and C2 is "not a good idea," leaving them with a "mushy-middle" market. Ries predicts customers concerned about calories will stick with diet soda, and those who enjoy regular colas will remain loyal to those products. Cadbury Schweppes said its research shows customers aren't interested in a mid-calorie alternative, but a Goldman Sachs survey found 30% of consumers planned to buy the new Pepsi product.

### Chicago Survey Finds Drugstore Pricing Errors

The Consumer Services Department found 78% of Chicago-area drugstores surveyed were ringing up prices higher than they were listed, although the department's commissioner said she didn't think the overcharging was intentional. The commissioner said CVS Pharmacies is new to the area and had asked for help with bar code training, and a Walgreens spokeswoman said workers may not remove sale signs after a sale has ended and the company apologizes for the discrepancies. —Chicago Sun-Times

#### **Marketers Target Zoomers**

The Wall Street Journal reports on a shift by marketers to attract older consumers, noting that "78 million Americans who were 50 or older as of 2001 controlled 67% of the country's wealth, or \$28 trillion" and that "households headed by someone in the 55-to-64 age group had a median net worth of \$112,048 in 2000 -- 15 times the \$7,240 reported for the under-35 age group." Within five years, the WSJ writes, "about a third of the population is going to be at least 50 years old."

This has led companies such as Sony, Ford, Target, Virgin Megastores, Disney, Procter & Gamble and Anheuser-Busch to create products or store experiences that will appeal to this demographic.

These older Americans, or "zoomers," have several things in common, according to the WSJ. They tend to have money, having worked hard. They're willing and able to spend it, they became acquainted with the notion of self-indulgence back in the seventies. The kids are gone. And, these consumers appreciate it when products are designed and marketed to their specific needs and desires - including the illusion that they can keep themselves from getting old.

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—The Detroit News

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Ryan's Foods, continued from page 10.

taking advantage of the latest technology.

"Those who say there aren't enough choices for Detroit shoppers are wrong. This store is all about choices. We sell everything here that you will find in any suburban store," asserts Kathawa. He's right. The 15,000 square-foot store is stocked to the brim with just about

any food that one could want or need. Kathawa says his prices are comparable too. "Our produce is fresher and cheaper than the chains, with a larger selection to accommodate Hispanics and every one else that shops here," he states.

Frequent shopper Amparo Espinoza says that for authentic Mexican groceries, Ryan's is the place to go. "They have a large selection of Mexican spices and I love their marinated meats," Espinoza adds.

Hot rotisserie chicken, fresh hot tamales, store made salsas and full, fresh meat counters meet the needs of all shoppers.

Friendly bi-lingual staff members keep customers coming back. "We're committed to this community and plan to expand in the very near future." says Kathawa.



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Ackroyd's Scotch Bakery & Sausage(313) 532-1181	Southfield Manor (248) 35	52-9020	PROMOTION/ADVERTISING:		Whitey's Concessions	(313) 961-4/83
& Sausage	St. Mary's Cultural Center (313) 42	21-9220	Art One Sign Expo	. (248) 591-2781		•
Awrey Bakeries, Inc	Tina's Catering (586) 94	49-2280	Enterprise Marketing	. (616) 531-2221	STORE SUPPLIES/EQUIPMENT:	
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Wonder Bread/Hostess (586) 792-7580	Country Fresh Dairies (800) 74		PJM Graphics		Brehm Broaster Sales	(989) 427-5858
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BANKS:	Pointe Dairy	00 7700	RESTAURANTS:		DCI Food Equipment	. (313) 369-1666
ATM of America (248) 932-5400	Serra Cheese Co (586) 79	no onno	Copper Canyon Brewery		Envipco	. (248) 471-4770
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Bacardi Imports, Inc (248) 476-6400	International Ice, Inc	- 1 7 7 1 1	Anarm-medic	(313) R42-A000	Capital Distributors	. (800) 5/9-13/0 . (800) 447-9180
Bellino Quality Beverages, Inc (734)947-0920 Brown-Forman Beverage Co (734) 433-9989	Party Time Ice Co	69.4200	AMT Telecom Group	. (248) 862-2000	Central Foods	. (313) 862-5000
Brownwood Acres (231) 599-3101	U.S. Ice Corp	62-3344	Andrews Brothers Inc.	, , 552 2000	Chef Foods	(248) 789-5319
Canandaigua Wine Co (586) 468-8650			Andrews Brothers Inc. Detroit Produce Terminal	. (313) 841-7400	Consumer Egg Packing Co	. (313) 871-5095
Central Distributors (734) 946-6250	INSURANCE:		AON Risk Services	. (248) 359-6080	CS & T Wholesalers	
Click Wine Group (586) 725-7160	1st Choice Insurance Agency (586) 73  AAA Michigan (800) AAA		Ayers Business Systems	. (630) 420-9962	D&B Grocers	(313) 920-3901
Coca-Cola Bottlers of MI	Al Bourdeau Insurance	UN'INIIOTI	Bellanca, Beattie, DeLisle	. (313) 882-1100 (249) 540 7350	December Imports	(248) 446,4500
Auburn Hills (248) 373-2653	Al Bourdeau Insurance Services, Inc (248) 85	55-6690	BMC Grocery Systems Specialists		Deli Style Jerky EBY-Brown, Co.	(734) 453-6328
Detroit (313) 825-2700 Madison Heights (248) 585-1248	Capital Insurance Group (248) 33	33-2500	Business Machines Co. (BMC)	(517) 485-1732	EBY-Brown, Co	1-800-532-9276
Van Buren (734) 397-2700	Gadaleto, Ramsby & Assoc (800) 26	63-3784	C-21 Travis/Real Estate	. (586) 206-9000	Economy Wholesale	. (313) 922-0001
Port Huron (810) 982-8501	JS Advisor Enterprises (810) 24		C. Roy & Sons		Energy Brands	(517) 553-8152
Coffee Connection (248) 583-1765	Frank McBride Jr., Inc (586) 44		Canteen Services		Epstein Distributing Co.	(248) 646-3508
Coors Brewing Co (513) 412-5318	Meadowbrook Insurance		Carttronics, Inc.		Fleming Company	(330) 879-5681
Delicato Family Vineyards (248) 766-3451	North Star Insurance Agency (248) 39	98-5550	Cateraid, Inc	. (517) 546-8217 (313) 864-8000	Food Services Resources	(248) 738-6759
Diageo (800) 462-6504	Paulmark Agency (248) 47		Check Alert	(231) 775-3473	Great North Foods.	(989) 356-2281
E & J Gallo Winery (248) 647-0010 Eastown Distributors (313) 867-6900	Rocky Husaynu & Associates (248) 85		Cherry Marketing Institute		Hamilton Quality Foods	(313) /28-1900
Faygo Beverages, Inc	LOGISTICS PLANNING		Clear Rate Communications	. (248) 968-4290	International Ice.	
Future Brands (248) 471-2280	SaTech Logistics, Inc (248) 20		Closed Circuit Communications		International Wholesale	(248) 544-8555
Galaxy Wine (248) 363-5300	MANUFACTURERS:		Copper Mug Vending		Interstate Brands/	
Garden Foods	Art One Sign Expo, Inc (248) 59		Cox, Hodgman & Giarmarco, P.C D.J. King & Associates		Wonder Bread/Hostess	(586) 792-7580
General Wine & Liquor Co (313) 867-0521 Great Lakes Beverage (313) 865-3900	General Mills (248) 46		Deford Distributing.	(989) 872-4018	Jerusalem Foods	(313) 536-1311 (313) 567-6710
Great Lakes Distribution (810) 794-1300	Home Style Foods, Inc (313) 87	74-3250	Detroit Edison Company		Karr Foodservice Distributors.	(313) 272-6400
Hubert Distributors, Inc. (248) 858-2340	Jaeggi Hillsdale Country Cheese (517) 36	68-5990	Detroit Warehouse	. (313) 491-1500	Kay Distributing	(616) 527-01 <b>20</b>
Intrastate Distributing (313) 892-3000	Kraft General Foods (248) 48		Diamond Financial Products	(248) 331-2222	Kitchen Et Cetera	(313) 567-6046
J. Lewis Cooper Co (313) 278-5400	Nabisco, Inc		Digital Security Technologies	(248) 770-5184	L&L Jiroch/J.F. Walker	(517) 787-9880 (517) 546-2867
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Michigan Grape & Wine	Bar S Foods (248) 41	14-3037	Freedom Systems Midwest, Inc Gadaleto, Ramsby & Assoc		Nash Finch	(989) 777-1891
Industry Council	Family Packing Distributors (248) 73		Goh's Inventory Service			
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(888) 642-4697	Hygrade Food Products (248) 35	SS.1100	Kansmacker		Preferred Brands	(313) 893-4220
Oak Distributing Company (810) 239-8696	Kowalski Sausage Company (313) 87	73-8200	Karoub Associates	(517) 482-5000	Robert D. Arnold & Assoc.	(810) 635-8411
Pepsi-Cola Bottling Group  - Detroit	Nagel Meat Processing Co (517) 56	C6DC-800	Market Pros.		Roundy's	(419) 228-3141
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Pernod Ricard USA (630) 922-6484			National Processing Services, LLC	(248) 540-7900	Spartan Stores Inc	(734) 455-1400
Petitpren, Inc (586) 468-1402	MEDIA:	000	Nordic Electric, L.L.C.	(734) 973-7700	Suburban News: Southheld	(248) 343-3000
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Seven-Up of Detroit. (313) 937-3500 Stony Creek Brewing Co. (313) 299-5411	Detroit Free Press (313) 22	22.6400	Preferred Merchant		SuperValu Central Region	(93/) 3/4-/8/4 (586) 566-5710
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	Michigan Chronicle (313) 96	63-5522	Premier Energy Marketing	(866) 348-7605	Tony's Pizza Service	(616) 795-0220
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Bob Arnold & Associates (248) 646-0578	—Flint: (810) 78 Trader Publishing (248) 47	85-4200	REA Marketing	(303) 380-9000 (248) 948-5124	Value Wholesale	(248) 967-2900 (586) 727-3535
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### Sound is New Weapon in War for Consumers' Dollars

That little voice inside your head telling you to adhere to your diet resolutions and put those Little Debbie Snack Cakes back on the shelf may soon be overridden by another voice enticing you to add the sweet indulgence to your shopping cart for a discounted price. Sound is the new weapon in the

war to win consumers' dollars; it is also a new weapon in actual warfare. Sound beams are being used to target specific offers to shoppers in supermarkets and other retail stores.

For example, Wal-Mart employs the focused sonic beams to promote its in-store McDonald's. While shopping at a Safeway in Fremont, Calif., Donna Now received a pitch on Sara Lee honey turkeys and brown-sugar hams, reports The Wall Street Journal.

"It's pretty powerful. I mean, I'm a vegetarian, but this makes you want to buy that ham," said Now.

While marketers and retailers are applying the technology to boost sales, the military is testing sound

beams' usefulness in combat zones. Soldiers in Iraq are slated to use sound beams to give orders to people coming toward checkpoints, such as "Stop or I will kill you" communicated in Arabic. The beams may be able to trigger headaches in persons who do not cooperate with authorities.

This focused-sound product, called HyperSonic Sound, is the brainchild of Elwood Norris, founder of American Technology Corp. The invention emits a focused ultrasound

wave on frequencies out of the range of human hearing. As the ultrasound mixes with air, it becomes an audible column of sound that can be targeted to a specific area with no sound projecting behind or to the sides of the emitter, according to the Journal.

Among the projects Norris is working on is the creation of car speakers that would enable the driver and each passenger to each listen to different music without interfering with the others' music choices.

### Online Cigarette Vendor Faces \$1.5 Million Fine

A Virginia online cigarette vendor is paying dearly for not adhering to the laws regarding underage sales-as brick-and-mortar retailers must do.

Last month, Suffolk County, Mass., Superior Court Judge Elizabeth Fahey ordered S4L Distributing Inc. of Big Stone Gap, Va., to pay almost \$1.5 million in civil penalties and permanently prohibited the company from selling cigarettes to underage consumers, reports BNA.

Reilly filed suit against the online vendors after teenagers were able to purchase cigarettes via the Web at the request of investigators and without being asked by the sites for age verification. The teens participated in the investigation with their parents' permission.

The attorney general specifically charged S4L with selling cigarettes to minors, not verifying the ages of buyers and not telling purchasers that there were penalties for buying

cigarettes without the Massachusetts' excise stamp.

"The rules don't change over the Internet. Cigarette retailers need to comply with the laws online and off, including those that protect minors from tobacco and protect against consumer deception," Reilly said in

The court granted an injunction that permanently prevents S4L from selling cigarettes to underage

consumers; makes the company follow specific steps to verify customers' ages and stipulates that specific information be given to purchasers. S4L's three Web sites are no longer in operation.

Reilly and 47 other state attorneys general wrote to the speaker of the U.S. House, urging passage of Bill S.1177, which bans the interstate sale of cigarettes without the excise stamp of the consumer's state.



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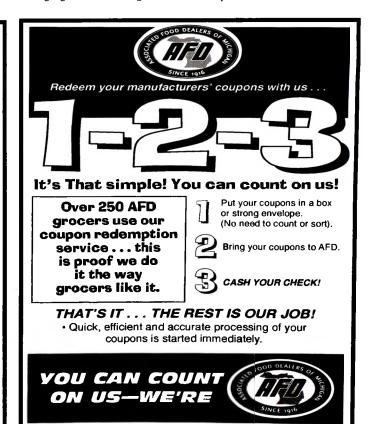
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Contact your NPS - AFD Representative and start saving todavii

ALL YOU HAVE TO DO IS... FAX your monthly statement to 248-540-7910 and tell us you are an AFD Member OR call or email to NPS at 248-540-7900 or toll free 866-NPS-VISA (677-8472); (ask for Jimmy, Olivia or Laith: Jimmyn@npsvisa.com, Olivia@npsvisa.com. or Laith@npsvisa.com)



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"Spartan Stores has been our supplier for eight years. This has been the most profitable period in our 45 years."

-Dick's Market



new leadership at
Spartan Stores has
been a big positive for
distribution customers
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—Central Shop Rite, Vassar

"Customer Service and Computer Support have always been responsive to our needs."

—Jorgensen's Supermarkets Stanton "Spartan Stores has been instrumental in our growth. Spartan private label is well accepted and an asset to our business. Spartan's service and delivery is handled very timely."

— Jerry's Foodland Sandusky



For information on how Spartan Stores can help your business succeed call 616-878-2248 or visit our web site at www.spartanstores.com