

The official publication of the Associated Food Dealers of Michigan

April 2005

Just In

Nash Finch Buys Two Roundy's Dist. Centers

Nash Finch Co. announced that it has signed a deal to acquire for \$225 million, two of Roundy's wholesale divisions and distribution centers - in Westville, Indiana and Lima, Ohio – as well as two of Roundy's retail stores - in Ironton and Van Wert, Ohio. The two divisions are said to generate about \$1 billion in annual sales, servicing more than 500 retail customers in Indiana, Illinois, Ohio and Michigan.

Nash Finch CEO Ron Marshall said in a prepared statement: "We have long admired the outstanding customers and dedicated associates of these divisions and are excited for them to join our organization. Customers of both Nash Finch and these Divisions will benefit from our ability to buy product much more efficiently as a combined organization, improving their ability to win in an increasingly competitive market."

Inside

AFD analyzes Single Business Tax Reform3
Rep. David Law is a friend to small business
Kar's Nuts moves to Madison Heights
Big Changes bring big dividends to Serra's Market
Structuring your business for success
Meet AFD's new directors16

Associated Food Dealers 30415 W. 13 Mile Road Farmington Hills, MI 48334

Change Service Requested

AFD Debuts West Michigan Holiday Trade Show

On September 20, AFD will debut a new Holiday Trade Show to its members on the west side of Michigan. Called the AFD West Michigan Holiday Beverage Show, it will be held at the beautiful, new DeVos Place in downtown Grand Rapids

"The new AFD West Michigan Holiday Beverage Show will be an abbreviated version of AFD's popular Holiday Beverage Show, which is held each September in the Metro Detroit area," said Mike Sarafa, AFD president.

"Knowing which products will fly off the shelves and which ones will collect dust can

make or break a retail store's most important sales season – the holidays," he added.
"We are providing this new trade show as a service to our members in Western and Northern Michigan, to make it easier for them to see and sample new products and take advantage of show specials."

For the past seven years, AFD has hosted its premier Holiday Beverage Show for two days in September. This year that show will take place September 21 and 22 in Metro Detroit. The new AFD West Michigan Holiday Beverage Show will be held the day preceeding, on Tuesday, September 20.

in Grand Rapids

"We will be introducing over 25 new products at the two Holiday Beverage Shows," said Stephanie Cane of General Wine & Liquor Company. "This is an excellent opportunity to take advantage of show specials and to sample before you order," he added.

AFD provides free admission to both shows for its members. There will be an admission fee for non-members. Discount coupons are available through beer, wine and liquor distributors. For more information, please call Cathy Willson at AFD (248) 671-9600.

Be a winner at AFD's 21st Annual Trade Show!

There will be plenty of show specials and new products at the 21st Annual Buying Trade Show on April 19 and 20 at Burton Manor in Livonia.

AFD is planning ten full hours of buying along with fun and 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 help your bottom line for months to come.

Sherwood Foods will have over 40 booths featuring new products and offering outstanding show-only special savings.

Call Cathy for more information at (248) 671-9600.

U.S. C-Store Count: 138,205

NACS releases annual update

The number of U.S. convenience stores now stands at 138,205, according to the new National Association of Convenience Stores (NACS)/TDLinx Official Industry Store Count that tallied all stores as of Dec. 31, 2004.

The new figure is a 5.8% increase over the 130,659 stores identified in 2003. Some 10 years ago, the official c-store count stood at 98,200; 20 years ago there were 85,300 stores.

The strong increase in the number of stores is mainly a reflection of the evolution of existing non-c-stores that were reclassified or remodeled and now meet the definition of a c-store—a broad merchandise mix and a minimum of 500 SKUs.

"While the increase partly is attributable to

the opening of new convenience stores, the increase largely came from better visibility to independents and from existing stores that now meet our convenience store definition, said Scott Taylor, TDLinx executive vice president and general manager.

Every region in the United States saw an increase in the number of stores, led by the Mid-Atlantic region (New Jersey, New York and Pennsylvania), which saw a 9.8% increase, and the East South Central region (Alabama, Kentucky, Mississippi and Tennessee), which saw a 9.7% increase. Meanwhile, the South Atlantic region (Delaware, Florida, Georgia, Maryland,

c-store count, continued on page 12.

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

An Elegant Evening Aboard the S.S. AFD!

Over 1,000 industry leaders in tuxedoes and gowns crossed the gang plank to board the S.S. AFD for the Captain's Dinner and a night celebrating the food and beverage industry. On Friday, February 11, Penna's of Sterling was transformed into the S.S. AFD for this special event

Please see pages 24 and 27 for details and more photos.



MAKE EVERY BODY HAPPY Pure Water . Perfect Taste

Chairman's MESSAGE

Mug & Jug Liquor Stores

AFD analyzes proposed Single **Business Tax Reform**



Thomas Welch Vice Chair Legislation Hollywood Super Markets

Fred Dally

> EXECUTIVE COMMITTEE

Gary Davis Vice Chair Long Range Planning Tom Davis & Sons Dairy Co.

Chris Zebari Vice Chair Community Relations New Hudson Food Market

> Al Chittaro Treasurer Faygo Beverages, Inc.

Jim Garmo Shoppers Valley Market

MERITUS DIRECTORS

Terry Farida	Value Center Markets
•	
Bill Viviano	House of Pnme
Mark Karmo	Golden Valley Food Center
Nabby Yono	Orchard Food Center

	Joy Thrifty Scot
Joe Bellino, Jr	Broadway Market, Region 2
Mary Dechow	Spartan Stores, Inc. Region 3
John Denha	8 Mile Foodland
James Hooks	Metro Foodland
Kristin Jonna	Merchant's Fine Wine
Alaa Naimi	Thrifty Scot Supermarket
Mike Shina	
Brian Yaidoo	Park Place Liquor

SUPPLIER DIRECTORS

Bobby Hesano	D & B Grocers Wholesale
Earl lebbla	Sherwood Food Distributors
Mike Rosch	General Wine & Liguor Co
Jim Trischett	Anheuser Busch, Inc
Clark Walker	Coca-Cola, Region 6
Tom Waller	CROSSMARK Sales Agency.
	Region 5

President

Executive Vice President

Michael G. Sarafa

Michele MacWilliams	Vice President of
	Communications
Cheryl Twigg	Controller
Joseph D. Sarafa	Director of Special Projects
Cathy Willson	Director of Special Events
Ray Amyot	Director of Advertising
Melissa Varney	Services Manager
Harley Davis	Coupon Manager
James V. Bellanca Jr.	
Bellanca, Seattle & DeLis	Legal Counsel
Karoub Associates	Legislative Consultant
Gadaleto & Ramsby	Health Care
Pat Gregory	
UHY Advisors Mi	Certified Public Accountant
Metro Media Associat	es Publishing
	Printing
Mort Crim Communic	ations Inc. Public Relations



By Ronnie Jamil AFD Chairman

Recently, AFD was invited to participate in a roundtable discussion with the State Treasurer regarding the Governor's single business tax reform proposal. Scott Mudford, a single business tax

expert from UHY Advisors, attended on behalf of the Associated Food Dealers of Michigan. Below is a summary from his report and some additional analysis. As the proposal develops, AFD will continue to monitor it and will engage with the policy makers as the details of the proposal and its impact on our membership become clearer.

Summary of Single Business Tax Reform Roundtable Discussion

The Treasurer's office presented an analysis using 2001 single business tax returns. They indicated that approximately 70% of the taxpayers in the State of Michigan would benefit by this proposal leaving the other 30% to show their burden of tax to make the proposal revenue neutral. The accuracy and

completeness of the analysis was difficult to gauge.

We've done some preliminary analysis of actual single business tax returns prepared for party stores and for supermarkets based upon the proposed legislation. During the meeting, there was some discussion about some intricacies that were not clear in the initial release of the proposal. Some of the examples I looked at would have a higher tax burden under this proposal although there is a small savings for many small volume stores. Clearly, the savings in hard dollars for those receiving less of a burden is much smaller than the increased burden on those that will end up paying higher taxes. One could argue that larger stores are better equipped to handle the increase. I could comment on other taxpayers and the effect on their single business tax returns but the focus of this memo deals directly with the AFD membership.

In general, based upon my computations, it appears AFD members, in general, will pay more in tax, not less, as a result of these proposals. It was apparent in the discussions in the meeting that there are many unanswered questions and some of the proposed legislation is still unclear and may change before it gets to final form. The Michigan Manufacturers Association has taken a strong position in favor of the proposal as their members stand to benefit the most and the Michigan State Chamber of Commerce has taken a position against the proposal.

The Grocery Zone



We're gearing up for the 21st **Annual Trade Show**

AFD is planning 10 full hours of buying, along with fun and terrific prizes.

Plan now to be the biggest winner with all the savings at the 21st Annual Trade

April 19 & 20, 2005 at Burton Manor in Livonia. For more information call Cathy at (248) 671-9600.

LegislatorPROFILE

Representative David Law goes to Lansing as a friend to small business

By Kathy Blake

Newly-elected State Representative David Law (R-Commerce), plans to support legislation that is supportive to small business. "I know I'll be a friend to the small business community," he said adding. "We must be more business-friendly, especially for small business." He strongly supports resuming the single business tax phase-out. "We have to do whatever we can to stimulate the economy and create jobs. Having low taxes will spur investment and economic activity,"

Rep. Law replaces former State Representative Marc Shulman who finished his third and final term serving the 39th District. Law was appointed Vice-Chair of the Transportation committee. He also was named to the Commerce, Insurance and Judiciary committees.

As vice-chair of the Transportation committee, Rep. Law plans to do whatever he can to help improve roads and reduce congestion. "We need to be proactive. A growing economy needs healthy roads to move goods and people around. Better roads will decrease the cost of items we buy at the store," he said.

Rep. Law said his committee will be looking at other states to see what has worked for them and what's been tried. "Road projects should look at long-term solutions instead of short-term fixes, so that orange barrels are not slowing us, and our economy, down every summer. State and county governments need to better coordinate their road efforts. As a state, we need to be more aggressive in obtaining federal road funds," he said.

According to Rep. Law, the lack of money in the state coffers has been a problem for several years now. There are 17 road congestion relief projects across the state that were put on hold in 2003 due to lack of funds. Even with the recent announcement by Granholm that part of the \$800 million Jobs Today

Initiative would be used on those projects, Rep. Law still believes the state should prioritize spending.

He says this is true for all components of the budget. "The budget should not be balanced on the backs of individual taxpayers and businesses.

Growing up in a political family left an impression on David Law's young mind. His mother, Sharon Law was recently re-elected as West Bloomfield Township Clerk, marking her 16th year. His father, Thomas Law, served as Chair of the Oakland County Board of Commissioners. Thomas now works in the Oakland County Executive's office as manager of the Brownfield Redevelopment Division. Two of Rep. David Law's uncles have served in past years as state representatives; Robert Law of Livonia and Gerry Law of Plymouth. The new Rep. Law recalls family dinners when his uncles and parents would get together. "I always looked forward to those dinners and discussions of what was wrong and how to make things better." Rep. Law said those memories were fresh in his mind when he decided to run for state representative. "It's a nice job to be able to help people."

Helping society is what drew Rep. Law to become an attorney. He earned his undergraduate degree in Business Administration from the University of Notre Dame in 1991. He graduated from the Detroit College of Law with a Juris Doctorate in 1995.

After graduating, he started his career as a sole practitioner working on criminal law and probate matters. He then joined the firm of Sills, Fiedler & Charboneau, P.C. where his area of focus was insurance defense and domestic relations.

He was appointed to serve as an assistant prosecuting attorney for Oakland County where he handled over 2,000 felony cases and 50 felony trials during his six years at the office. "It was an opportunity for me to use my law degree while



helping society. It was satisfying to help put bad guys behind bars," he said. He also lectured statewide on law enforcement issues for the Oakland County Police Academy, the Paralegal Program at Oakland Community College and the Prosecuting Attorneys Association of Michigan. He serves as a judge for the Prosecutor's Teen Court Program and a student mentor as well.

Law is an active member of the Oakland County Republican party. He is a former precinct delegate and has attended Republican State Conventions as a delegate.

He is a member the West Bloomfield Chamber of Commerce, the Michigan Humane Society, Mothers Against Drunk Drivers and several profesional associations.

Rep. Law is a Red Wings Hockey fan, and enjoys watching football, especially when his alma mater Notre Dame is playing. He also enjoys playing golf and travelling.

To contact State Representative David Law, call toll-free 1-888-496-4968, email to davidlaw@house.mi.gov or write The Honorable David Law, State Representative, State Capitol, PO Box 30014, Lansing, Michigan,

48909-7514.

Calendar

April 4-5, 2005

40th Annual Food Marketing Conference Western Michigan University Kalamazoo MI (202) 452-8444 www.hcob.wmich.edu/fmk

April 19 & 20, 2005 AFD Spring Trade Show Burton Manor, Livonia, MI (248) 671-9600

May 1-3, 2005

FMI Supermarket Industry Convention and Educational Exposition McCormick Place, Chicago, IL (800) 974-9769

July 13, 2005 AFD Scholarship Golf Outing Fox Hills, Plymouth, MI (248) 671-9600

September 20, 2005 AFD W. Michigan Holiday Beverage Show DeVos Place, Grand Rapids, MI (248) 671-9600

September 21 & 22, 2005 AFD Holiday Beverage Show Metro Detroit (248) 671-9600

Statement of Ownership

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 30415 W. 13 Mile, Farmington Hills, MI 48334 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 30415 W. 13 Mile, Farmington Hills, MI 48334

ADVERTISERS: For information on advertising rates and data, call AFD. Ray Amyot, 30415 W. 13 Mile, Farmington Hills, MI 48334, (248) 671-9600 or (989) 386-9666.

AFD works closely with the following













when it comes to business, we speak your language.



As Market Executives, we're the face and voice of DTE Energy in your community. As employees of one of the nation's most reliable energy suppliers, we offer over 100 years of experience in gas and electric service. From products that can help your business use energy efficiently to arranging service connections to answering billing questions, we're here to serve you. Call us at 888.777.6996.

DTE Energy



dteenergy.com

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

Member PROFILE

Kar's Nuts moves to new Madison Heights location

To many Metro Detroiters, Kar's Nuts is both a local staple and a provider of delicious healthy snacks. Starting out in the Karpe family kitchen in 1933, the company has

come a long way from the Detroit home where they began roasting nuts in their kitchen for sale across the street at Tiger Stadium. The cry, "Nuts to You," could be heard over the din of cheers at games.

Kar's, a.k.a. Kar's Nuts or Kar Nut

Products Co., recently moved into a 131,000 square-foot production facility in Madison Heights. Kar's new and improved location is over two times larger than its previous location in Ferndale, which had been the headquarters since 1946. Bud

Nicolay purchased the business in 1967. His son, Nick Nicolay took over as president and CEO in 1995, when Bud retired. Since that time. business has grown from processing three million pounds of product to 20 million pounds annually

'After almost 60 years in our Ferndale location, we knew that the company had outgrown the building," said Nicolay. "We are excited about the new facility because it will allow us to serve our clients and the community more effectively." Kar's moved its 150 employees into the Madison Heights facility in December.

Located at 1200 E. 14 Mile, the new facility allows Kar's the opportunity to provide a behind-the-scenes look at what they do with scheduled plant tours available to the public, beginning this spring.

Sennett Steel formerly occupied the building for nearly 30 years. The building was vacant for almost two years before Kar's moved in. The company is receiving a 10-year tax abatement.

Nicolay said the new headquarters is in a great location for highway access by the company's 22 local delivery trucks. The larger and more modern facility is better equipped with new mixing and roasting machines. There are two new oil roasters and mixing equipment that maintains consistent ingredient proportions for each mix.

We've had double-digit growth in the last several years," said Nicolay. Kar's currently processes nearly 20 million pounds of product annually. which equates to about \$40 million in annual revenue and about 100 million packages sold.

He believes one of the reasons for such growth is the low-carb and high protein diets that so many people are on. Another reason for their success is their direct store delivery program. In today's tight labor market, store owners benefit from having the racks stocked with pre-priced items by the distributor. Kar's products are sold by the individual package and guaranteed to sell. If not, Kar's picks up and replaces with different products that are more likely to move. By focusing on providing full service with good client response, Kar's Nuts has found

Kar's Nut,

continued on page 22.

You deserve **VARIETY...**

Kar's delivers!

- Store Door Service
- Tasty Fresh Guarantee
- **Attractive Merchandising**
- Contact your sales rep for the latest promotional deals!

Full line distributor of meat snacks!

New flavors and varieties.

Contact your sales rep for details and promotions info.



only Product selection shown may differ Ask sales rep for specific details.

VALUE





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

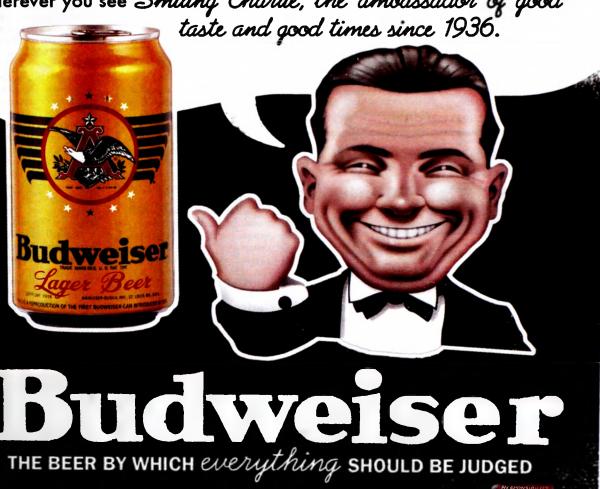
A *Driving Force* in Snacks!

KAR NUT PRODUCTS CO. - 1-800-KAR-NUTS

www.karsnuts.com - madison Heights, MI 48071

For a limited time, **GO BACK IN TIME!**

Say hello to some old friends from a long time ago... Smiling Charlie and the commemorative Budweiser Eagle Claw can. The Eagle Claw was the very first can design for THE BUDWEISER. Filled with America's #1 full-bodied premium beer, it's available for a limited time wherever you see Smiling Charlie, the ambassador of good



Retailer PROFILE

Expansion & remodeling bring big dividends to Serra's Market

By Michele MacWilliams

When Fred Dally bought Serra's Market in 1998, it was a small, nondescript, 2,000 square-foot convenience store on 10 Mile just east of Mound in Warren. Next door was a vacant retail space, the same size. Dally purchased the entire building but at first just operated the convenience store and kept the other side vacant.

"I wasn't quite sure what I wanted to do with the vacant side. I thought that the parking lot was too small to accommodate two retail stores and I didn't have much luck in finding a tenant that didn't need much parking," Dally said.

The right side stayed vacant for six years as Fred and his sons David, Jason and Ziad operated the small store, as well as their Detroit store. Medicine Chest.

In 2005 they decided to use the vacant side to expand Serra's, knocking down the interior wall that separated the two retail units

Changes were huge. They put in all new modular shelving, coolers, tile flooring, and granite countertops. To create the illusion of even more space, they knocked out the ceiling to expose the pipes and ductwork. They then painted it all black. The front wall is primarily windows, bringing in light and opening the space up even more. To give the store a clean, sophisticated look, they ran the floor tile up the walls.

On the outside, a large, neon sign and strategically placed lights brighten up the area and welcome customers. A newly paved parking lot makes the whole area look clean and tidy.

Ziad is the store manager, which keeps him pretty busy. Once renovations were complete. Serra's Market began keeping longer hours, staying open on Sundays and holidays and until 11:00 p.m. most nights. The small Serra's closed at 9:00, but the Dallys found that once the new exterior lighting was installed, customers were drawn to



(I to r) Fred and Ziad Dally in Serra's Market

the store later into the night.

"I have customers come in and tell us that we're glad that we opened a store here. They didn't notice the store before we renovated," says Fred.

Ziad says that about 90 percent of Serra's business comes from the employees of nearby factories. To cater to them. Serra's offers lottery terminals, Western Union, bill payment, check cashing, money orders, prepaid phone cards, ATM machine, cellular phones, and just about any other service they might need. "We are a Diamond Financial agent for prepaid credit cards too," adds Fred

On interior aisles, they stock a small assortment of groceries, cleaning supplies and other basic necessities. Plus, they have a limited selection of clothing, including men's underwear (boxers and briefs), socks and hats.

"The clothes were my dad's idea and they've gone over really well," grins Ziad.

With the renovation, they also added a row of premium wines, Champagne and a cigar humidor.

"We have a banquet hall next door and one down the street. People going to events, like bachelor parties, come in looking for cigars. Now we can offer them a good selection," adds Ziad.

One of the store's major draws is its liquor selection. Gift sets are displayed on shelves that the customers can access easily. The bulk of Serra's liquor is stocked on modular units that reach to the 12foot ceiling behind the registers. A ladder on tracks provides access to bottles on the highest shelves.

With all three of the Dally sons also attending college, Fred says the only regret he has is that he didn't renovate earlier. "We spent a lot of money on this store, but it was money well spent. Already we are experiencing a huge increase in our business. I wish that we had done this six years ago." Fred adds that he expects to recoup his investment in just a couple of years.

"People that come in here appreciate the new look, the selection and the atmosphere," beams Fred. "They come back because it's a nice place to shop."





CUSTOMIZED PRICE TAGS FOR YOUR LIQUOR SHELF

JAYD TAGS

Just tell us your pricing strategy

- **▲State Minimum**
- **▲State Minimum + % Increase**
- **▲State Minimum + Select Increases**

We will inventory your liquor shelf and set-up your store for no extra charge!

Jonathan Yono 248.939.8888

Anthony Dickow 248.730.2403

Office Tel/Fax: 248.624.8997

www.jaydtags.com





The law demands that you be at least 21 years of age to attend this show. Proper attire please. No bags in or out.

How to structure your business

By Michael J. LoGrasso, CLU, ChFC and John M. Bussa

In conjunction with Sagemark Consulting a division of Lincoln Financial Advisors, a registered investment advisor

Proprietorship. Partnership. S corporation. Limited liability company. C corporation: Which form is best for your new business? The decision can be difficult. Each business form offers you both advantages and disadvantages.

Proprietorships and Partnerships.

A sole proprietorship is a simple and inexpensive way to begin operating a business. Unless you operate the business under a name other than your own, generally no legal documents or forms need to be filed other than any licenses or permits required by your state or local government. As the sole proprietor, you have complete control over the business. However, a sole proprietorship is limited to one owner. So, if you have multiple owners, a sole proprietorship isn't right for you.

Business income is reported on

return and taxed at personal incometax rates rather than corporate rates.

The greatest disadvantage of a sole proprietorship or partnership is that, as the owner or general partner, you are personally liable for all obligations of the business. Creditors of the business can go after your personal assets if the business assets are not sufficient to cover the business' debt liabilities

Corporate Forms. Incorporating your business limits your personal liability for business obligations, but generally involves greater start-up and operating expenses, as well as added paperwork. A corporation is a distinct legal entity that is responsible for paying its own debts and obligations. Shareholders risk only the loss of the funds they have invested.

C Corporations. A C corporation is taxed separately from its owners at corporate tax rates. This can result in double taxation. Corporate income may be taxed once to the corporation and again to the

shareholders when it is paid out as dividends or the corporation liquidates. The corporation cannot deduct these dividend payments. However, it can deduct reasonable compensation paid to you and other owners. So, small corporations often pay out all or most of their net income to the owners as compensation, especially if the owners' top personal tax rate is lower than the corporation's rate. (The top federal personal rate is 38.6% in 2002, while the highest corporate rate generally is 35%.)

S Corporations. With an S corporation, income, losses, deductions, and credits pass through to you and other owners to be reported on your federal tax returns just as they do with a partnership. Thus, S corporation income generally is taxed only once. Businesses operating as S corporations must meet several special requirements. For example, an S corporation cannot have more than one class of stock outstanding nor more than 75 shareholders. (A husband and wife are considered one

shareholder.) Also, unlike other business forms, it cannot selectively allocate income and deductions.

Limited Liability Company. As an alternative to incorporation, consider operating your business as a limited liability company (LLC). For the most part, forming an LLC is simpler and involves less paperwork than incorporating your business. Like a corporation, an LLC provides owners with protection from personal liability for business debts and obligations.

However, most LLC owners can choose to have their businesses treated as partnerships for federal income-tax purposes. Partnership treatment means that income, losses, deductions, and credits pass through to the individual owners (called "members") to be reported on their individual income-tax returns, so LLC income is not subject to double taxation. Partnership tax treatment also permits an LLC to specially allocate income and expenses among its owners to the same extent that a partnership can.



The most important investment decision you may ever make won't be the choice of a stock, bond or mutual fund. It will be how you decide to allocate your assets. Most industry experts believe that up to 90% of long-term returns are directly attributable to this one decision. Asset allocation helps reduce volatility, minimize risk and optimize return. Sagemark Consulting can help you and your advisors develop and maintain a personalized, long-term asset allocation plan-one that balances things just the way you want. Find out more. Call us today.

Michael J. LoGrasso CLU, ChFC and John M. Bussa Sagemark Consulting 26555 Evergreen Road 16th Floor • Southfield, MI 48076 800-382-8122

A balancing act for the serious investor.

Consulting

A member of Lincoln Einancial Group

© 2003 Lincoln Financial Advisors

Advisory services offered through Lincoln Financial Advisors Corp., a registered investment advisor Insurance offered through Lincoln affiliates and other fine companies Securities offered through Lincoln Financial Corp. a broker/dealer (member SIPC). Lincoln Financial Group is the marketing name for Lincoln National Corp. and its

CRN0100712



News **NOTES**

Montana mulls big-box retailer tax

Montana lawmakers are considering levying a special tax on retailers that post more than \$20 million in sales to help fund benefits for citizens on welfare. The retailers contend it is unfair to single them out, with one Wal-Mart official saying the store has added millions to the state's economy and has supported local suppliers. -CNNmoney

Calcium tends to settle in soy. rice drinks

Since calcium is added to soy and rice beverages, and does not occur naturally as it does in cow's milk, consumers need to shake the container, especially a nonrefrigerated one, before serving to get the calcium in the glass, a new study finds. The study also found calcium carbonate is better absorbed by the body than tricalcium phosphate, which is more commonly used. -USA TODAY

We give little thought to dinner

Market research firm NPD Group reports in a new study that more than 33 percent of American consumers don't decide what to eat for dinner until the last minute, that more than half of consumers want something requiring little effort, and that about half eat dinner in front of the television set.

Only six percent of respondents said that they choose foods based on nutritional value

The small print about aging eyes

The Associated Press reports that book publishers are looking for ways to revive paperback sales, which have been in decline of late in part because aging baby boomers have trouble reading the small print.

One possible solution - a new paperback format that will be larger and more expensive than traditional paperbacks, smaller and cheaper than the large size "trade paperbacks" seen on bookshelves. However, the greater size will be about a half-inch in height, with no change in width, which will allow the new format to fit into existing store racks.

Coke repackages Powerade

Newly designed bottles of Powerade will hit store shelves this month with tighter fitting labels and easier to grip sides, Coca-Cola said. One analyst also reported a new version of Powerade is in the works, but Coke had no comment about that possibility. -Journal and Constitution

C-store Count,

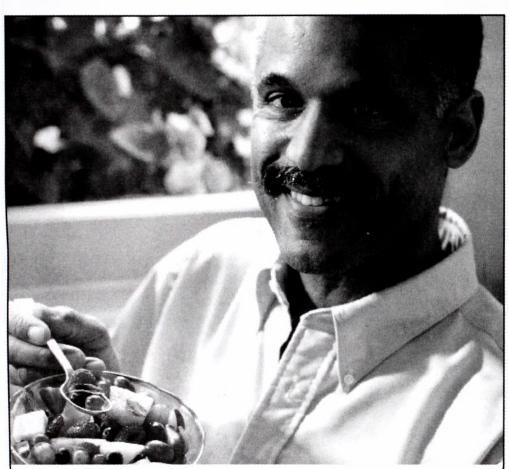
continued from front page.

North Carolina, South Carolina, Virginia, West Virginia and the District of Columbia) continues to be the region with the most cstores (31,855), nearly one-quarter of all U.S. c-stores

"There's no question that consumer demand for convenience continues to increase, and this demand is leading to more stores fitting the definition of convenience stores," said Teri Richman, NACS senior vice president of research and public affairs. "As competition for the convenience customer continues to intensify, it is clear that stores are increasingly looking to meet the demand."

Texas alone is home to one-tenth of all U.S. c-stores (13,728). The rest of the top 10 states in terms of total stores are California (9,222), Florida (9,040), New York (7,324), North Carolina (6,016), Georgia (5,995), Ohio (4,895), Michigan (4,589), Virginia (4,338) and Illinois (4,254). The order of the top 10 remains the same as in 2003.

The c-store industry continues to be dominated by small, "independent" operators-stores that are owned and operated as a one-store business or franchise. The number of one-store owners leaped 11.5% to 84,770 stores, 61.3% of all U.S. stores. Also, roughly two-thirds of all U.S. stores (99,576 stores total) are operated by a chain of 10 or fewer stores. At the other end of the scale, stores owned and operated by companies owning 500 or more stores dropped 6.6% to a total of 16,171 stores, 11.7% of all c-stores.



Experience the difference at Peoples State Bank

Farmington Hills · Grosse Pointe Woods Hamtramck · Madison Heights St. Clair Shores · Southfield Sterling Heights · Warren

1.888.876.4545 www.pshnetbank.com Member FDIC



Pepsi hopes to juice sales with lime

PepsiCo plans to introduce Pepsi and Diet Pepsi flavored with lime later this year Rival Coca-Cola already offers Coke and Diet Coke with Lime. Pepsi believes its limeflavored soda will pair well with the limeflavored chips offered under its Frito-Lay brand. - Journal and Constitution

Sugar industry to launch prosugar campaign

The Sugar Association plans to spend up to \$5 million on new ads touting the natural and healthful benefits of real sugar, such as having just 15 calories per teaspoon. Some sweetened drink makers, such as Utmost Brands and Dublin Dr Pepper Bottling Co., insist there is consumer demand for the use of real sugar.

-Journal and Constitution

Finding trans fat replacement no simple task

Finding a substitute for trans fat, also known as partially hydrogenated oil, "is more daunting and considerably more expensive than food companies first imagined," the New York Times reports. "That is because it is the perfect fat for modem food manufacturers. Produced by pumping liquid vegetable oil full of hydrogen with a metal catalyst at high heat, the fat stays solid at room temperature - an essential trait for mass-produced baked goods like crackers or cakes. But that is the very process that creates the dangerous trans fat."

There's also another problem. "So far, only the most health conscious consumers are shopping to avoid trans fat," the NYT writes. "But food companies are betting that will change when the labeling law takes effect, and they have already spent tens of millions of dollars trying to get rid of trans fat without changing the taste of America's favorite processed and fast foods."

Some companies are already making progress. As the NYT notes, "PepsiCo has already scrubbed trans fats from its Frito-Lay brand chips. Health-oriented grocery stores like Whole Foods and Wild Oats refuse to sell any processed food that contains it. Last month, Gorton's removed trans fat from its fish sticks, and Tyson Foods introduced frozen fried chicken products without it. Executives at Kraft Foods, ConAgra, Kellogg and Campbell Soup want to get trans fat out of most or all of their products by the beginning of next year."

But other companies – especially in the fast food industry – are having troubles.

McDonald's, for example, committed to using healthier cooking oil by February 2003, but still hasn't delivered on that promise.

– morningnewsbeat.com

U.S. Navy inspires paper coffee cup innovation

With the help of International Paper, Clovernook Center for the Blind was able to fulfill an order from the U.S. Navy for ecofinendly coffee cups that are heat resistant. "Essentially we had to come up with a cup that had a coating that was FDA approved, but could also be tossed overboard into the ocean and not harm sea life or the environment," a Clovernook official said. -The Cincinnati Enquirer

Starbucks introduces branded coffee liqueur

Building on research that says half its customers are liqueur drinkers, Starbucks teamed with Fortune Brands' Jim Beam to launch Starbucks Coffee Liqueur. The coffee-flavored liqueur will compete directly with Kahlua and will be sold in restaurants and liquor stores, but not Starbucks coffeehouse outlets. (Editor's note: guests at the AFD Annual Trade Dinner on February 11 were able to taste the new Starbucks Liqueur firsthand.)

News **NOTES**

Vegetable and fiber diet matches effects of cholesterol drugs

A diet rich in vegetables and fiber, created by researchers to lower LDL cholesterol, succeeded in reducing levels of "bad" cholesterol by 30%, roughly matching the reduction achieved through use of statin drugs. -Los Angeles Times/Reuters



The most **Powerful Card** in Your Wallet

Managed Traditional Plan

Community Blue PPO

Blue Care Network HMO

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

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

For information about Blue Cross coverage available to AFD members, please call Melissa Varney at 1-248-671-9600.

You and the POWER of Blue!

www.bcbsm.com





organist corporations and independent learnings of the fillus Cross and Blue Sheet Association



"Thanks A Million."

Congratulations to this esteemed group of Michigan Lottery retailers for achieving \$1,000,000 or more in total Lottery sales for 2004.

Abbey	Wine	છ	Liquor	Shop
-------	------	---	--------	------

Southfield

Angelo's Food Specialties

Benton Harbor

Athens Grocery Store

Detroit

Barrel & Bottle Party Store

Detroit

Boulevard Food Center

Detroit

Cherry Belt Party Store

Inkster

College Liquor Shoppe

Detroit

Country Farm Market

Pontiac

The Flying Machine

Chesterfield

Glass Bottle Shoppe

Detroit

Greenfield Party Shoppe

Southfield

Joe's Liquor & Wine Shop

Detroit

Kit Kat Market

Detroit

Larry's Market

Detroit

Levan Wine & Deli Shoppe

Livonia

Light House Liquor

Oak Park

M C Petro Detroit

Meijer #20

Grand Rapids

Meijer #23

Lansing

Meijer #28

Flint

Meijer #29 Burton

Meijer #123 Southgate Meijer #145

Fraser

MGM Food Center

Detroit

New Northend Market

Oak Park

New Super Fair Foods

Detroit

Nick's Party Store

Detroit

Northville Downs

Northville

Oak Liquor and Wine

Oak Park

Oakland Liquor Party Shoppe

Southfield

Parklane Cork & Bottle

Detroit

Pied Piper

Detroit

Sax Discount

Taylor

Scotia Stop Food Store

Oak Park

Shoppers Market

Center Line

Shoppers Market

Warren

Skip's Market

Center Line

Smokers Best Buy

Oak Park

Stop N Shop

Saginaw

oggii iaw

Suburban Pantry Shoppe

Southfield

Thrifty Scot

Detroit

Detroit

Toma Foods

Dearborn

Treasure Island

Southfield



AFD elects new directors

The Associated Food Dealers of Michigan recently welcomed three new members to its Board of Directors.

Mary Dechow, of Grand Rapids, is Director of Government & Regulatory Affairs for Spartan Stores, Inc. in Grand Rapids. Mary graduated from Western Michigan University and worked as a newspaper reporter and editor prior to joining the grocery industry. She was employed for five years with Meijer, Inc., working in advertising and marketing. For the past 20 years she has held many positions at Spartan, including her present accountability overseeing company government and regulatory activities.

Mary's industry involvement includes serving as current chair for Michigan Recycling Partnership. Mary has also served on the Government Relations advisory committees of the Food Marketing Institute and National Grocers Association.

Bobby Hesano, of West Bloomfield is co-owner of D&B Grocers Wholesale in Livonia. He and his brother, Danny, started D&B in 1994, opening in Lincoln Park.

Bobby started working in the industry as a teenager at his parents' grocery stores while in high school and college. He graduated from Western Michigan University with a Food Marketing degree. He then went to work at Fleming Foods in Houston, Texas, working his way up to director of merchandising. After eight years there, he moved back to Michigan to open D&B Grocers Wholesale. With his merchandising experience at Fleming and retail experience working in his family's grocery stores, plus his formal education, Bobby knew how to supply for grocery and convenience stores. After 10 years, the brothers moved the business to a larger warehouse in Livonia in 2004. Their goal is to help independent retailers compete with larger chain stores.

Kristin Jonna, of Beverly Hills, Michigan, is the director of operations at Merchant's Fine Wine in Dearborn. The store is owned by her family, which also has a second location with the same name in Grosse Pointe Woods. Kristin started working at her father's stores when she was a teenager. The family owned the Merchant of Vino

chain and she worked at many of those while attending high school and college. After graduating from Michigan State University in 1998, she worked at Benziger Winery in California to study the wine industry first-hand. Then she returned to Michigan to take on fulltime responsibilities at Merchant's Fine Wine

Kristin is active in community and trade associations. She is a director for the Dearborn Chamber of Commerce, Vice-President of the Detroit Wine Organization and a member of the Michigan Wine & Grape Council. She also serves on the St. Vincent and Sarah







Bobby Hesano



Kristin Jonna

Fisher Center committee and volunteers for the Night for Sight charity, the Children's Center, the Dearborn Animal Shelter, and the Center for Creative Studies.



RANDALL A. DENHA. ESQ.

Estate and Business Planning Specialists Cox, Hodgman & Giarmarco, P.C.

Our estate planning attorneys provide soundly based estate and business succession plans utilizing:

Revocable Living Trusts Irrevocable Living Trusts Qualified Personal Residence Trusts Charitable Planning Techniques **Grantor Retained Annuity Trusts**

Sales to Grantor Trusts **Business Succession Plans** Split-Dollar Plans (Private and Employer) Generation Skipping Transfer Trusts **Buy-Sell Agreements** Estate Planning for Retirement Benefits Asset Protection Planning

Please call

RANDALL A. DENHA, ESQ.

at (248) 457-7205



COX, HODGMAN & GIARMARCO, P.C.

101 West Big Beaver Rd., Suite 1000 Troy, Michigan 48084-5280 Phone (248) 457-7000 • Fax (248) 457-7219

www.disinherit-irs.com

Business owner calls upon AFD for solution to bottle bill

I write as a life long citizen of this wonderful state of Michigan. I am a businessman, selling products under the name of "Billy Bones BBQ." I have enjoyed being part of AFD, an organization that prides itself upon helping folks needing a helping hand, be it providing turkeys or scholarships.

I think your suggestions for more evenly distributed food stamp payments is an idea way past time for our legislators to "get behind." A wine tasting is an accepted way of selling wines around the world...and my favorite way to choose a good wine from Napa to Tabor Hill. I have supported many ecologically-oriented organizations including "Trout Unlimited" which has its origins in this wonderful state.

No one was a more ardent supporter than I when the bottle law came into effect in this state. My road sides and curbsides as well as back alleys and front lawns all became much more pleasurable to the eye and property values seemed to increase as well.

I would like the AFD to find a way to eliminate the bottle litter and party trash without imposing an expanded bottle return. I would support any suggestion anyone could come up with. I have many merchant friends as you might guess. I would like to ease their burden of being the state bottle trash disposers as much as anyone. But I do not want to step back from responsibility.

I would like the AFD to find a solution to this problem and then "proudly" stand before our citizens and proclaim our leadership role in helping to eliminate or at least reduce an obvious liability to us all. I promise to write letters in support and do whatever I can do to influence legislators to back "our position." I know the AFD has risen to many challenges in the past. I know I'm not asking for an easy solution. Rather than waste resources trying to fight the snowball ...let's step in front and help push a snowball the right way and garner some respect from inside and outside our organization as an organization willing to tackle problems and solve problems for the greater good.

I am in stores of this organization every day and I see organic and hydroponic and natural and filtered and organic wines and low carb beers and healthy beverages...it's our time to really become the leaders of our own industry. We can develop legislation and stimulate respect for our well thought out positions within

the greater community of merchants and proud businessmen that make up this organization.

Most of the world understands that it is now time to take responsibility for our own products and actions. The time of crying unfair does not reflect well upon a good organization such as the AFD. Leadership is needed and much respected. I want

to be part of a business group that leads in tough times and easily shoulders responsibility and finds solutions. If my "little" company cried unfair each time someone stepped on my toes, I would soon lose respect in the business world as well as among my family. I find that when someone steps on my toes, it is a direct challenge for me to do better,

through better products or innovation, and it is a direct challenge to my entrepreneurial spirit.

Nuff said...looking forward to a great year for the AFD, Mike Sarafa and Billy Bones BBQ.

Sincerely,

Bill Wall, Billy Bones BBQ of Sanford, Michigan



DearAFD

Saying Goodbye...

It is with great regret that I have to announce that I will have to step down from the AFD Board of Directors due to being transferred out of state.

I want to thank you, the AFD staff and all of the AFD Board Members for your work for the progression of the independent markets in Michigan. AFD has done a great job to address issues that affect all members and I am proud to have been associated with a great organization.

As a supplier member of AFD, I was able to gain valuable insight into the independent market.

Thanks again for everything! Respectfully,

Jim Trischett Michigan Sales Director Anheuser-Busch, Inc.

Excessive Policing of Retail Establishments

Editor's note: these two letters are in response to an article in the Detroit News written by Judy Lin regarding excessive policing of retail etablishments in the city of Detroit. This first letter is directed to Judy Lin at the Detroit News.

My name is Dennis Jaboro, I was reading your article and it makes me angry that these types of things continue to happen to honest, hard working store owners in the city of Detroit. My family owned party stores in the city of Detroit for 35 years. As of November 26, 2004 we sold our last store in the city because of the treatment and disrespect of the only people (Chaldeans) who stuck by the city when it was burned and left for dead. Some of the people interviewed say they would like to shop in the black-owned stores in their community. Well, why don't they invest the money, time, and dedication it takes to run these stores? The majority of store owners in the city are like a family to the area they service, and help in times of need. For example, some customers have kids but lack the finances they need to buy the most basic necessity - food until the first of the month and receive credit from store owners so they can survive. A majority of store owners support local after school sports or activities because the schools lack the finances needed to fund them. There are plenty of stores for sale in the city, most of which are listed in the paper on Sundays in the business opportunity section. If the commentators you interviewed really want black-owned and operated businesses in Detroit, mention to them to check the local listings. I appreciate your writing about this in your paper and hope you continue so that people all over can see what the treatment of Chaldean city business owners is like. The only thing the mayor has accomplished is the racial negativity between the customers and the owners. My last comment is for the mayor of Detroit, if you don't like the way we operate in the city, buy us out 'cause everything is for sale for the right price.

Thank you,

Dennis Jaboro

I am not a small business owner or a lawyer, just an outraged outstate Michigan taxpayer. I just read an article in the news about the excessive use of city resources to police your industry.

I am e-mailing you to suggest that your organization truly needs to remedy this situation in a court of law. I am sure you have lawyers who represent your members. Take the city to court and do it every time this kind of harassment takes place.

When the police officers of Detroit who are charged with protecting lives and property are spending time looking for an expiration date on a bag of potato chips there is something wrong up their chain of command.

After reading about this it just gives me one more reason to stay out of Detroit.

In conclusion, I will state something I was taught long ago. "People will only treat you in the manner you allow them to." Your organization and members need to fight back. Nothing will change if you do not. Sincerely.

A Michigan taxpayer





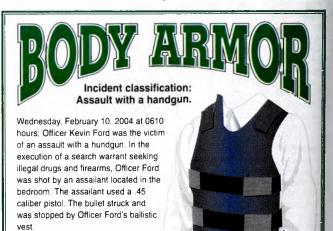
Wholesale Distributor

Metro Detroit • Flint

23661 Telegraph Road Southfield, MI 48034 **248-945-4900**

Fax 248-945-4922

Better Business Bureau



Officer Ford continued after being hit by gunfire and was able to complete

the arrest of his assailant. He was transported for

medical care. The attending physician discovered a significant back face injury involving a laceration and a severe bruise. The doctor told Officer ford that had it not been for the vest, the gunshot wound he would have suffered would likely have been fatal. Officer Ford was released from the hospital after two hours.

Ultra thin, lightweight, and naturally concealable.

For information call Doug Saroki at 248-258-3900



Lottery **LOWDOWN**

Retailer cancellation policy has been changed



By Commissioner Gary C. Peters

For many years Michigan Lottery retailers have had the capability to cancel Daily and Keno tickets. However, because the number of cancellations has risen sharply, the Lottery is implementing new policies which we expect will protect the interests of both retailers and the Lottery.

Let me preface this explanation by noting that these changes are not intended as any sort of penalty, as less than 10 percent of Lottery retailers are over the cancellation limit. But we all know that ticket cancellations can be problematic, inconvenient, etc., and the new policies should streamline efforts to concentrate on selling tickets and earning a commission. We do not anticipate that the procedures will in any way be difficult for retailers to administer and follow, and district sales reps will be happy to assist should difficulties be encountered. And as a business, the Lottery must operate efficiently and continue to meet its goal of maximizing revenue for the state School Aid Fund.

All Lottery retailers were notified of the changes via a letter sent in February, and I do not believe that most will be affected. However, a few minutes of review and

instructions with employees will go a long way in keeping cancellations below the acceptable limit. Some suggestions:

- · Use the cancel key for Daily games only when a player refuses to accept a ticket issued in error. Keno tickets can no longer be canceled.
- · Encourage players to use bet slips, which can prevent errors.
- Train employees in operating the terminal and inform them of the importance of understanding the player's request before printing the tickets. Proper operation and understanding can further reduce the number of errors.
- · Do not give canceled tickets back to players. Deface them by drawing a black line through the barcode and then dispose of them.

Canceled tickets presented for prize claims will be researched and retailers will be held responsible for payment of prize claims if proper

canceled ticket procedures are not followed. Retailers over the limit will have their cancel abilities shut off for four weeks. This will be based on the number of tickets canceled over the previous two weeks in relation to total tickets sold, not on the dollar value of those

Again, because we realize this is a change for retailers, Lottery District Sales Reps will be available to assist with questions. Don't hesitate to call with questions or concerns about the new procedures.

New instant games: The Michigan Lottery is cashing in on the poker craze with the new instant game, Hold'Em Poker. Hitting the stores last month, this \$5 ticket has top prizes of \$300,000, as well as second chance drawings for World Poker Tour merchandise and trips to Las Vegas.



A Health Savings Account (HSA) is a qualified high-deductible medical plan used in conjunction with a specific use tax-exempt bank account. Savings from moving to a high-deductible plan can be put into the account to pay for future qualified medical expenses. Employer and/or employee may contribute to the account. Any medical expense paid out of the account is tax free. What you don't use rolls over year-to-year in the interest account.

Associated Food Dealers is proud to sponsor Blue Cross Blue Shield of Michigan for our members. BCBSM offers three different HSA's with no medical underwriting to groups of 2 or more employees.

BCBSM is now more affordable than ever, with our ability to age rate. Take a look at the benefits of joining AFD sponsored BCBSM program.



For information on AFD's endorsed Blue Cross program, call: Melissa (800) 666-6233 or mvarney@afdom.org





A Registered ISO of JP Morgan Chase

Associated Food Dealers has teamed up with Chase and NPS to give you special Credit Card Processing discounts and service!

Quick / Free Statement Analysis just fax your statement to NPS NPS will examine your current monthly processing statement and give you a confidential analysis of what you are currently paying and what NPS can offer you in savings. NO OBLIGATIONS

Advantages of Chase Merchant Services!

- Chase is the world's largest processor of Visa and MasterCard transactions, with over 2.5 Billion transactions a year and over \$ 205 Billion in credit card volume. This means greater buying power, special products for your business and special attention and service from NPS
- · Chase has relationships with Visa, MasterCard, American Express, Diner's Club, Discover, Novus, JCB, Debit and Check Services to support your entire processing needs for your business. Your processing is deposited into your bank of choice within 24-48 hours. Tollfree POS Help Desk and Client

Services are available 24 hours a day, 365 days a year.

Extremely low equipment prices for AFD Members FREE - Lifetime Warranty on all equipment purchased from NPS

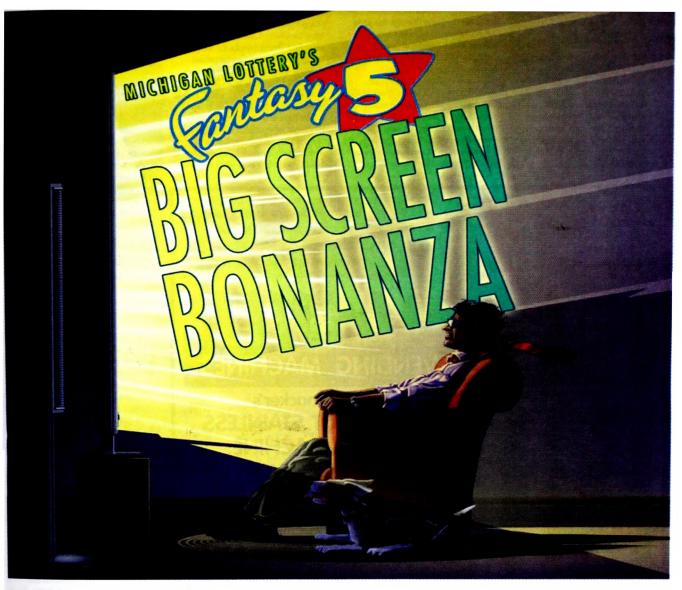
Contact your NPS - AFD Representative and start saving today!!

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 John, Natalie or Laith: JohnK@nosvisa.com. Natalie@npsvisa.com, or



Laith@npsvisa.com)

A Registered ISO of JP Morgan Chase



Now the fantasy's bigger than ever!

Customers have a really big reason to play Fantasy 5 at your store.

It's Big Screen Bonanza, the picture-perfect time to play for a chance to win a 50" plasma screen HDTV home theater system with DVD player and surround sound! All customers have to do is purchase a Fantasy 5 ticket worth \$3 or more, and the terminal will automatically print an entry form. So encourage them to "buy up" for their chance to win. The Michigan Lottery will award 10 of these super big prizes each week for a total of 30 winners. So get ready – this is big!





Customers can win the ultimate home theater system!

Kar's Nut.

continued from page 6.

Kar's product line consists primarily of salted nuts, snack mixes, and trail mixes in flexible packages sold in three market segments. Kar's services retail outlets in Michigan, Ohio and Indiana with a Direct Store Delivery system utilizing company route sales personnel. That product line consists of both single serve and take home size packages. Business has

continued to grow through the years.

Kar's offers 100 products and is focusing on a healthy alternative to candy and chips. The Sweet 'N Salty Mix® contains nuts, raisins, sunflower kernels and chocolate. Kar's utilizes a variety of dried fruits and nuts that are packaged mainly in single serving sizes for sale across the country in convenience stores, vending machines and club stores. Sweet 'N Salty™ is the number one vending product nationally in its

category, according to Automatic Merchandiser. Last fall, Kar's launched Troop Snacks for Iraq with the United Service Organizations (USO). Kar's began shipping Kar's Sweet 'N Salty Mix to 25,000 U.S. troops in Iraq. Nicolay said, "This is our way of supporting U.S. troops.

"We have always felt that nuts represent an excellent snack food choice. Recently the research available on nuts seems to support our belief. Although nuts were a four-

letter word in the '90s because of their high fat content, they actually have no cholesterol," Nicolay said. "In addition, they have the right kind of fat, they're loaded with protein, and recent studies show that reasonable consumption does not lead to weight gain." Nicolay said.

Kar's is very active with the community and AFD. They've contributed and participated in AFD events including the AFD Scholarship Golf Outing.

For more information on Kar's Nuts please call John Zebari at 1-800-KARNUTS, (1-800-527-6887) or 248-588-1903

Peanuts rival fruit as source of healthpromoting antioxidants

Peanuts are often thought of as high-fat foods, but not only do peanuts contain the so-called "good" kind of fat, but University of Florida researchers have found they also are high in a wide variety of helpful antioxidants, rivaling the fruits often sought out by health-conscious consumers.

"When it comes to antioxidant content, peanuts are right up there with strawberries," said Steve Talcott, an assistant professor of food science and human nutrition at UF's Institute of Food and Agricultural Sciences. "We expected a fairly high antioxidant content in peanuts, but we were a bit shocked to find that they're as rich in antioxidants as many kinds of fruit '

Talcott and other UF researchers tested the antioxidant content of a dozen different peanut varieties in a study published recently in an issue of the journal Food Chemistry.

Antioxidants are chemicals that block the aging effects of free radicals - unstable molecules naturally occurring in the human body that damage living cells. The damage caused by free radicals has been linked to heart disease, stroke, certain cancers and macular degeneration of the eves.

The growing reputation of antioxidants has led an increasing number of people to include more fruits in their diets, particularly those that are orange or red in color, because such foods have been found to be rich in the health-promoting chemicals. Vitamins A, C, and E are recognized as antioxidants, and

See Peanuts as Antioxidants, continued on page 25.





GREY GOOS

VODKA

BULLIAN AND BUILDING

PRANCE

MPORTER

GREY GCOSE

The World's Best Tasting Vodka



50ml = 8487-3

375ml = 9191-6

750ml = 9193-0

1000ml = 9314-0

1750ml = 148-6

Grey Goose L'Orange

50ml = 8523-3

375ml = 8682-0

750ml = 9625-0

1000ml = 9652-0

1750ml = 148-2

Grey Goose LaVanille

50ml = 122-1

375ml = 122-2

750ml = 115-9

1000ml = 122-3

1750ml = 148-5

Grey Goose Le Citron

50ml = 16-9

375ml = 16-7

750ml = 16-6

1000ml = 16-8

1750ml = 148-4

Proudly sold by:

TRANS-CON SALES & MARKETING 1-888-440-0200

All aboard the S.S. AFD

On Friday, February 11, over 1000 industry executives boarded the S.S. AFD for the Captain's Dinner. This was the 89th Annual Trade Dinner and Ball for the Associated Food Dealers of Michigan at Penna's of Sterling. A capacity crowd enjoyed a multimedia presentation, a wonderful dinner, and great conversation. After dinner we enjoyed a special Captain's Premium Scotch, Cognac and Liqueur Bar, hand-rolled cigars and dancing to the great sounds of Endless Summer. More photos on page 27.



The band got things



Cruise Winner Mrs. Conrad Haremza of Skyy Spirits



Nabby and Mary Ann Yono enjoy cocktail hour.



AFD President Mike Sarafa addresses the crowd.



The dance floor was packed!



Judy Sarafa assisted the band.



Debbie and Tom Waller, Karen and Terry Bakewell



Our wonderful AFD Trade Dinner Co-Chairs, Kirk Tanner of Frito Lay and Robert Esshaki of Rudy's Quality Market



The Grey Goose Martini Bar was a big hit.

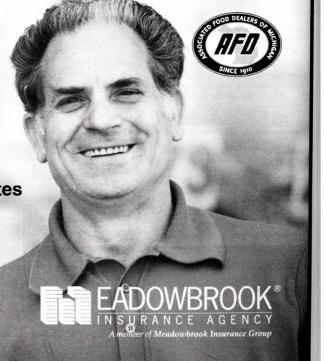
Exclusive Insurance Provid Endorsed by AFD!

Having worked with AFD for more than five years, Meadowbrook is exclusively endorsed to provide all forms of insurance, including property/casualty, workers' compensation, liquor liability, and health & benefits.

- Competitive Business Insurance Rates
- Fast, Easy Quotes!

To speak with a Meadowbrook Agent, call Marlene at (800) 482-2726, ext. 8216.

www.meadowbrookagency.com



Classified

FOR SALE—Liquor store, newly renovated. Includes Liquor, Lotto, EBT, WIC, Western Union Money Orders, check cashing, hot food, deliz, 20-car parking lot. Prime Detroit location. Serious inquines only, Call Mark at 313-922-0000 or 313-215-1760.

FOR SALE—Party store 40 minutes north of Lansing. Beer, wine, liquor groceries, lotto, grossing approximately over \$9,500.00 a week includes building, equipment, 2 extra lots \$175,000, plus inventory. Terms possible. Owner retiring. Phone (989) 875-6073.

FOR SALE—6 foot deli self-server, front doors \$1,500 or best offer. Call 313-274-1426

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

CHARLEVOIX BUSINESS FOR SALE— Established Grocery Store in Northern Michigan known for its custorn meats, fine wines, and specialty food items. Don's IGA is a landmark to local and summer residents alike! Real estate, two liquor licenses, equipment and fixtures included. Priced at \$849,000. Call Lori Jodar at Bovne Reality. 231-439-4097.

DELI & ICE CREAM EQUIPMENT—Soft Serve, frozen pop machine, coffee equipment, deli slicers, scales, deli cases, prep tables and lots more. Only 1 year old. Cell phone 313-492-3392.

PALLETS—Let us pick up your 48x40 unwanted 4-way pallets each week or two and pay you cash. We'll keep your back rooms clean. Phone 313-491-1500.

WE NEED—Outdated, close dated and discontinued products—food, candy, juices, etc. \$\$\$. Phone 313-491-1500. 100% tax write-off also available.

FOR SALE—Liquor store, approx. 3800 sq. ft. 18 doors of cooler space. Lenawee County. Call 517-456-7249 for details.

FOR SALE—Liquor, Lotto, Deli, Pizza. 10 miles west of Flint, buy 4-lane highway. Doing over 80.000/week. Excellent Lotto sales. Building and business/apartment. Large parking lot. Owner retired. This is a well-established business (50 years at thislocation). Price: \$245,000. Call 810-621-3663.

PARTY STORE, EASTSIDE LOCATION—Beer, Wine, Deli, Lotto. Only Serious, interested buyers. 1-586-777-2463 (Warren Location). With equipment.

CONEY ISLAND—Freestanding building, 2,800 sq. ft. plus full basement on corner of 1-94 intersection, college town of Albion. Call Mark (248) 557-3633 or (248) 231-9067.

FULL LINE CONVENIENCE STORE—with Mini Storagel What an opportunity! Totally updated structure & top of the line equipment. Includes beer, wine, liquor and lotto license. Gasoline, Cigarettes, Grocenies, Pop. Coffee, Cappuccino, Guishes, Sandwiches and Pizza. Located in mumb area. Call today on CO-797. Wonderful recreational land. 108.6+acres in Saniliac County \$239,000. Call Barb at Osentoski Realty at (989) 672-7777.

BANQUET HALL & RESTAURANT FOR SALE—Hamitramck. Includes: real estate & everything 10,000 sq. ft.+ Good money maker. \$360K. Call for FREE recorded into .24 hours—877-533-8360. IDW2018

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 Hoscommon, MI. Call 989-275-6246 for more miormation. Buy business and property or just business and lease property.

S.D.D. and S.D.M.—Liquor Licenses for sale. Call 505 634-3658.

Peanuts as Antioxidants,

continued from page 22.

polyphenols – a family of chemicals commonly found in foods – which have strong antioxidant properties.

Peanuts are a good source of Vitamin E, but in the past they typically have not been considered an antioxidant-rich food, largely because of a lack of data on their polyphenol content.

Now UF researchers have found

that peanuts contain high concentrations of polyphenols—chiefly a compound called p-coumaric acid. And they found that roasting can increase the level of p-coumaric acid in peanuts, boosting their overall antioxidant content by as much as 22 percent.

"If you compare them (peanuts) to other foods people think of as rich in antioxidants – mostly fruits and berries – peanuts come out somewhere in the middle," Talcott said. "They're no match for the foods at the top of the scale, such as pomegranate, but they do rival other foods that people eat just for their antioxidant content."

Talcott said roasted peanuts are about as rich in antioxidants as blackberries or strawberries, and are far richer in the chemicals than apples, carrots or beets.

The findings add to the growing reputation peanuts are getting for their healthy benefits.



- Competitive Rates
- Endorsed by AFD for 17 consecutive years
- Never assessable, no deductibles, policy fees or surplus lines tax
- Available through the Independent Agent Network with over 1,000 agencies to serve you



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

Admitted, Approved and Domiciled in Michigan

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

SUPPORT THESE AFD SUPPLIER MEMBERS

AUTHORIZED LIQUOR AGENTS:			111271-1120
General Wine & Liquor	Hanson & Associates, Inc (248) 354-5339	Michigan Chronicle (313) 963-5522	Sagemark Consulting, Inc (248) 948-5124
National Wine & Spirits (888) 697-6424	J.B. Novak & Associates. (586) 752-6453 Metro D Sales (734) 416-8969	Suburban News—Southfield: (248) 945-4900 Trader Publishing (248) 474-1800	Shimoun, Yaldo & Associates, P.C. (248) 851-790
(888) 642-4697	S & D Marketing (248) 661-8109	WDIV-TV4. (313) 222-0643	Salim Abraham, Broker. (248) 349-1474 Secure Checks
Encore Group/ Trans-Con, Co (888) 440-0200	CANDY & TOBACCO:	NON-FOOD DISTRIBUTORS:	Security Express
BAKERIES:	Altria Corp. Services, Inc (734) 591-5500	Items Galore (586) 774-4800	Southfield Funeral Home (248) 569-8080
Ackroyd's Scotch Bakery	Brown & Williamson	J&B Medical Corp (248) 324-8900	T & L Acquisition (313) 381-2266
& Sausage(313) 532-1181	Fubidia, Inc (810) 742-8274	POTATO CHIPS/NUTS/SNACKS:	T.D. Rowe Corp (248) 280-4400
Archway Cookies	Nat Sherman (248) 202-7339	Better Made Snack Foods (313) 925-4774	Travelers ExpressMoney Gram (248) 584-0644
Awrey Bakeries, Inc (734) 522-1100 Interstate Brands/	R.J. Reynolds (248) 475-5600	Frito-Lay, Inc	UHY Advisors, Inc
Wonder Bread/Hostess (586) 792-7580	CATERING/HALLS:	Motown Snacks (313) 931-3205	Vix-Kersch Vending Co (248) 548-1300
S & M Biscuit Dist. (Stella D'Oro) (586) 757-4457	Farmington Hills Manor (248) 888-8000	Kar Nut Products Company (248) 588-1903	Western Union Financial Services (513) 248-4900
Taystee Bakeries (248) 476-0201	Karen's Kale at North Valley (248) 855-8777	Mexico Wholesale (313) 554-0310	Westside Cold Storage (313) 961-4783
BANKS:	Penna's of Sterling	Nikhlas Distributors (Cabana) (248) 582-8830	Whitey's Concessions (313) 278-5207
ATM of America	Southfield Manor. (248) 352-9020	Rocky Peanut (313) 871-5100	STORE SUPPLIES/EQUIPMENT:
ATM of Michigan (248) 427-9830	St. Mary's Cultural Center. (313) 421-9220 Tina's Catering (586) 949-2280	PROMOTION/ADVERTISING:	Alarm-Medic (248) 349-9144
Cash Depot		Art One Sign Expo (248) 591-2781	Belmont Paper & Bag Supply (313) 491-6550
Comerica Bank (313) 222-4908	DAIRY PRODUCTS:	Enterprise Marketing. (616) 531-2221	Brehm Broaster Sales (989) 427-5858
Fifth Third Bank (248) 603-0550	Country Fresh Dairies (800) 748-0480	PJM Graphics (313) 535-6400	Bunzi USA (810) 714-1400
Peoples State Bank (248) 548-2900	Golden Valley Dairy (248) 399-3120	Stanley's Advertising & Dist (313) 961-7177	Culinary Products (989) 754-2457
Standard Federal Bank 1-800-225-5662	Melody Farms Dairy Company (734) 525-4000 Mexico Wholesale (313) 554-0310	Stephen's Nu-Ad, Inc (586) 777-6823	DCI Food Equipment (313) 369-1666
BEVERAGES:	Pointe Dairy (248) 589-7700	RESTAURANTS:	Envipco(248) 471-4770
Absopure Water Co 1-800-334-1064	Prairie Farms/	Copper Canyon Brewery (248) 223-1700	Four Seasons Beverage & Equip (734) 254-0886
Allied Domecq Spirits USA (248) 948-8913	Tom Davis & Sons Dairy Co (248) 399-6300	Pizza Papalis Corp. (248) 540-2426	Hobart Corporation
Ambassador Service Group (248) 879-7704	Serra Cheese Co	Rio Wraps (248) 540-2426	MSI/Bocar
American Bottling (313) 937-3500	Superior Dairy Inc (248) 656-1523	SERVICES:	National Food Equipment & Supplies (248) 960-7292
Anheuser-Busch Co(800) 414-2283	ELECTRONIC AGE VERIFICATION	AAA Michigan (800) AAA-MICH	Taylor Freezer
Bacardi Imports, Inc	D.J. King & Associates (800) 781-5316	Advance Me Inc. (513) 518-3150	TOMRA Michigan 1-800-610-4866
Brownwood Acres		Al Bourdeau Insurance Services, Inc.(800) 455-0323	WHOLESALERS/FOOD DISTRIBUTORS:
Central Distributors (734) 946-6250	EGGS & POULTRY:	Alarm-Medic (248) 349-9144	Amendt Corp
Click Wine Group (586) 725-7560	Consumer Egg Packing Co (313) 871-5095	American Mailers (313) 842-4000	Brownwood Acres (231) 599-3101
Coca-Cola Bottlers of MI	Linwood Egg Company (248) 524-9550	AmericanA Systems (248) 379-1575	Capital Distributors (800) 447-8180
Auburn Hills (248) 373-2653	FRESH PRODUCE:	AMT Telecom Group (248) 862-2000	Central Foods Wholesale (313) 862-5000 Chef Foods (248) 789-5319
Detroit (313) 825-2700	Aunt Mid Produce Co (313) 841-7911	Andrews Brothers Inc. Detroit Produce Terminal (313) 841-7400	Consumer Egg Packing Co (313) 871-5095
Madison Heights (248) 585-1248	ICE PRODUCTS:		CS & T Wholesalers (248) 582-0865
Van Buren (734) 397-2700 Port Huron (810) 982-8501	International Ice, Inc (313) 841-7711	AON Risk Services (248) 359-6080 A.S.C. Security Systems (734) 416-5550	D&B Grocers Wholesale(734) 513-1715
Coffee Connection	Party Time Ice Co. (800) 327-2920	Bellanca, Beattle, DeLisle	Dearborn Sausage
Coors Brewing Co. (513) 412-5318	Quincy Ice Co (248) 968-4290	Binno & Binno Investment Co (248) 540-7350	Economy Wholesale(313) 922-0001
Diageo(800) 462-6504	U.S. Ice Corp	BMC Grocery Systems Specialists . (517) 485-1732	Elegance Distributors (517) 663-8152
E & J Gallo Winery (248) 647-0010	INVENTORY SERVICES:	Business Machines Co. (BMC) (517) 485-1732	Epstein Distributing Co (248) 646-3508
Eastown Distributors (313) 867-6900	Action Inventory Services (586) 573-2550	C-21 Travis/Real Estate (586) 206-9000	Food Services Resources (248) 738-6759 George Enterprises (248) 851-6990
Faygo Beverages, Inc (313) 925-1600	Goh's Inventory Service (248) 353-5033	C. Roy & Sons (810) 387-3975 Carttronics, Inc. (760) 707-1265	Great North Foods (989) 356-2281
Future Brands (248) 471-2280	INSURANCE:	Cateraid, Inc	Hamilton Quality Foods (313) 728-1900
Galaxy Wine	AAA Michigan (800) AAA-MICH	Central Alarm Signal (313) 864-8900	l & K Distributing
General Wine & Liquor Co (313) 867-0521	Al Bourdeau Insurance Services, Inc.(248) 855-6690	Check Alert (231) 876-1926	International ice
Great Lakes Beverage (313) 865-3900	Capital Insurance Group (248) 333-2500	Cherry Marketing Institute (517) 669-4264	Interstate Brands/
Great Lakes Distribution (810) 794-1300	Gadaleto, Ramsby & Assoc (800) 263-3784	Clear Rate Communications (734) 427-4411	Wonder Bread/Hostess (586) 792-7580
Hansen's Beverage (313) 575-6874	JS Advisor Enterprises (586) 242-1331	Closed Circuit Communications (248) 682-6400	Jerusalem Foods. (313) 538-1511 Kaps Wholesale Foods. (313) 567-6710
Hubert Distributors, Inc (248) 858-2340	Frank McBnde Jr., Inc (586) 445-2300	Copper Mug Vending (248) 789-4943	Karr Foodservice Distributors (313) 272-6400
Intrastate Distributing (313) 892-3000	Meadowbrook Insurance (248) 358-1100	Cox, Hodgman & Giarmarco, P.C (248) 457-7000 D.J. King & Associates (800) 781-5316	Kay Distributing (616) 527-0120
J. Lewis Cooper Co. (313) 278-5400 Java Joe's (734) 439-3280	North Pointe Insurance	Detroit Edison Company. (313) 237-9225	Liberty Wholesale
Jones Sodas (269) 382-4200	Paulmark Agency	Diamond Financial Products (248) 331-2222	Lipari Foods. 1-(586) 447-3500 Metro D Sales. (734) 416-8969
Josulete Wines, Inc. (313) 538-5609	Rocky Husaynu & Associates (248) 851-2227	Digital Security Technologies (248) 770-5184	Mexico Wholesale. (313) 554-0310
Leelanau Wine Cellars (231) 386-5201		Elite Pest Management (586) 294-7055	Michigan Quality Sales (313) 255-7333
McCormick Distilling Co (586) 254-5650	MANUFACTURERS: Art One Sign Expo, Inc (248) 591-2781	Financial & Marketing Ent (248) 541-6744	MJC Distributors (248) 360-1005
Michigan Grape & Wine	General Mills	FMS Accounting &	Nash Finch (989) 777-1891 Nat Sherman (248) 202-7339
Industry Council (517) 373-1104	Jaeggi Hillsdale Country Cheese (517) 368-5990	Payroll Providers	Nikhlas Distributors (Cabana) (248) 582-8830
Miller Brewing Company (414) 259-9444	Old Orchard Brands (616) 887-1745	Gadaleto, Ramsby & Assoc (800) 263-3784	Norquick Distributing Co (734) 254-1000
MJC Distributors	Red Pelican Food Products (313) 921-2500	Great Lakes Data systems (248) 356-4100	Potok Packing
(000) 640 4607	Singer Extract Laboratory (313) 345-5880	Guardian Alarm(248) 233-1645	Roundy's
Paramount Coffee	Strauss Brothers Co (313) 832-1600	ICU Surveillance (248) 255-6419	S. Abraham & Sons (616) 453-6358
Pepsi-Cola Bottling Group	MEAT PRODUCERS/PACKERS:	JJ Security Systems (847) 668-2666	Shaw-Ross International Importers (313) 873-7677
- Detroit 1-800-368-9945	Bar S Foods (248) 414-3857	Kansmacker	Sherwood Foods Distributors (313) 366-3100 Spartan Stores, Inc (734) 455-1400
- Howell	Family Packing Distributors (248) 738-5631	Karoub Associates	Suburban News: Southfield (248) 945-4900
- Pontiac	or (313) 873-3999	Marketplace Solutions (989) 235-5775	SuperValu Central Region (937) 374-7874
Perk and Brew Corp (734) 669-8380 Pernod Ricard USA (630) 922-6484	Hartig Meats	Metro Media Associates (248) 625-0700	Tiseo's Frozen Pizza Dough (586) 566-5710 Tom Maceri & Son, Inc (313) 568-0557
Petitpren, Inc	Nagel Meat Processing Co (517) 568-5035	Milentek-Energy	Tony's Pizza Service. (616) 795-0220
Schiul Coffee Co		Conservation Service (248) 932-1222	U.S. Ice Corp (313) 862-3344
Seven-Up of Detroit (313) 937-3500	Strauss Brothers Co	National Processing Services, LLC (248) 540-7900	United Wholesale Grocery (517) 267-9600
Stony Creek Brewing Co (313) 299-5411	Wolverine Packing Company (313) 568-1900	Nordic Electric, L.L.C	Value Wholesale
Tri-County Beverage (313) 584-7100	MEDIA:	POS Systems Group Inc (877) 271-3730	Wine Institute (313) 882-7630
Vintage Wines (586) 294-9390	The Beverage Journal (800) 292-2826	Preferred Merchant Credit Resources (616) 794-3271	
BROKERS/REPRESENTATIVES:	Booth Newspapers (734) 994-6983	Premier Energy Marketing (866) 348-7605	ASSOCIATES: American Synergistics(313) 427-4444
Acosta-PMI	Detroil Free Press (313) 222-6400	Prepaid Legal Services (586) 777-9700	Canadian Consulate General (313) 567-2208
Bob Arnold & Associates (248) 646-0578	Detroit News (313) 222-2000	REA Marketing (989) 386-9666	Wileden & Associates (248) 588-2358
CrossMark			Wolvenne Golf Club, Inc (586) 781-5544

Everything was Ship Shape at the AFD Captain's Dinner!



The AFD Board was resplendent in full formal wear at the AFD Captain's Trade Dinner 2005.

Martin Duffy, Johnny Walker's Master of Scotch

Does Your Distribution Company Offer Over 200 Services?





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