

The official publication of the Associated Food Dealers of Michigan

December 2005

Just In

Sarah Lee abandons some inner city stores

AFD recently learned that Sarah Lee Bakery Group has implemented new service rules that are so restrictive in nature that many retailers – primanly in urban areas – will no longer receive Sarah Lee deliveries.

In a letter issued to one Detroit store, Sarah Lee District Manager Darrin Patrick Walters wrote. "Owning to nature of our business and current leaps in the cost of business, we have been forced to make economic decisions, to ensure we remain a profitable entity."

The decisions that Sarah Lee recently made include the following rules:

- · Payment is due at time of delivery
- Accounts delivering less that \$50 in net sales or more than 15% stale will be reviewed and notified if service cannot be continued
- Payment is to be made by money order or large denomination bills.
- Bread shelves will reflect average sales and will be maintained to maximize sales and minimize stale returns.
- Sarah Lee Bakery Group will determine days of service

AFD will be working with legal and civil rights groups to investigate this new policy, its origin and its outcome.

Inside

President Mike Sarafa's farewell	
message	3
Meet Senator Michelle McManus	.16
Ideal Party Store voted best of Saginaw	. 18
Supreme Court rules in favor of tobacco companies	

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

Change Service Requested

Retailer jackpot commissions receive dramatic increase

Retailers, you have been heard!



By Commissioner Gary C. Peters

I am pleased to announce that those who sell a jackpot winning ticket for either Mega Millions or Classic Lotto 47 will now receive a commission that keeps the Michigan Lottery at the forefront of retailer payouts. For selling a jackpotwinning Mega Millions ticket, retailers will now be paid a \$50,000 bonus, up from \$2,000. And for selling a jackpot-winning Classic Lotto 47 ticket, retailers will now receive a \$5,000 bonus, also up from \$2,000.

Of the 12 states that sell Mega Millions tickets, Michigan is now in the top five with regard to retailer commissions for this game. Michigan has consistently paid a higher commission than most lottery states. In fact, with Lottery sales exceeding \$2 billion for the first time in the game's 33-year history, retailers have earned approximately \$152 million in fiscal 2005! In *setting a record in sales, we have also set a record in commissions paid to retailers.

I have received many calls from retailers about the commission structure, and I know you have communicated your feelings to your Lottery sales rep as well. They have made a point of sharing the comments with me; you should know that your communications with them are important to all of us and they do follow through!

I couldn't be happier that we are able to make this change. As retailers, you are an essential partner in the Lottery business. Obviously, our business would not exist without you. This commission increase is our effort to demonstrate our thanks to you for the very important role that you play. And the more Mega Millions tickets you sell, the greater your chance to earn \$50,000!

It will be a "Super Ball!"

PRSRT STD

U.S. Postage

PAID

DETROIT MI

PERMIT #36

Mark your calendars for the 90th Annual AFD Trade Dinner and Ball. To honor Detroit's selection as the site of the 2006 Super Bowl, our trade dinner will kickoff on SATURDAY, January 28, 2006 - the weekend prior to the Big Game. Not only is our ball moving from Friday to Saturday night, we're changing locations too!

Please join us at the Sterling Inn of Sterling Heights. In addition to their ballroom facilities, the Sterling Inn is a wonderful hotel with a huge indoor water park and reduced "AFD Super Ball" rates! See page 25 for details.





It's time once again for AFD's Annual Turkey Drive! In its 25th year, AFD and its members provide Thanksgiving turkeys for needy families across the Metro Detroit area. "Providing a turkey for the Thanksgiving meals of those who are less fortunate is one way that we can give them a helping hand and make their holiday a little happier," said AFD Turkey Drive Co-Chairman Harley Davis. A tax-deductible contribution of just \$200 will provide Thanksgiving turkeys to 20 families. For more information, please turn to page 28.



EXECUTIVE COMMITTEE

Ronnie Jamil

Mug & Jug Liquor Stores

Fred Dally Vice Chair Membership Medicine Chest

Thomas Welch Vice Chair Legislation Hollywood Super Markets

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

Chris Zebari Vice Chair Community Relations New Hudson Food Market

> Al Chittaro Faygo Beverages, Inc.

Jim Garmo Shoppers Valley Market

EMERITUS DIRECTORS

Terry Farida	Value Center Markets
Sam Dallo	In 'N'Out Foods
Bill Viviano	
Mark Karmo	
Nabby Yono	Orchard Food Center

Amir Al-Naimi	lau Thefty Cont
Joe Bellino, Jr.	Joy Thrifty Scot Broadway Market, Region 2
Mary Dechow	Spartan Stores, Inc. Region 3
•	
John Denha	8 Mile Foodland
Kristin Jonna	Merchant's Fine Wine
Alaa Naimi	Thrifty Scot Supermarket
Mike Shina	Krown Supermarket
Brian Yaldoo	Park Place Liquor
Mike Shina	Thrifty Scot Supermarki

D & B Grocers Wholesale
Sherwood Food Distributor
General Wine & Liquor Co
Diage
Coca-Cola, Region
CROSSMARK Sales Agency Region

Michael G. Sarafa

Daniel Regyes	Executive Vice President
Michele MacWilliams	Vice President of Communications
Cheryl Twigg	Controller
Cathy Willson	Director of Special Events
Ray Amyot	Director of Advertising
Harley Davis	Coupon Manager
Tamar Moreton	Executive Assistant
James V. Bellanca Jr	
Intence, Besttle & DeLisk	Legal Counsel
Karoub Associates	Legislative Consultant
Gadaleto & Ramsby	Health Care
Pat Gregory	Cartified Bublic Accountant

AFD (248) 671-9600 F; (248) 671-9610 www.afdom.org

tto Madia Associates

Kempski Graphics

Publishing

Graphics & Prepress Public Relations

President's MESSAGE

Unexpected change – although difficult – is often good



By Mike Sarafa AFD President

Kathleen Norris, New York Times best selling author, wrote that, "None of us knows what the next change is going to be, what unexpected opportunity is just

around the corner, waiting for a few months or a few years to change the tenor of our life."

As reported in the Food and Beverage Report last month, I informed the AFD Board of Directors this past August that I would be leaving AFD at the end of the year to explore opportunities in the private sector. With my 40th birthday around the corner, I decided that the timing might be good to consider other options. Much of the first part of my career has been spent in government and non profit work which I enjoy immensely - both because of the challenges and the ability to affect positive change. But, with the growing needs of a young family and the stage my career is at, the timing seemed right.

The decision was tough because I truly love my job. With the support of dedicated members, an experienced staff and great Board. we have made some tremendous strides for the industry

Achievements include a "Minimum No Maximum" Liquor Pricing structure and higher lottery commissions on winning tickets (see front page article). In addition, AFD continues to make progress on twice-monthly food stamp payments.

Not only have we made significant achievements. AFD has also been successful in stopping taxes and legislation that could have negative effects on our retailers. We were successful in stopping the liquor catering bill; we thwarted various attempts to raise taxes on beer, wine and liquor; AFD stopped an attempt to increase the Department of Agriculture license fees and AFD supported Livonia stores to block Costco liquor sales.

During my tenure AFD members have benefited from strengthened relationships with state & federal regulatory agencies and a close relationship with a pro-retailer liquor commission.

We also revved up our member events. Last year AFD moved its Foundation Golf Outing to the beautiful Fox Hills in Plymouth and this year we relocated the S.E. Michigan Holiday Beverage Sho to the beautiful, new Rock Fi Showplace in Novi.

AFD members on the west side of the state also benefited from our new, West Michigan Holiday Beverage Show, where they could sample new products and take advantage of show specials.

In addition, AFD received a bit of a facelift. We moved the offices to a comfortable, new building in Farmington Hills and this publication changed in content and look. Now, articles are more

The Grocery Zone



Sarafa.

Continued on page 4.

Sarafa.

Continued from page 3.

relevant and the look is up-to-date.

These accomplishments prove the notion that there is strength in numbers and that together, working through AFD, much can be gained. All of you, as AFD members should take pride in these successes.

After exploring several opportunities and weighing my options, I settled on a position in banking. In January, I will take over the Bank of Michigan as Executive Chairman and eventually as President and CEO subject to regulatory approval. Bank of Michigan is an independent, state chartered community bank that is part of the Capitol Bancorp (CBC-NYSE) network. This is an exciting and challenging opportunity that will require calling on all of my past experience while learning a new industry.

I honestly did not anticipate this eventuality a couple of months ago. I have nothing but the greatest respect for AFD, our Board, staff and membership. It is truly a great organization and it has been my privilege to serve as President. On a personal note, I have been blessed in this job with the strengthening of old friendships and the making of many new ones. These relationships and the countless other positive experiences at AFD, I will keep with me.

Gadaleto, Ramsby & Associates announces promotions

Gadaleto, Ramsby & Associates, AFD's Blue Cross service provider, recently promoted Stephen A. Ramsby to the position of president and chief executive officer. Joseph Gadaleto, founder and former president, will continue to serve the company as a consultant and chairman of the board.

Also promoted to the status of vice president, are Cheryl Livingston, former general manager of operations and Michael Ramsby, former director of marketing.

AFD congratulates Stephen Ramsby, Cheryl Livingston and Michael Ramsby on their new positions.

AFD Staff Retreat



AFD staff enjoys a game of Bocce Ball

AFD staff members recently spent an evening together, playing a little bocce ball followed by a competitive game of Texas Hold'um. (Don't ask Mike who won!) Pictured here (I to r) Coupon Director Harley Davis; President Mike Sarafa; Vice President of Communications Michele MacWilliams, Executive Vice President Dan Reeves; Comptroller Cheryl Twigg; and Executive Assistant, Tamar Moreton. Not pictured - but certainly not forgotten - Cathy Willson, Trade Show Director; Advertising Director Ray Amyot and Kathy Blake, writer and proofreader.

Spartan decides not to harvest **Farmer Jack**

The Detroit Free Press reports that Spartan Stores has decided to take a pass on the acquisition of the 70-unit Farmer lack chain from the Great Atlantic & Pacific Tea Co. (A&P).

Farmer Jack was put on the market by A&P last May, and most of the speculation about possible buyers centered on Spartan.

The Detroit News recently reported that Farmer Jack may remain intact.

The decision comes as Farmer Jack stores in Michigan, mainly in Metro Detroit, are showing signs of a financial rebound.

A&P executives told the News that they will either "fix" the company's Farmer Jack operations in Michigan or continue with plans to sell the stores to focus on the company's business in the Northeast.

The announcement is a glimmer of hope for the chain's 6,000 employees in Michigan, which are represented by the United Food and Commercial Workers Union Local 876 in Madison Heights. The Detroit News reported that the sale to Spartan fell through even after employees approved a new labor contract that called for a 10 percent pay cut, limited overtime and

fewer personal days. The contract was contingent upon finding a buyer.

"We have a number of good options and we are trying to work our way through them," A&P Chief Financial Officer Mitchell P. Goldstein told the News.

"You can't just give (the stores) away, you have to drive value. We are going to either fix Michigan or get rid of Michigan."

In a statement released by Spartan, it said that after lengthy consideration, it has decided not to make any acquisitions and instead stay with the strategic direction plotted out by management.

Spartan said that its "current business plan is to pursue retail and distribution sales and earnings growth through improving category management, new store construction and expansions, enhancing retail sales with new fuel centers and pharmacies, expanding its distribution customer base and pursuing opportunistic acquisitions of retail stores owned by existing distribution customers and other operators that fill in the Company's geographic markets."

Calendar

December 6-7, 2005

NACS Category Management Seminar Atlanta GA (703) 518-4245

January 23-24, 2006

Food Marketing Institute Midwinter **Executive Conference** Scottsdale, AZ (202) 429-4519

January 27, 2006

AFD Annual Trade Dinner and Ball Penna's of Sterling Sterling Heights, MI (248) 671-9600

April 25 & 26, 2006

AFD Annual Trade Show Livonia MI Contact: Cathy Willson (248) 671-9600



Statement of Ownership

The AFD Food & Beverage Repo (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, cal AFD, Ray Arnyot, 30415 W. 13 Mile. Farmington Hills, MI 48334 (248) 671-9600 or (989) 386-9666

AFD works closely with the following





Major Tobacco Victory

Supreme Court won't let feds pursue \$280 billion penalty

The Supreme Court refused to allow the federal government to pursue a \$280 billion penalty against tobacco companies on claims they misled the public about the dangers of smoking, said the Associated Press

The decision, considered a major victory for cigarette makers, was not unexpected, because the government's case is still pending and the federal judge who presided over the nine-month trial has not yet decided whether tobacco companies are guilty of wrongdoing. The court declined, without comment, to intervene now, and the case could return to justices next year.

The fight at the Supreme Court was over the amount of money the companies would have to pay, if the judge rules that they violated the Racketeer Influenced & Corrupt Organizations (RICO) Act.

The government has said that the \$280 billion is an estimate of money that companies including PM USA and R.J. Reynolds earned illegally through fraudulent activities. It may still pursue a request for \$10 billion for a stopsmoking program and \$4 billion for education. The government had been harshly criticized for not asking for more. An expert had recommended a \$130 billion stopsmoking program.

The government has spent \$140 million since 1999 litigating the case, and the Justice Department also is trying to force tobacco companies to pay those costs.

The federal case is independent of settlements worth \$246 billion that states reached with the industry in the late 1990s to recoup the cost of treating sick smokers.

FBI crime report indicates robberies are declining

According to the Federal Bureau of Investigation (FBI), statistics compiled during 2003-2004 suggest that the estimated volume of violent crime and property crime has decreased.

Crime in the United States is the FBI's statistical compilation of reports submitted by law enforcement agencies and represents 17,000 city, county, state, tribal and federal law enforcement agencies--or roughly 94.2 percent of the U.S. population--who voluntarily participated in the survey. The survey is a component of the FBI's Uniform Crime Reporting (UCR) Program.

According to the FBI, "Marking the third straight year of a decline in the number of robberies nationwide, the 2004 estimate of 401,326 offenses reflected a 3.1 percent decline from the 2003 estimate." Additionally, the FBI

reports the nation's robbery rate during 2004 was 136.7 robberies per 100,000 inhabitants, which represents a decrease of 4.1 percent compared to the 2003 rate.

The FBI reports that robberies cost victims an estimated \$525 million and the average loss per robbery was \$1,308. Banks were among the highest in average dollars lost at \$4.221. Gasoline and service stations lost an average of \$1,749 and convenience stores lost an average of \$653 per robbery.

Additionally, the greatest decrease among robbery location types occurred at gasoline and service stations, which dropped 7.4 percent. By location type, reports the FBI, the greatest proportion of robberies (42.8 percent) in 2004 occurred on streets and highways. Convenience stores were the site of 6.1 percent of robberies, followed by gasoline or service stations at 2.7 percent.



THIS IS THE SEASON FOR BIG HITS, ONE-HANDED GRABS AND

GOAL LINE STANDS. THIS 15 THE MOMENT WE'VE BEEN WAITING FOR.

THIS IS THE TIME TO GRAB THE SMOOTH, REFRESHING TASTE OF BUD LIGHT.

BECAUSE FOOTBALL IS BACK, GET UP FOR THIS.

GREAT TASTE FOR YOUR GREAT TIMES.





News **NOTES**

American diets lack enough vitamins

Many Americans are not getting the recommended doses of several key nutrients, according to a USDA survey. Essential vitamins, however, can be added to one's diet by diversifying food intake, cooking at home and eating certain vegetables, one health and nutrition writer says. -The Washington Post

Family Dollar investing in urban

Family Dollar Stores Inc. is launching an expansion plan focused on urban markets that chief financial officer Jim Kelley recently told Bear Steams investors "is our greatest opportunity but it also has the greatest challenges." The chain developed new human resources technology to screen employment applications. -GlobeSt.com

Frito-Lay to introduce fruit and veggie chips

Pepsico-owned Frito-Lay is investing in healthier snack options and may launch chips made of fruits and vegetables as early as 2006, CEO Irene Rosenfeld said. The move could have a profound effect on the snack food market if the line is successful, said Lisa Katic, a registered dietitian with a food industry group. -The Dallas Morning News

Seafood and brain power

A new study done by researchers at Rush University Medical Center suggests that a diet rich in seafood helps to keep the mind in good shape, sometimes slowing agerelated mental difficulties by three to four years. If We found that people who ate one fish meal a week had a 10 percent slower annual decline in thinking," study co-author Martha Clare Morris tells the Atlanta Journal Constitution. "Those who are two fish meals a week showed a 13 percent slower annual decline " I While previous studies have pointed to the omega-3 fatty acids in fish such as salmon and tuna as helping to prevent heart disease, this new study does not connect the omega-3 fatty acids to improvement in mental acuity.

Great American Beer Festival Honors Miller with Six Medals

Miller Brewing Company added six medals to its trophy case at the Association of Brewers' Great American Beer Festival, including a medal for the company's oldest brand, Miller High Life. Since 1996, Miller has won an impressive 84 awards between both the Great American Beer Festival and World Beer Cup. This year's Great American Beer Festival was held in Denver from September 29 through October 1 and boasted both the largest array of beers ever at the GABF and the biggest selection of beers ever gathered together at one time on the globe.

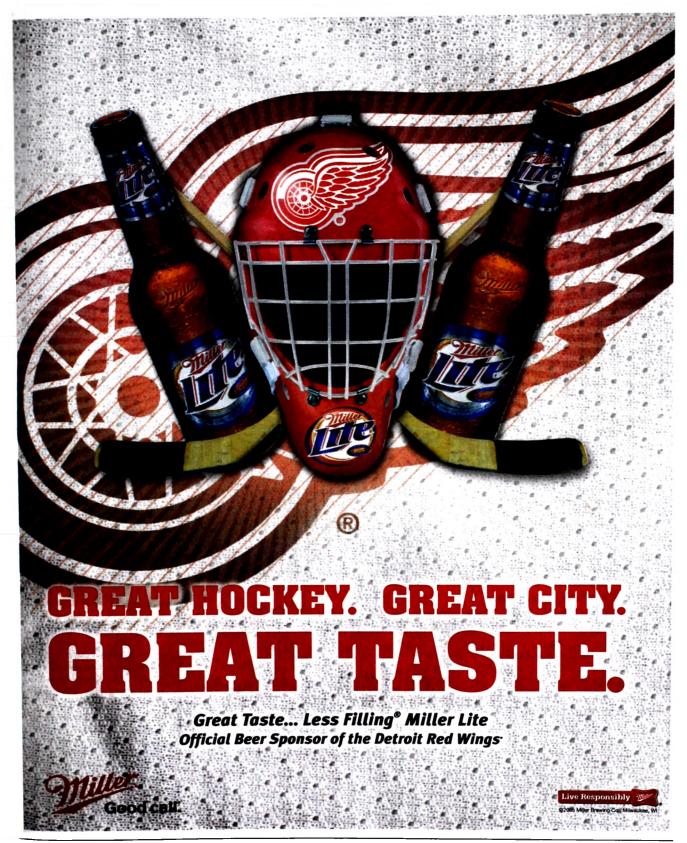
Dan Reeves appointed to Michigan Food **Policy Council**

On October 18, AFD Executive Vice President Dan Reeves was appointed by Governor Granholm to the Michigan Food Policy Council, representing the food retailer sector.

Created by Executive Order 2005-13 and funded in partnership with the W.K. Kellogg Foundation, the Michigan Food Policy Council (MFPC) brings diverse food-related stakeholders together to recommend programs and policies to the Governor that improve Michigan's food future. The MFPC has a mission to cultivate a safe, healthy and available food supply for all of Michigan's residents while building on the state's agricultural diversity to enhance economic

The MFPC gives food-related stakeholders the forum to identify policies that harness the potential of the food system to aid in communities' economic development, provide children and those in need greater access to fresh and nutritious foods, and support stewardship of our finite land and water resources





News **NOTES**

Maker's Mark and Jim Beam to join forces

The Federal Trade Commission recently cleared the way for Fortune Brands Inc. to acquire Maker's Mark from French drink house Pernod Ricard, Maker's Mark and more than 20 additional wine and spirits brands will join Jim Beam and Knob Creek under the Fortune banner when the \$5 billion deal closes. -Chicago Sun-Times

Pepsico to ramp up nutritional

Pepsico announced plans to focus its marketing plan on the more than 200 products that bear its "Smart Spot" seal which indicates the product is low in salt, sugar, cholesterol and fat. The company plans to direct half of its children's marketing budget on ads for Smart Spot products. -The Wall Street Journal

Rite Aid plans 1,000 new stores

Rite Aid believes it can rise to the "next level" by focusing on customer needs and introducing new pharmacy-based initiatives designed around Medicare Part D coverage. The drug store chain expects to open 1,000 new locations in five key markets in the next five years. - Drug Store News

Former Kmart execs let off hook by feds

The Detroit News reports that federal investigators - having spent more than three years and several million dollars on a probe into how Kmart's former management handles the events leading up to its 2002 bankruptcy - have decided not to file charges against former chairman/CEO Charles Conaway and former president Mark Schwartz. The investigation, according to the News, "generated dozens of allegations, hundreds of hours of interviews and millions of pages of documents...(but) no significant evidence of personal fraud by senior executives emerged."

Prudential Retirement

More than 75 years of retirement plan innovation in one powerful package.

The people at Prudential are working hard for you-combining smart, new technology and personal service—to create a retirement plan that's easier to access, and easier to manage.

Not just more fund choices, more benefits.

More investment options from Prudential and other leading fund families.

Not just information-education, asset allocation and advice, too.

- Prudential GoalMaker™ asset allocation service helps your employees make smarter investment choices.
- Our partnership with Financial Engines® lets employees opt for personalized online
- · Retirement specialists and award-winning educational materials can help boost participation and deferral rates.

Not just anytime access, anywhere access.

Plan sponsor and participant websites simplify plan reporting and account management Participants enjoy "anywhere" access to their retirement plans via Intuit's Quicken® Deluxe personal financial software (versions 2001 and higher).

Not just great technology, great people.

- · Help with any aspect of your plan, from enrollment to understanding your investment options.
- A knowledgeable customer service representative, just a phone call away.

Call me for more information about Prudential Retirement: (248) 433-8508

Calvin G. Zara, Financial Planner The Prudential Insurance Company of America CA Insurance License OD37537



Growing and Protecting Your Wealth®

Financial Engines is a registered trademark of Financial Engines, Inc. Quicken is a registered trademark of of Inturt, Inc. Financial Engines, Inc., Inturt, Inc., and Prudential are independent organizations. For more complete information about the investment options available including charges and expenses, please contact Prudential at 200 Wood Avenue South, Iselin, NJ 08830, for a free prospectus. Please read the prospectus carefully before investing. Securities offered as a registered representative Pruco Securities, LLC (Pruco), 751 Broad Street, Newark, NJ 07102, and distributed by Prudential Investment Management Services, LLC (PIMS), Three Gateway Center, 14th Floor, Newark, NJ 07102, members SIPC, Pruco, PIMS and The Prudential Insurance Company of America are Prudential Financial companies. Prudential Retirement is a Prudential Financial business. Prudential Financial is a registered service mark of The Prudential Insurance Companies. INST-A002811 Ed. 12/2003

Dashboard dining takes off

According to a recent NPD Group survey, Americans are eating on the run far more frequently than they did 20 years ago-and are particularly doing so from their vehicles

"People don't want to get out of their cars to get dinner," Harry Balzer, a vice president for NPD Group, told USA Today, adding that this consumer attitude is why some upscale restaurant chains are now offenng curbside and takeout dining services

Balzer commented that most consumers are experiencing "fresh stress," meaning they want fresh foods, but simply don't have the time to prepare it themselves.

Findings from the NPD Group survey suggest a single consumer eats about 32 restaurantpurchased meals a year inside their vehicle, which is up from 19 meals a year in 1985. Furthermore, a consumer purchases about 57 takeout restaurant meals to bring home. compared to 33 meals in 1985

Hudson Riehle, senior vice president of research for the National Restaurant Association (NRA), suggested to USA Today that takeout dining is a trend worth paying attention to

"Most restaurant operators report that takeout. which includes curbside, drive-thru and delivery, represents a higher proportion of their total sales than it did two years ago." Riehle said, adding that women are more likely to report that they would like to be ordering more takeout meals in the future.

Other findings from the NPD Group survey suggest that the foods that are more likely to be a part of American mealtime diets today include sweetened cereals for breakfast, soft drinks at lunch and salty snacks at dinner

Foods that were popular in 1985, such as loast for breakfast, coffee at lunch and vegetables at dinner, are less likely to make it to the table as a part of today's meals



News **NOTES**

Miller Brewing appoints convenience store director

Miller Brewing Company announced that Craig Bosworth has been promoted to senior sales director - convenience stores. Bosworth comes to his new position with 24 years of sales experience, most recently in his role with Miller as team leader for Kroger East/Winn-Dixie

Bosworth has spent more than twenty years

selling and developing Miller's business. In his previous position. Bosworth and his team delivered significantly improved share and volume during the last three year-period. Prior to that, Bosworth was influential in defining the supermarket team structure through his management of the Kroger team nationally.

New study highlights importance of affordable fresh produce

The Associated Press cites a new study by the Rand Corp. that says the cost of fresh fruits and vegetables - not the availability of fast food joints - tends to have a greater impact on weight gain in children. This hardly fits the picture drawn by people who blame fast food restaurants for all of society's obesity ills. The results of the study "showed that young children who live in communities where fruits and

vegetables are expensive are more likely to gain excessive amounts of weight than kids who live in areas where produce costs less," according to the AP. "That connection was stronger than the proximity to fast-food restaurants." And, the report notes, "among kids in the area with the lowest relative cost for fruits and vegetables. - Visalia, Calif. - excess weight gain was about half the national average

The legendary original with a classic fresh taste of strawberry cream liqueur and the finest tequila ...

Tequila Rose

has a big announcement to make.





serving E. and N. Michigan

and the U.P.

serving Western and

Southwest Michigan

Farmer Jack President Carter

On Friday, October 14, Farmer Jack President Mike Carter resigned after three tumultuous years at the helm of the 78-yearold Detroit grocery chain. He had announced his intentions to Farmer Jack's owner, the Great Atlantic & Pacific Tea Co of Montvale, N.J., earlier this year

"At the company's request I agreed to stay on to help prepare the company for sale," Carter told the Detroit Free Press. "I'm just ready to move on to new opportunities."

A&P had been negotiating with Grand Rapids-based Spartan Stores Inc., but those talks broke off in October. According to the Free Press, if a buyer is not found, it could lead to more store closings and layoffs for the chain's 6,500 workers.

Hunger relief group honors Kroger

The Kroger Co. was named "Grocery Retailer of the Year" by America's Second Harvest - The Nation's Food Bank Network, a charity affiliated with more than 200 food banks nationwide. "Kroger provides tremendous support to our network. They have a genuine commitment to help us feed millions of Americans who are hungry or at risk of hunger," said Bob Forney, president and CEO of America's Second Harvest Kroger has donated about \$160 million worth of food to the group in the past five years - American City Business Journals

Foodmakers prepare for FDA's label rules

The U.S. Food and Drug Administration's new food labeling rules, set to go into effect in January, have companies like ConAgra Foods Inc. and Kellogg Co. listing allergens on their labels, changing manufacturing processes and even revamping recipes Campbell Soup Co. has reformulated 50 products and updated more than 200 labels. a spokesman said. Alison Kretser, senior director of scientific and nutrition policy at GMA, said food companies are ready to make further changes based on FDA guidance. -The Wall Street Journal

(888) 990-0600

serving Southeast Michigan



The Power of Your Community is right behind you.

Every time you turn on a light, thousands of your friends and neighbors are right there making sure it works. That's thousands of Michigan-based Detroit Edison and DTE Energy workers providing you with the level of service and dependability you've come to expect for over a century. And we're also right behind you when it comes to community support, donating more than six million dollars a year to community causes

DTE Energy



The Power of Your Community .= DTE



With VVW.ATMWHOLESALER.COM
You retain 100% of the surcharge. No hidden fees.

Norman—Sales & Service
Direct: (734) 775-7400 • Fax (734) 454-1924

The new superfoods

Newsweek magazine recently reported on the food choices of Dr. Steven Pratt coauthor of the 2004 best seller "SuperFoods Rx." According to Newsweek, Pratt doesn't look at food choices as a matter of personal taste. Instead, he views them as lifeor-death decisions. Choose well, and you may ward off cancer and heart disease. Chow down on "processed crud," and you might as well reserve a handicapped space at the hospital, the magazine reports. According to Newsweek, here are some of Pratt's choices as Superfoods:

Superfruits. Three of Pratt's new power foods are fruits that are currently in season—pomegranates, kiwis and apples. A new study from the University of Wisconsin finds that pomegranate-fruit extract inhibits highly aggressive prostate-cancer cells in the lab. One medium kiwi packs as much vitamin C as an orange. "And kiwis help thin the blood, like aspirin without the side effects," Pratt told Newsweek. Apples reduce the risk of asthma and may help prevent lung cancer.

Parsley, sage, rosemary and ... cinnamon? "One study found that 10

grams of spice [roughly 2 tablespoons] contained as many health-promoting antioxidants as 10 servings of fruits and vegetables." Pratt says in the Newsweek story. Just about any spice is beneficial. But Pratt singles out one study on cinnamon. The USDA found that half a teaspoon a day lowered blood-sugar levels in patients with type 2 diabetes and brought down their bad cholesterol.

Cold-pressed and extra virgin olive oil. Olive oil is getting rave reviews now that scientists have shown that the extra-virgin variety has anti-inflammatory properties. Low-grade inflammation has been implicated in everything from heart disease and colon cancer to Alzheimer's, says Newsweck. Pratt's advice: look for the words "first cold pressed," which indicate that little heat was used. The greener the oil, the better.

Chocolate. Dark chocolate (but not milk chocolate) is now a superfood. "It's not just the antioxidants that make it healthy," says Pratt. According to Newsweek, dark chocolate contains substances similar to the heart-healthy compounds in green tea. (See related story, page 27.)



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.

Sagemark
Consulting

© 2003 Lincoln Financial Advisors

Advision y services offered through Lincoln Financial Advisions Corp., a registered investment advisor financial offered through Lincoln affiliates and other fine companies Securities offered through Lincoln Financial Corp., as probaedidades (remember MPC). Lincoln Financial Group is the marketing name for Lincoln National Corp. and its affiliates.

CIRNO I 00712



Legislator PROFILE

Senator Michelle McManus stays connected with the people she represents

State Senator Michelle McManus Republican 35th district (Lake Leelanau) Committees:

- Senate Finance
- Senate Commerce and Labor Appropriations Subcommittees:
- Chair Department of Natural Resources
- · Chair Department of **Environmental Quality**
- · Vice-Chair for the General Government and History, Arts and Libraries

By Kathy Blake

State Senator Michelle McManus (R-Lake Leelanau), takes great measures to be accessible to the people she represents. Although she has the largest geographical district south of the Mackinac Bridge, she still makes the rounds, averaging 5,000-6,000 miles per month by car. "I spend a large amount of time getting from Point A to Point B." said McManus. Her district covers the northwest portion of Michigan's lower peninsula. Even though she has 11 counties, she holds office hours in each one. "Every Monday and Friday, I'm somewhere in my district," said Senator McManus. adding, "I believe that you've got to be able to touch and see your representative or senator."

"This office belongs to the citizens of the 35th district," is her slogan as she performs her duties. As a member of the Senate Appropriations committee, she has worked on the budget dilemma. "I am particularly concerned with job loss and the high tax base. It causes us to make choices that we would not do in better times," said



McManus. She cites an example of the economic impact of job loss, with the recent decision by Governor Granholm to close the Michigan Youth Correctional Facility in Baldwin. It displaced 229 workers and rendered the facility useless. McManus voiced her disapproval of this state budget cut and invited the Governor to visit the city of Baldwin. "It causes considerable economic impact, yet the savings is very low."

Senator McManus sponsored Senate Bill 798 to keep 400 manufacturing jobs in Cadillac. The bill would create a rural retention credit within the Michigan Economic Growth Authority. This credit would be available to rural businesses with more than 300 employees that are at risk of being closed and the work being sent outof-state. For example, in Cadillac, it would allow a group of investors to purchase the Hayes Lemmerz facility and keep it in operation. McManus said, "It would be devastating to the workers, families and the city if this facility were to

close. Ensuring access to MEGA's tax credit program is a sensible and easy thing to do to keep these jobs in our community."

McManus hosts a monthly cable TV show interviewing people in government regarding current issues or programs. She also sends out a monthly newsletter.

She has objected to banning classroom reciting of the Pledge of Allegiance. Since she works for the people of Michigan, she has the Michigan Pledge of Allegiance on the home page of her website: "I pledge allegiance to the flag of Michigan, and to the state for which it stands, two beautiful peninsulas, united by a bridge of steel, where equal opportunity and justice to all is our ideal."

Senator McManus started in politics in high school where she was class president. She graduated from Traverse City High School. She worked on numerous political campaigns while in college. She graduated with a Bachelors Degree in Political Science from Central Michigan University. Although she

was involved in politics, she reports, "I had no intention to run for office." Her uncle, George McManus, was a state senator.

After college she went to work for former state senator, Mitch Irwin, who is now director of the Department of Agriculture. When the state representative in her district retired, she ran and won that seat. In 1992, at the young age of 25, she took office. She was the first state representative to provide her email address to constituents. After completing three terms, she ran for US Congress against Bart Stupak

She then served as director of Governor John Engler's Northern office. In this position, she was a liasion between the governor and the townships and the governor's southern office. Then she ran for State Senate in 2001, winning by a 15-percent margin. She took office in 2002.

McManus says she holds three things in balance: family, faith and community-what you give back. She is very active in her community.

McManus lives in Lake Leelanau with her husband and two daughters. She enjoys hunting and other outdoor activities. The senator is co-chair of the Michigan Legislative Sportsmen's Caucus. She organized the printing of the caucus's first ever wild game cookbook, with proceeds of the sales being donated to Michigan Sportsmen Foundation Against Hunger

To reach Senator McManus, call (517) 373-1725, visit her website at www.senate.michigan.gov/mcmanus or write to Senator Michelle McManus, PO Box 30036, Lansing. MI 48909-7536.



Take Home the Dairy Best.



Retailer **PROFILE**

Jerry Crete makes his party store "Ideal"

By Michele MacWilliams

"THANKS SAGINAW FOR VOTING US BEST OF THE BEST" blazes from the Ideal Party Store marguis visible to traffic on busy Center Street. Wow, the best party store in Saginaw. As I drove up, I wondered what attributes a store would have to receive such an honor. Jerry Crete, owner of Ideal. says the award is from a people's choice contest held annually by the Saginaw News. Ideal Party Store has won the "Best Place to buy Wine and Liquor' award for three consecutive years.

From the outside, Ideal Party Store looks like a typical convenience store. Located in a small. nondescript strip center, the store blends in with the other small businesses in the area. Someone unfamiliar with this part of town could easily pass by the store without noticing it.

What could make it so special? One step inside and it was obvious. Although Ideal Party Store is a petite 4,200 square feet, it is packed, floor to ceiling, with a huge assortment of wine. In fact, roughly three quarters of the store is dedicated to wine. Specialty beers and liquor are the other big draws. Ideal's beer coolers hold a variety that is much larger than one would expect from a traditional convenience store. The liquor section is extensive, with a huge selection of aged single malts, specialty vodkas and anything hot and new. There is very little space left over for the typical racks of

chips and candy found in more traditional party stores. It is obvious that this is a serious wine and spirits shop.

Wine is categorized by region in some cases and by varietals in others. There are some put on shelves according to the time they are meant to be consumed Port, sherry and ice wines are grouped together, since they are all traditionally opened after dinner. There are also cases of wine stacked on the floor and various displays at aisle ends.

Shelf tags abound. Taped to the shelves are various clippings from Wine Spectator, pages with wine rules from the Wine for Dummies calendar along with shelf-talkers from the wineries and wine distributors. The tags are there to entertain and also to help customers make educated decisions about their

Crete purchased the store 10 years ago. At the time it was more of a typical convenience store, with a very limited beer and wine selection. Since then, Crete remodeled, adding 900 square feet and expanding the wine and beer selections by 500 percent.

"The business has changed over the past ten years," says Crete. People are drinking less, but when they do, they are drinking better.' He added that wine consumption in the U.S. has doubled since 1994 and that is definitely the case in his area of Saginaw.

Ideal Party Store has a good cross-

section of customers. A country club located just down the street means that a good deal of Saginaw's affluent residents find Ideal to be a convenient place to purchase their beer, wine and spirits. Employees at a nearby hospital and a Delphi plant are also frequent customers.

Crete says that the secret to the success of his store is knowing his customers and identifying their purchasing trends. Over the past year or so, as the economy has slowed, he has noted that they are buying less expensive wines. "The Australian and South African wines are playing real well now, because they are great values," he says. "Flavored vodkas are still increasing in popularity and bourbon is making a comeback among young adults too," he adds.

Each year Jerry Crete attends the AFD Holiday Beverage Show, to cull ideas on the hottest new products and latest trends. Armed with this knowledge, he then makes purchases based on what is new and what he knows his customers will want.

Four times each year Crete hosts a wine tasting event at a local restaurant. Although he says the events are expensive, they pay off in increased orders and in customer loyalty. He feels that retailers are at a disadvantage because they aren't allowed to host in-store tastings.

His major competitors in the area are Meijer and Kroger. Crete often walks through Meijer to check their prices. "I'm almost always cheaper," he says, adding that although he can only afford to advertise sporadically, his customers know his prices are good and, by word of mouth, his business continues to grow



Jerry Crete



Stacked with a huge assortment of wine, shelves also hold informational tags

The Crete family has been in the retail business since 1934. when Jerry's grandfather opened a convenience store in Bay City. Today Jerry's father, Roy, and cousin Jim Campbell run that store. Jerry learned the business by working there as a youth. With his family's help, he opened the Saginaw store in 1995. I guess the retail industry is the "ideal" occupation for Jerry Crete. After all, for three years running, he has owned and operated the People's Choice. "Best of the Best" in Saginaw.



island breeze





THE ORIGINAL LITE SPIRIT™

Happy Holidays from



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

1000

1000ml = 16-8

1750ml = 148-4

Proudly sold by:

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

CREA CO



Cube Ice

- Block Ice
- Crushed Ice
- Drv Ice
- Cash & Carry Department at Wholesale Prices
- •Best Prices in Town!
- •Centrally Located for Best Delivery!

SERVICE

U.S. ICE knows that the best way to attract new customers, and to maintain the trust of established customers is to provide fast, reliable delivery. For this reason, when we built our state-of-the-art ice manufacturing facility, we purposely chose a location with the best access to the entire Detroit metropolitan area.

PRICE

U.S. ICE has always been known for its competitive pricing structure, personalized specifically to your individual needs.

QUALITY

In the ice business, there are two basic choices of ice styles: VOGT and TURBO. Turbo ice has no uniformity whatsoever; as the machinery produces flat sheets of ice that are sent through a crusher; Vogt ice machinery produces long, cylindrical tubes of ice with a hollow center that are sliced to perfect uniformity. Over the years it has become apparent that our customers much prefer Voot ice for its consistent drinking pleasure. That is why all U.S. ICE is manufactured by the Vogt ice process.



The Abbo Family has served Detroit's ice needs since 1984!

U.S. ICE CORP.

10625 West 8 Mile Road Detroit, MI 48221 (313) 862-3344 • Fax (313) 862-5892

LARGEST ICE MANUFACTURER IN THE CITY OF DETROIT.

with a manufacturing capacity of 300 tons (600,000 lbs.) of ice per day!



Thanks to AFD for helping hurricane victims

By Warren C. Evans Wayne County Sheriff

I would like to take this opportunity to extend to you my deep appreciation for your support and generosity toward relief efforts in wake of Hurricane Katrina. Thanks to your involvement and commitment, the Wayne County Sheriff's Office and Department of Homeland Security were able to help provide significant relief and support to residents and

police officers in the city of New Orleans, as well as Mobile, Alabama.

In an amazing 24 hours that I will never forget, all of us, working as a team, were able to collect, coordinate and transport six tractor trailers and three smaller trucks filled with food. water, medical supplies and clothing to displaced residents. No doubt, these supplies had a tremendous impact on the lives of hundreds of hurricane victims.

As you can imagine, my officers,

support staff and other members of the caravan, were greeted with open arms in the Gulf Region. Seeing the grateful expressions on the faces of exhausted New Orleans Police Officers when they saw deputies respond to assist them, or Steve's Soul Food truck pull up to give them their first real meal in days, or a truckload of hundreds of pairs of new boots for them to wear, lets me know that we all truly made a difference.

We also have forged a bond with

the city of New Orleans and its police department that will endure for years to come.

I am proud beyond words of how so many individuals and organizations throughout the region, including the Teamsters, B&T Towing, Hart Medical Service, Big Boy Restaurants, Greater Grace Temple, Walt Michael's RV Center, the local media, Steve's Soul Food, various local and county officials and so many others rallied together for this cause. And, of course, the deputies who volunteered for this effort served with the utmost professionalism and human compassion.

Please understand that people around the nation have seen and heard how Wayne County, the city of Detroit and their friends respond to this disaster. In fact, my office has received emails from individuals as far away as Kansas, Indiana, Connecticut and West Virginia, thanking us for our collective leadership and incredible response. If the chips ever are down for us and we are facing a similar calamity, I have no doubt that the seeds of support we have all sown will be repaid by those who benefited from, or simply appreciate,

Thank you again for your kindness and generosity in this team effort

Posting seafood advisories -AFD can help

Safeway and Albertsons grocery stores have begun posting signs at seafood counters warning shoppers about the potential danger certain fish pose to women who are or might become pregnant, nursing mothers and young children. The Food and Drug Administration has issued warnings regarding methylmercury levels in some seafood since the 1990s, but large grocery store chains outside of California, where it was required, had not posted warnings previously.

Recently a number of news stories on mercury in seafood have appeared in newspapers across the country. sparking consumer concerns. AFD has a brochure that explains the warning. It was created by the Food Marketing Institute and is available to you via email. If you would like a copy sent to you electronically, please call AFD (248) 671-9600 or send an email to tmoreton@afdom.org





Back to basics on shrink control



By: Michael Sansolo Food Marketing Institute

Although it has six letters, shrink is the supermarket industry's version of a four-letter word

There is probably no topic that bothers retailers more than the profits that disappear due to shrink in all its forms. And like it or not, there is no store immune to the problem of shrink. Yet many of the same practices that make independent retailers so effective at customer service are the easiest and most effective ways to combat shrink, whether it's caused by vendors, employees or customers.

Bill Alford, president of International Lighthouse Group and FMI's special consultant on loss prevention issues, says retailers need to use the same management and customer service techniques they know so well to cut their shrink problem down to size. Pay attention to details, pay attention to people and lead by example.

But it all begins with recognizing the problem

Like many other issues impacting the industry, shrink is constantly changing and constantly getting more complex. Issues from terrorism to privacy concerns to organized retail theft are all incredibly important. However, most retailers need to understand that the biggest problems they face daily are the basic forms of shrink. And that's where your attention must stay.

Alford says there are three key groups of people responsible for shrink and all of them are incredibly important to your store: employees, vendors and customers. All three require different

Employees are the most important. Alford says it is essential you lay down the rules on shrink and uphold them

constantly. "Most of your employees are honest. You need to encourage them to keep an eye on the dishonest employees. They know it's important, so support them." Alford says if you don't act on the efforts of the honest employees, they'll lose their incentive to help.

The commitment to honesty with your employees spills over to the next problem group: your shoppers. Here again, the vast majority are honest, but it only takes a small number to cause a big problem. The best way to combat shoplifters is with good customer service. Shoplifters can't operate if employees are alert, walking around the store and interacting with them.

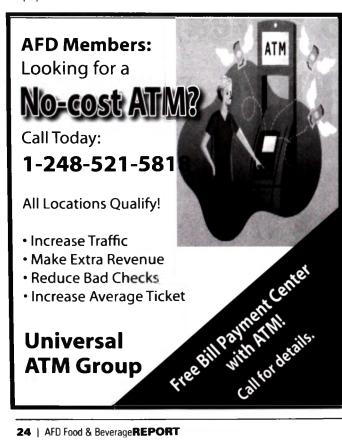
One big challenge is how to confront a shoplifter. If an employee notices someone taking an item and putting it in their pocket, they have the dual problem of following the shoplifter and notifying management at the same time. Once you lose sight of the shopper, you have a problem in confronting them.

Alford says you can still deal with this and he offers a simple strategy. Ask employees to concentrate on a

specific item taken by the shoplifter. The store manager can then pick up the exact same item and hold it in their hands while they intercept and just talk to the shoplifter. Frequently, Alford says, that will show that you know what's happened and will get the shoplifter to look for a way to abandon their merchandise rather than take it out of the store. It won't result in an arrest, but it stops the shrink.

The third problem group are the vendors constantly walking in the store. Again, most are honest, but Alford suggests you set standards that make it clear you are alert and watching what's going on. Specifically, check every item that comes in the store every time. "You wouldn't let a customer leave without checking out every product in their cart. Why would you let a vendor enter without checking in every item they have?" he says.

It's all basic customer service, but just as superior attention to shopper needs helps you increase sales, superior attention to all the forms of shrink helps the bottom line just as dramatically.







Poor have difficulty eating healthy foods

Laurieann Cossey has always struggled with her weight. Four years ago, she was diagnosed with diabetes. Now, six months pregnant and struggling to get by, the single mother tries to make sure her 1-year-old son gets the fruits and vegetables he needs.

"I worry a lot about my son being obese," said Cossey, whose mother and grandmother also had diabetes.

Cossey, a 43-year-old community college student, and her son.

Andrew, survive on food stamps, trips to the food bank, and a state program for pregnant women and their children that provides essentials such as dairy products, fruit juice and cereal

She knows they should both be eating more fruits and vegetables. But the foods on the government's new food pyramid are too expensive. Boxed macaroni and cheese costs less than a dollar to feed the whole family; a fresh chicken breast and steamed vegetables cost about \$2.60.

"I'm sure we'd all like to feed our children a nice healthy chicken breast and asparagus," she said on a visit to a vegetable market. "If we are low on fruits and vegetables, my child gets his first."

But pasta, canned vegetables and hamburger are much more likely to be on Cossey's table.

Scientists, doctors and government officials are working on ways to get families like Cossey's to eat healthier food. Some innovative new programs are making progress, but the results are not coming fast enough as Americans get fatter and fatter.

The poor have more barriers to dealing with obesity, eating healthy and leading an active life, said Dr. Lydia Tinajero-Deck said.

Fast food restaurants are more common in their neighborhoods than fresh produce markets. Many parents, sometimes working two jobs, don't have the time to cook healthy meals. And fresh food is more costly.

"Energy-dense foods rich in starch, sugar or fat are the cheapest option for the consumer," said Adam Drewnowski, director of the Center for Public Health Nutrition at the University of Washington. "As long as the healthier lean meats, fish and fresh produce are more expensive, obesity will continue to be a problem for the working poor."

Dr. David L. Katz of Yale-Griffin Prevention Research Center advocates vegetable subsidies. He favors the idea of a junk food tax that would use the money to lower the price of vegetables, as well as pay for anti-obesity programs.

Diana Crane, a spokeswoman for PCC Natural Markets in Seattle, argues that educated consumers can still find fresh food bargains. "Many types of produce remain very affordable, such as potatoes and many greens, many under \$1 per pound," she said.

Crane said PCC would be happy to see more funding for government programs that get produce to lowincome families.

Drewnowski is working with a number of local agencies across Washington state to promote healthy eating and exercise by offering grants for promising projects.

He also argues for research to map the geographical distribution of obesity rates and spoke about obesity by ZIP code at a conference over the summer. An "atlas of obesity" would help policymakers know where to focus their programs, he said.

Some areas are already battling obesity on a geographic basis.

In Moses Lake, a rural town in eastern Washington with a high incidence of poverty, community agencies are working with citizen volunteers to improve walking trails and a community garden is giving residents a place to grow their own fruits and vegetables.

Drewnowski says most diet trend and health suggestions are designed for the middle class. A study his group is conducting seeks ways to make healthy eating more affordable.

"We have enough information about which foods are healthy and which are not. But affordability and access — that's a different story," he said.





Winemakers appeal to young, hip crowd

Winemakers are uncorking a new take on wines with fun packaging and lower prices. According to USA Today, the goal is to make wine more "accessible" to be a more popular choice for young, hip palates exploring beyond beer.

The \$23 billion U.S. wine industry has been on a roll overall - with 2004 retail sales more than double 1994, according to The Wine Institute. A Gallup Poll out in July reported 39% of Americans say they choose wine most often when they drink alcohol, while 36% most often drink beer. It's the first time that

beer has taken a back seat to wine.

Winemakers want to squeeze the surge in popularity. Virgin Vines came out with an edgy advertising campaign - in newspaper personals columns. One personal ad reads, "Full-bodied shiraz desires hookup. No commitments, baggage or corkscrews."

Brown-Forman's Don Freytag says traditional wine marketing didn't fit younger consumers. "Wine is perceived as untouchable and intimidating, and young people are turned off by the imagery of a nose in the glass," says Freytag, brand

manager of Virgin Vines. "It was not served up in a terribly friendly way, and we saw that as an opportunity to be different."

Price is also a major consideration of youthful drinkers. Value-conscious younger consumers have made "a \$10 (per bottle) price point the sweet spot," says Bill Newland, president of Allied Domecq's wine division, which also has a new wine label for the younger set, called Jakes Fault. "They want to spend enough to realize they are not buying something cheap, but they want something that has good value." adds Newland.

Vibrant labels, screw tops instead of corks and even miniboxes of wine are making it more portable and easier to consume. According to USA Today, 60% of U.S. homes don't have corkscrews.

Brands aiming younger are simplifying choices of vintage and varieties. Jakes Fault sells only a shiraz, and Virgin Vines has a chardonnay and shiraz. "Today's consumers are much more interested in a quality wine that they know is going to taste good," Freytag says. "They are much less concerned about where it comes from and the story behind it."

Yale study confirms health benefits of dark chocolate

Dark chocolate is not just good to eat, but it can also be good for the heart. According to a recent study by the Yale University's Prevention Research Center, eating dark chocolate "can result in short-term improvements in arterial function and blood pressure, notes a press release. The study was funded by The Hershey Company. "This is the latest

study to suggest a link between dark chocolate, which contains natural flavanol antioxidants, and health benefits," said Dr. David Katz, associate professor of public health at Yale and director of the Prevention Research Center. "The dark chocolate tested in this trial improved blood pressure and arterial function. Thomas K. Hernquist, Hershey senior vice president and

president, U.S. confectionery, noted, "We are extremely encouraged about these results," adding, "The dark chocolate category continues to grow at a rapid rate as consumers discover the unique, bold taste of dark chocolate and the fact that cocoa is a natural source of antioxidants." Hershey Senior Nutrition Scientist Debra Miller noted that the study provides

significant evidence that dark chocolate can have positive health benefits. "Dark chocolate is a great choice for a treat, providing the delicious taste of chocolate that people love with the added benefit of natural flavanol antioxidants,' added Miller, commenting that, like all treats, dark chocolate should be enjoyed "in moderation as part of a healthy, balanced diet." - NACS

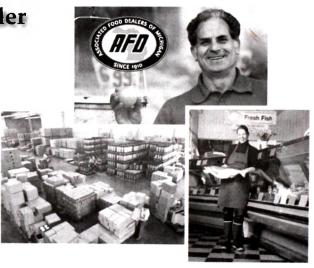
Exclusive Insurance Provider Endorsed by AFD!

Having worked with AFD for more than five years, Meadowbrook is exclusively endorsed to provide workers' compensation and business insurance.

- Competitive Rates
- Fast, Easy Quotes!

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

www.meadowbrookagency.com





AFD Turkey Drive - 25 years of giving

As the holiday season approaches, the AFD Charitable Activities Committee has pledged to put a turkey on the Thanksgiving table of approximately 2,000 Metro Detroit families that may not otherwise enjoy this special meal.

This is an Associated Food Dealers tradition that started 25 years ago

and each year the list of charitable groups that ask for turkeys grows. There are many more requests than we could ever fill. In addition to our regular stops, this year AFD will also work with Forgotten Harvest to bring turkeys to hurricane refugees that are temporarily relocated in Southeast Michigan.

Thanksgiving is a time to reflect, give thanks and help those who have less. We are asking you to pitch in. A \$200 tax-deductible donation to the AFD Turkey Drive will provide turkeys for 20 families! When you consider that each turkey serves about 12, that's Thanksgiving turkey for 240 people!

We need your help! It is truly heartwarming to be a part of our annual Turkey Drive and to know that together, we have brightened the day for 2,000 needy families. To make a tax-deductible donation, please fill out the form below or call Michele MacWilliams at (248) 671-9600. Thank You.

Yes! I want to provide Th	nanksgiving dinner to needy Metro Detroit families.
Name	Payment Method:
Business	Make check payable to AFD Turkey Drive and send this form, with your check, to: AFD Turkey Drive 30415 W. 13 Mile Road Farmington Hills, MI 48334
Email ————————————————————————————————————	
I will provide Thanksgiving turkeys for: 20 families at \$200	Expiration Date: V-Code # (last 3 digits on back of card) Signature
50 families at \$500	Fax to AFD at (248) 671-9610
As you know, each year AFD provides turkeys to needy far out over 1,900 turkeys, we rely on volunteer help. Join us a difference to 1,900 needy families! This year we are also luncheon at St. Patrick Senior Center in Detroit. Please sel	for a rewarding experience and help us make to helping to prepare and serve a special turkey
Thursday, November 17, 2005 Handing out Turkeys at Value Center Market Come to Value Center Market to help hand out turkeys to the organizations that distribute them to needy families. Value Center is located at 22700 Ryan Road (one block south of 9 Mile) in Warren. Come around to the back of the store and dress warmly, we are working outside! Please circle times that you are available: 9:30 a.m. – 11:30 a.m. 11:00 a.m. – 1:00 p.m. Please join us for a pizza lunch at AFD at 1:30 p.m.	Friday, November 18, 2005 Serving meals at St. Patrick Senior Center We will be preparing and serving turkey luncheon to seniors at St. Patrick Senior Center, 58 Parsons, Detroit, MI (At Woodward. Parsons is one block north of Mack. St. Patrick is across Parsons from the Max M. Fisher Music Center.) Please circle times that you can help: 8:30 a.m. – 10:00 a.m. Preparing food 10:00 a.m. – 12:30 p.m. Serving food 12:30 p.m. – 2:00 p.m. Clean up
Thursday, November 17, 2005 Delivering turkeys with truck Meet at AFD at 10:00 a.m., and then travel to various destinations to deliver turkeys. We estimate finishing at	Your name Phone
approximately 1:00 p.m. AFD is located at 30415 West 13 Mile Road, in Farmington Hills (east of Orchard Lake Road, across from Glen Oaks Golf Course.) Please join us for a pizza lunch at AFD at 1:30 p.m.	Please contact Michele MacWilliams to tell her when you will be volunteering your time, via fax, phone or email. Thank You!

Credit card payments: a necessary evil?

According to a recent survey by the Association of Financial Professionals (AFP), even though the high cost of accepting credit and debit cards is increasingly raising concern, U.S. businesses have no other option but to continue accepting plastic as a form of payment. The AFP Interchange Survey suggests that many financial professionals "believe their organization would sustain a significant decline in sales if it no longer accepted certain cards, especially those offered by Visa and MasterCard."

In September, AFP surveyed 654 financial professionals to understand the benefits of accepting credit and debit card payments, interchange costs and their views about current interchange concerns. The survey found that "virtually all organizations that accept credit or debit cards from consumers said they do so to satisfy customer demand. It is consumers' desire to pay with credit cards that makes it nearly impossible for many organizations to refuse to accept them."

The AFP survey also found that most organizations "believe that the credit card associations are engaged in price-fixing and anti-competitive behavior and support caps on interchange fees.

Meanwhile, half of the survey respondents said they expect to incur a significant loss of sales if

House passes "cheeseburger bill"

The House voted 306-120 in favor of the Personal Responsibility in Food Consumption Act, which would prevent consumers from suing restaurants and food companies over allegations that their products cause obesity. Supporters called the measure a step toward protection from frivolous lawsuits. while one detractor said the bill is a "special favor" for the food industry The Senate is expected to take up the issue next year.

Progressive Grocer

they were to stop accepting Visa and MasterCard. As for eliminating debit card use, the risk of losing sales is just as great.

Organizations that accept Visa and MasterCard told AFP that "the blended rate for accepting credit cards has risen by 4%. But almost one-quarter report increases of 10% or more, including 18% that report a 10% to 24% increase and 6% that report an increase of more than 25%."

According to AFP, survey respondents implement a variety of strategies designed to reduce the costs associated with accepting plastic. "More than half (56%) have attempted to negotiate for lower fees, 30% restrict consumer choice to certain cards, and 29% request unbundled pricing. A third of organizations that sell to consumers have programs to encourage customers to use the payment method preferred by the seller," says AFP. -NACS

A healthy alternative to the high cost of health care.

Introducing Flexible Blue from Blue Cross Blue Shield of Michigan-a new, more affordable way to give your employees the health care they really want.

Our Flexible Blue plans are designed to work seamlessly with the new health savings accounts (HSAs), which offer a number of attractive benefits:

- The potential of significantly lower premiums
- . The ability to customize your benefit plan
- Ease of administration, with financial services from Wells Fargo

For Employees

- More control over their health care
- HSAs funded by tax-free* contributions, similar to a 401(k) (certain maximums apply) Unused funds roll over each year and can be invested for growth

Flexible Blue also includes online resources to help employees make informed decisions about their health care, prescription drugs and more. Best of all, Flexible Blue lets you offer your employees the security of Blue Cross coverage at a cost that could be significantly less than you currently pay. Flexible Blue also works with health reimbursement arrangements (HRAs), flexible spending accounts (FSAs), or as a stand-alone benefit option

To learn more about how Flexible Blue can save your business money on health care costs, contact the Associated Food Dealers today at (248) 671-9600

Flexible Blue



INVESTMENT PRODUCT

NOT FDIC INSURED MAY LOSE VALUE NO BANK GU



SUPPORT THESE AFD SUPPLIER MEMBERS

AUTHORIZED LIQUOR AGENTS:	CrossMark	(734) 207-7900	Detroit Free Press	(313) 222-6400	Shimoun, Yaldo & Associates, P.0	2 /249) 054 7000
General Wine & Liquor (313) 867-09		(248) 354-5339	Detroit News	(313) 222-2000	Simplicity Wireless	(248) 851-7900 (619) 654-4040
National Wine & Spirits 1-888-697-6		(586) 752-6453	Michigan Chronicle	(313) 963-5522	Southfield Funeral Home	
1-888-642-4	97 Metro D Sales	(734) 416-8969	Suburban News-Southfield	(248) 945-4900		(586) 296-7590
Encore Group/ Trans-Con, Co 1-888-440-02	00 S & D Marketing	(248) 661-8109	Trader Publishing	(248) 474-1800		(248) 355-1040
		, ,	WDIV-TV4	(313) 222-0643	Vix-Kersch Vending Co.	(248) 548 1300
BAKERIES:	CANDY & TOBACCO:			, , ,		(240) 540-1500
Ackroyd's Scotch Bakery	Altria Corp. Services, Inc.	(734) 591-5500	NON-FOOD DISTRIBUTORS:		STORE SUPPLIES/EQUIPMENT	·
& Sausage (313) 532-1		(810) 742-8274	Items Galore	(586) 774-4800	Alarm-Medic	(248) 349-9144
Archway Cookies (616) 962-6		(248) 202-7339			Belmont Paper & Bag Supply	
Awrey Bakeries, Inc (734) 522-1	00 RJ Reynolds	(248) 475-5600	POTATO CHIPS/NUTS/SNACKS	:	Brehm Broaster Sales	(989) 427-5858
Interstate Brands/			Better Made Snack Foods	(313) 925-4774	Culinary Products	
Wonder Bread/Hostess (586) 792-79			Detroit Popcom Company	(313) 835-3600	DCI Food Equipment	
S & M Biscuit Dist. (Stella D'Oro) (586) 757-44		(248) 888-8000	Fnto-Lay, Inc	1-800-359-5914	Envipco	(248) 471-4770
Taystee Bakenes (248) 476-03		(248) 855-8777	Motown Snacks	(313) 931-3205	Hobart Corporation	(734) 697-3070
BANKS	Penna's of Sterling	(586) 978-3880	Kar Nut Products Company	(248) 588-1903	JAYD Tags	(248) 624-8997
ATM of America (248) 932-5	St Mary's Cultural Center	(313) 421-9220	Mexico Wholesale	(313) 554-0310	Jim Leach, LLC	(989) 791-3131
		(586) 949-2280	Nikhlas Distributors (Cabana)	(248) 582-8830	Martin Snyder Product Sales	
ATM of Michigan (248) 427-9i Bank of Michigan (248) 865-1:					MSI/Bocar	(248) 399-2050
Cash Depot (920) 432-5		1 000 740 0400	PROMOTION/ADVERTISING:		Sara Lee Coffee & Tea	
Comerica Bank (313) 222-4		1-800-748-0480	Art One Sign Expo	(248) 591-2781	Taylor Freezer	
Fifth Third Bank (248) 603-0	,,	(248) 399-3120	Enterprise Marketing	. (616) 531-2221	TOMRA Michigan	1-800-610-4866
Peoples State Bank (248) 548-2		(734) 525-4000	PJM Graphics	. (313) 535-6400	MAJOLEGAL EDOSEGGO DICTION	W.TODO
Standard Federal Bank 1-800-225-56		(313) 554-0310 (248) 589-7700	RESTAURANTS:		WHOLESALERS/FOOD DISTRIE	
-000-225-3t	Prairie Farms/	(240) 369-7700	Copper Canyon Brewery	(248) 222 4700	American Way Foods	(313) 945-0710
BEVERAGES:	Tom Davis & Sons Dairy Co.	(248) 399-6300	Pizza Papalis Corp	(248) 223-1700 (248) 540-2426	Brownwood Acres Capital Distributors	(231) 599-3101
Absopure Water Co 1-800-334-1		(248) 656-1523	Rio Wraps			1-800-447-8180
Allied Domecq Spirits USA (248) 948-8		1240) 030-1323	nio relaps	(248) 540-2426	Carp River Trading Co. Chef Foods	1-800-526-9876
Ambassador Service Group (248) 879-7		ON	SERVICES:		Chef Foods Consumer Egg Packing Co.	(248) 789-5319 (313) 871-5095
American Bottling (313) 937-3		1-800-781-5316		1-800-AAA-MICH	CS & T Wholesalers	(248) 582-0865
Anheuser-Busch Co. 1-800-414-2			Advance Me Inc	(513) 518-3150	D&B Grocers Wholesale	(734) 513-1715
B & B Beer Distributing Co (616) 458-1	77 EGGS & POULTRY:		Al Bourdeau Insurance Services		Dearborn Sausage	(313) 842-2375
Bacardi Imports, Inc . (248) 476-6		(313) 871-5095	1-800-455-0323		EBY-Brown, Co	1-800-532-9276
Brown-Forman Beverage Co (734) 433-99		(248) 524-9550	Alarm-Medic	(248) 349-9144	Economy Wholesale	(313) 922-0001
Brownwood Acres (231) 599-3			American Mailers	(313) 842-4000	Epstein Distributing Co	(248) 646-3508
Central Distributors (734) 946-6			AmericanA Systems	(248) 379-1575	Food Services Resources	(248) 738-6759
Coca-Cola Bottlers of MI	Aunt Mid Produce Co	(313) 841-7911	AMT Telecom Group	(248) 862-2000	George Enterprises	(248) 851-6990
Auburn Hills (248) 373-20			Andrews Brothers Inc		Great North Foods	(989) 356-2281
Detroit (313) 825-2			Detroit Produce Terminal		Hershey Creamery	(734) 449-0301
Madison Heights (248) 585-1:		(810) 987-7100	A S C Security Systems	(734) 416-5550	I & K Distributing	(734) 513-8282
Van Buren (734) 397-2		(313) 841-7711	Bellanca, Beattie, DeLisle	(313) 882-1100	International Ice	(313) 841-7711
Port Huron (810) 982-8		(248) 968-4290	Binno & Binno Investment Co.	(248) 540-7350	International Wholesale	. (248) 544-8555
Coors Brewing Co (513) 412-5		(313) 862-3344	C Roy & Sons	(810) 387-3975	Interstate Brands/	(500, 300 3500
Diageo 1-800-462-6 E & J Gallo Winery (248) 647-0			Calvin Zara Insurance Agency	(248) 433-8508	Wonder Bread/Hostess	(586) 792-7580
E & J Gallo Winery (248) 647-0 Eastown Distributors (313) 867-6		(500) 572 2550	Carttronics, Inc Cateraid, Inc	(760) 707-1265	Jerusalem Foods	(313) 538-1511
Faygo Beverages, Inc. (313) 925-1		(586) 573-2550 (248) 353-5033	Central Alarm Signal	(517) 546-8217 (313) 864-8900	Kaps Wholesale Foods Karr Foodservice Distributors	(313) 567-6710 (313) 272-6400
Future Brands (248) 471-2.		(240) 333-3033	Cherry Marketing Institute	(517) 669-4264	Kay Distributing	(616) 527-0120
Galaxy Wine (248) 363-5			Clear Rate Communications	(734) 427-4411	Liberty Wholesale	(586) 755-3629
General Wine & Liquor Co (313) 867-0		1-800-AAA-MICH	Closed Circuit Communications	(248) 682-6400	Lipan Foods	(586) 447-3500
Great Lakes Beverage (313) 865-3		58-9884 Ext 103	Constellation New Energy	(248) 936-9027	Metro D Sales	(734) 416-8969
Great Lakes Distribution (810) 794-1				(248) 457-7000	Mexico Wholesale	(313) 554-0310
Hansen's Beverage (313) 575-6		,	D J King & Associates	1-800-781-5316	Michigan Quality Sales	(313) 255-7333
Hubert Distributors, Inc (248) 858-2		(248) 333-2500	Diamond Financial Products	(248) 331-2222	Nash Finch	(989) 777-1891
Intrastate Distributors (313) 892-3	00 Gadaleto Ramsby & Assoc	1-800-263-3784	Dragon Systems	(231) 876-1926	Nat Sherman	(248) 202-7339
J Lewis Cooper Co. (313) 278-5		(586) 445-2300	DTE Energy	(313) 237-9225	Nikhlas Distributors (Cabana)	(248) 582-8830
Jones Sodas (269) 382-4		(248) 684-0127	Excel Check Management	(248) 787-6663	Norquick Distributing Co.	(734) 254-1000
Josulete Wines, Inc (313) 538-5		ell (586) 242-1331	Financial & Marketing Ent	(248) 541-6744	Robert D. Arnold & Assoc	(810) 635-8411
Kent Beverage Co Inc (616) 241-5		(248) 358-1100	Freedom Systems Midwest, Inc.	(248) 399-6904	Royal Distributors of MI	(248) 350-1300
McCormick Distilling Co (586) 254-5		(248) 358-1171	Gadaleto, Ramsby & Assoc	1-800-263-3784	S Abraham & Sons	(616) 453-6358
Michigan Grape & Wine	Rocky Husaynu & Associates	(248) 851-2227	Great Lakes Data Systems	(248) 356-4100	Sara Lee Coffee & Tea	(734) 414-8433
Industry Council (517) 373-1			Guardian Alarm	(248) 233-1645	Shaw-Ross International Importers	
Miller Brewing Company (414) 259-9		(240) 504 5301	ICU Surveillance	(248) 255-6419	Sherwood Foods Distributors	(313) 366-3100 (734) 455-1400
National Wine & Spnts 1-888-697-6		(248) 591-2781	JJ Security Systems Kansmacker	(847) 668-2666	Spartan Stores, Inc. Suburban News Southfield	(248) 945-4900
1-888-642-4 Northern Falls 11.C 1.966.270.6		(248) 465-6348	Kansmacker Karoub Associates	(248) 249-6666 (517) 482-5000	Supervalu Central Region	(937) 374-7874
Northern Falls, LLC 1-866-270-5 Paramount Coffee (517) 372-3		(517) 368-5990 (616) 887-1745	Market Pros	(248) 349-6438	Tiseo's Frozen Pizza Dough	(586) 566-5710
Pepsi-Cola Bottling Group (517) 372-3	Red Pelican Food Products	(616) 887-1745 (313) 921-2500	Metro Media Associates	(248) 625-0700		(313) 568-0557
- Detroit 1-800-368-9		(313) 345-5880	Milentek-Energy	(270) 023-0100	Tony's Pizza Service	(616) 795-0220
- Howeli 1-800-878-8		(313) 832-1600	Conservation Service	(248) 932-1222	Total Marketing Distributor	(734) 641-3353
- Pontiac (248) 334-3		10.0) 005-1000	Optimal Payment Systems	(248) 540-7900	U S loe Corp	(313) 862-3344
Perk and Brew Corp (734) 669-8			Paul Meyer Real Estate	(248) 398-7285	United Wholesale Grocery	(517) 267-9600
Pernod Ricard USA (248) 601-0		(248) 414-3857	POS Systems Group Inc	1-877-271-3730	Value Wholesale	(248) 967-2900
Petripren, Inc. (586) 468-1		(765) 564-7206	Power One	(734) 455-2500	Weeks Food Corp	(586) 727-3535
Powers Distributing Co. Inc. (248) 393-3		(313) 873-8200	Premier Energy Marketing	1-866-348-7605	Wine Institute	(313) 882-7630
Sara Lee Coffee & Tea (734) 414-8		(517) 568-5035	Prepaid Legal Services	(586) 777-9700		
Seven-Up of Detroit (313) 937-3		(313) 832-1600	Rainbow Tuxedo	(248) 477-6610	ASSOCIATES	
Tri-County Beverage (313) 584-7		(313) 568-1900	REA Marketing	(989) 386-9666	American Synergistics	(313) 427-4444
Vintage Wines (586) 294-9			Sagemark Consulting, Inc.	(248) 948-5124		(313) 567-2208
BB04550 B550 B550 B550 B550 B550 B550 B5	MEDIA:	4 000 000 000	Salim Abraham Broker	(248) 349-1474	Wileden & Associates	(248) 588-2358
BROKERS/REPRESENTATIVES	The Beverage Journal	1-800-292-2896	Secure Checks	(586) 758-7221		
Bob Amold & Associates (248) 646-0	78 Booth Newspapers	(734) 994-6983	Security Express	(248) 304-1900		

Classified

FOR SALE – Two 3-door glass coolers on wheels. 3 years old. In excellent condition, self contained 110 volt. \$1,800.00 each O.B.O. (586) 382-1325 or (248) 582-8830.

STORAGE SPACE AVAILABLE-Licensed to store beer or wine. Also, 150,000 sq. ft. at very reasonable prices. (313) 491-1500. Detroit

FOR SALE—Convenience Store. Beer & Wine, Lottery & Money Orders. Approx. 2,500sq. ft. Good Location, full neighborhood. Gross \$8,000/wk. Building & business \$250,000 plus inventory. Call Art at (313) 839-6262.

FOR SALE—Liquor Store. Liquor, daily lottery and cellular. Sales over \$700,000 a year. Total cost \$550,000 plus stock. Call Waleed at (248)

FOR SALE—Ice cream equipment. Total cost \$50,000. Asking only for \$15,000. Used for three months only. Call Joe at (734) 213-4900.

FOR SALE - Northville party store. Beer, wine and lottery - business only. 2400 sq. ft. 14-door and lottery - business only. 2400 sq. ft. 14-door walk-in cooler. \$109,900.00. Call Brian Yaldoo, RE-MAX Classic at (248) 737-6800 or page him at (248) 806-9100.

FOR SALE - Liquor store. One block of property with room to build a stripmall! Huge parking lot, busy Detroit location at Conner & Warren, just inutes from I-94. Beer, wine, liquor license, lottery license, equipment and more! Building/ property is optional. Serious buyers only. Call John at (313) 822-1610.

FOR SALE - Convenience store located off busy I-94 exit. Beer & wine, bait & tackle, ice cream parlor, bakery & deli and lottery. Celebrating 25th year in business. Owner ready to retire. Call (517) 764-5284.

FOR SALE—Detroit Warehouse. 22 ft. retngerator truck for hire – daily/weekly. Call Dave Evola (586) 360-7662.

FOR SALE—Superette, liquor, lottery, Spartan Store. \$595,000 & inventory. Sales \$2,400,000 annually. Call John or Jim (248) 644-8900.

FOR SALE - Full service supermarket, 3200 sq. fl. Meat, produce. liquor. East side Detroit, facing Grosse Pointe. Call (313) 885-7140.

FOR SALE—Beer & wine license. City of Taylor. Hobart Slicer \$975. Deli scale \$100. Call (734) 946-4016.

FOR SALE—Small grocery/beer-wine store with lottery and ATM. Building 50x80 with large parking lot for additional development opportunities. Call John (313) 273-6015.

FOR SALE—Hobart Grinder #4632, 2 H.P. Single Phase Completely rebuilt—\$2,000.00. Yorkshire Food Market, (313) 885-7140.

FOR SALE - Party store 50 miles north of Detroit iquor, beer & wine, lotto, groceries & DNR icenses. Gross-over \$400,000.00 includes two rental houses plus building. \$475,000.6 plus inventory. Make offer. Ph. (810) 985-7663

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 retning. 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 EXTIN GUISHERS—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. Prochem. Range Guard. Servicing southeastern Michigan 24/7. Call Alan Ross at GALLAGHER FIRE EQUIPMENT—800-452-1540.

Customer data key to competing with big boxes

Lisa lacobelli rarely steps into a conventional supermarket. When Mrs. lacobelli, who lives in Clarkston, wants fresh fish, meats, produce, and other perishables, she drives 25 minutes to the nearest Whole Foods Market. When she needs products like paper towels, pasta and canned soup she heads for the nearest Costco

Mrs. lacobelli and a growing number of shoppers like her are the supermarket industry's worst nightmare. Faced with a seemingly endless array of food shopping choices, consumers are increasingly shunning the neighborhood supermarket and going to Wal-Mart, Costco or other discounters for rock-bottom prices or to places like Whole Foods and Wild Oats for specialized quality and service

Traditional supermarkets, caught in the middle, are struggling to survive. And the pressures on them may only intensify: Wal-Mart and Whole Foods have ambitious expansion plans.

Americans are making fewer trips down the aisles of traditional supermarkets and spending less each visit. The average American household made 95 trips a year to the supermarket in 1996; in 2004 it was 70, according to a study by UBS reported in USA Today. In that eightyear span, annual trips to stores like Wal-Mart jumped to 26 from 13, and trips to club stores like Costco increased to 11 from 8

Retail Forward, a research firm in Columbus, Ohio, estimates that in 2004 Wal Mart sold \$109 billion in groceries, taking a 19 percent share of the market. Retail Forward has projected that the number of Wal-Mart supercenters may triple by 2010 and that its share of the grocery business may rise to 35 percent.

Competing with big box retailers is difficult, but not impossible. Armed with the right data, they can maintain their market share and carve a niche that supercenters can't fill. Small grocers might not need new tools or tricks to compete, as long as they are savvy enough to use their existing customer data to greater effect, say researchers in a study released by the Tepper School of Business at Carnegie Mellon University in Pittsburgh, Pennsylvania and

reported in a recent Progressive Grocer article

The study, "Impact of Wal-Mart Supercenter on a Traditional Supermarket," identifies some important characteristics of customers who are likely to switch to shopping at supercenters, suggesting that small food retailers target those particular shoppers to retain their business.

While some of the study's findings might seem intuitive to grocers, the researchers said their study is one of the first to quantify the effect of a big-box retailer on a traditional grocer. They analyzed customer behavior related to an East Coast small-town supermarket for 20 months, before and after a Wal-Mart supercenter opened two miles away from the location. When the supercenter debuted, sales at the local retailer plunged by more than 17 percent, which translates to a \$250,000 monthly decrease in revenue

"We looked at customer data in the store's robust frequent shopper program," noted Vishal Singh, assistant professor of marketing at the Tepper School and lead author of the study, along with Karsten T. Hansen and Robert C. Blattberg of the Kellogg School of Management at Northwestern University, in a statement. "The information captured more than 85 percent of transactions and represented more than 10,000 households." The data encompassed products bought, date and time of sales, and the geographic location of customer residence in relation to the store.

"We found that roughly 70 percent of the lost revenue was attributed to only 20 percent of the store's customers," said Singh. "We then looked to find out why customers defected and why some remained loyal. With this information, retailers can make decisions about the types of products they carry and how to better price and promote them."

An analysis of customer purchase behavior yielded the information that typical defectors to supercenters were usually "large basket" consumers who often had infants and pets in their households. Additionally, those with a tendency to switch to big-box

retailers generally shopped more on weekends and frequently bought lower-priced store brands instead of name brands. Singh observed that earlier research has found that store-brand buyers are likely to be more sensitive to price, further justifying why they would move to a megaretailer with economies of scale.

Those less likely to defect to supercenters, however, tended to spend a big proportion of their grocery budgets on fresh produce, seafood, and home meal replacement items such as salad bars or "readyto-eat" food selections.

Further, Progressive Grocer noted, the study discovered that geographic closeness to the local grocer had little effect on the likelihood of a customer's defection to a supercenter. The research also found that most losses at the local store were because of fewer store visits by the group of key customers, but that actual basket size (or amount of goods bought) stayed more or less the same if those customers could be won back to the store.

"The limited impact on overall basket size suggests retailers would benefit from focusing on specific sales and marketing tactics that bring these customer back into their store, noted Singh.

As well as weekly circular specials or in-store events, strategies to get these shoppers back might include select competitive pricing on key items that lure defectors to supercenters -- even at the risk of cutting into individual product margins -- as a way to drive store traffic. Since these customers come back with comparable purchase levels, they'll help mitigate or overcome the overall volume of sales that was lost

As most big-box store openings are known about beforehand, small grocers can use the existing shopper data to pinpoint potential defectors and start taking action in advance,

"In many cases, local retailers already possess the information they need to be potent competitors," said Singh. "The challenge is to figure out how to best use this data to improve performance and compete effectively."

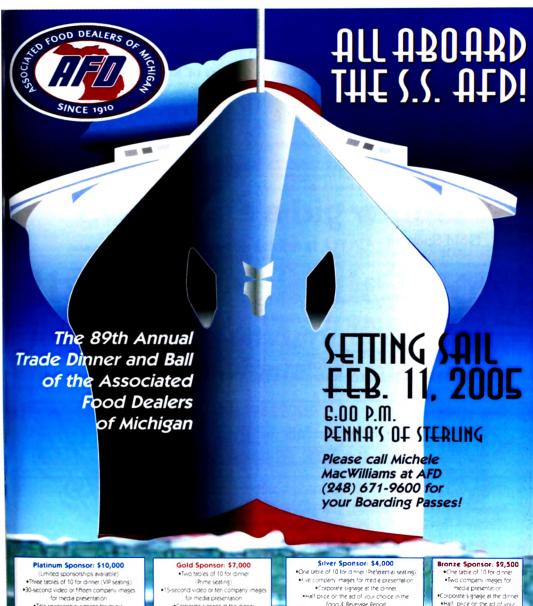




Hardly Small Potatoes.



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



 Title sponsorship signage for music, photo booth or centerpieces . Half price on the ad of your choice in the Food & Beverage Report

•Use of four company products at dinner or 4 additional images in media presentation) \$600 for each additional table

Corporate signage at the dinner

Half price on the ad of your choice in the Food & Beverage Report Use of two company products at dinner (or two additional images in media presentation) \$700 for each additional table

*Corporate signage at the dinner
*Half price on the ad of your choice in the
Food & Beverage Report *Use of one company product at dinner ior one additional image in media presentation s800 for each additional table. Corporate's ghage at the dinner *Half price on the ad of your choice in the Food & Beverage Report 1900 for each additional table

The Associated Food Dealers of Michigan Annual Trade Dinner "All Aboard the S.S. AFD" Reservation Form



Friday, February 11, 2005. Penna's of Sterling 38400 Van Dyke Avenue, Sterling Heights, Michigan



	-	O O D	
Platinu	m Sponsor – \$10,000	Silver sponsor - \$4,0	000
(Limited sponsorsh Three tables of 10 30-second video or Title sponsorship or centerpieces Half Price ad of y Use of four compa images in media pi I would also like with the sponsorsl Gold Sp Two tables of 104 15-second video or Corporate signage Half Price ad of y Use of two compa	ips available.) for dinner (VIP sitting) 15 company images in media presessignage for music, photo booth our choice in AFD Food & Beverage my products at the dinner (or four acresentation) additional tables (above my Ship) at \$600 each ONSOF — \$7,000 or dinner (prime seating) 10 company images for media preses at the dinner our choice in AFD Food & Beverage my products at the dinner (or two additional to the dinner or two additional tables)	One table of 10 for dinner (preferentia Five company images for media presen Corporate signage at the dinner Half Price ad in AFD Food & Beverage Use of one company product at the direct ditional image in media presentation) 1 would also like additional tab included with the sponsorship) at \$600 cluded Bronze Sponsor - \$ One table of 10 for dinner Two company images for media presentation Half Price ad in AFD Food & Beverage 1 would also like additional tab included with the sponsorship) at \$900	l seating) itation Report inner (or one ad- les (above my one leach 2,500 intation r Report iles (above my one
images in media pi I would also like with the sponsorsl	additional tables (above my 2	General Admission:	
presentation will fe	m and Gold sponsors: The viature footage shot on location less. Excellent marketing tool	couples (a) 52 / 5	per table
Contact info:		Billing info:	
Name:		Name:	
Company:		Company:	
		Address:	
Phone:	Fax:	Phone: Fax:	
	e list products you wish , Silver 1. Liquor companies, ple	o use at dinner: se call for additional information)	
1	2	S 4	
	A Card Number:	esponse, all attendees <u>must pre-pay</u> Exp. Date:	
	3-digit code (last 3 numbe	rs on back of credit card)	
Check	Check Number:	AMOUNT:	
	Please return by fax to (24	671-9610 or mail to the address below.	
Call Michele	MacWilliams at AFD (248) 671	9600 if you have questions or need additional inf	ormation.
Associated 1	Food Dealers of Michigan, 3	415 W. 13 Mile Road, Farmington Hills, M	II 48334



Michigan's premier trade show attracting buyers from convenience slows, supermarkels, specialty stores, hard drug stores.

Everyone's a big winner

when you exhibit at AFD's

21st Annual Trade Show!

Join your peers on April 19 & 20, 2005 at Burton Manor in Livonia.

Show Hours:

Tuesday, April 19, 2005 • 5-10 p.m. **Wednesday, April 20, 2005** • 4-9 p.m.

Burton Manor, Livonia, MI 27777 Schoolcraft Road







Ask your sales rep for tickets.
Admission ticket required.
\$10 at the door.
No bags allowed in or out.
The law demands that you be at least 21 years of age to attend this show.



We need YOU to make it fly!!

AFD appreciates your support and help. We will gladly accept monetary donations toward the AFD Foundation Scholarship Fund as well as Product and Prize Donations for Goodie Bags, Snack Stations and Door Prizes.

Or you can volunteer to help at the Outing.

Call Michele MacWilliams at (248) 671-9600 to find out how you can assist the association at this worthy event!

All sponsorships and foursomes are first-come, first-served, based on space availability. Due to overwhelming response, all reservations must be paid in advance!

Approximately 50% of your donation may be deductible as a charitable contribution to the AFD Foundation. Please consult your tax advisor







Wednesday, July 13, 2005 • Fox Hills, Plymouth

Benefits AFD Foundation Scholarships! Proceeds raised will help fund at least 30 academic scholarships!

Any way you slice it ...

...it's time to plan for the future. Start now with an AFD Foundation Golf Outing Sponsorship.

But we need your help to make par!Participate in this worthy Foundation Golf Outing! Please complete the enclosed registration form and fax to Michele at (248) 671-9610. or call (248) 671-9600 or (248) 625-0070 to make your Goodie Bag and/or Prize Donations

HOLE SPONSOR PACKAGES

Eagle-\$2,000 Birdie-\$1,200

One golf Gursome

As 1,500 academic scholarship sponsorship

50% off din the AFD Food & Beverage Report

A plaque preented to your company

A sponsor sign on tee

Signage at the clubhouse

Exposure in the AFD Food & Beverage Report

Special gift for each golfer

Two golfers
50% off ad in the
AFD Food &
Beverage Report
A plaque presented
to your company
Half a sponsor sign on tee
Signage at the clubhouse
Exposure in the AFD
Food & Beverage Report
Special gift for each golfer

Non-Sponsor Options:

\$900 per foursome or \$250 per golfer (dinner included)

\$75 dinner only



Fox Hills Non

	SPONSORSHIP PACKAGES: Please and Eagle Sponsor—\$2,000 Bi NON-SPONSOR OPTIONS:		Make checks payable to: AFD Foundation
	Foursomes—\$900 In	dividual Golfers—\$250	Dinner Only\$75
	Please assign a name to each foursame, if purchase		
	I cannot attend the Golf Outing, but ple for the AFD Foundation Scholarship Fund.	ase accept my donation in the amou	Int of 3
Ella.	I can donate 408 token items / samples for lican donate the following Door Prizes	· · · · · · · · · · · · · · · · · · ·	
			OD INFO:
	I can donate the following Door Prizes	PAYMENT METHO	OD INFO:
	I can donate the following Door Prizes	PAYMENT METHO	
	I can donate the following Door Prizes BILLING / CONTACT INFO: Contact name Company	PAYMENT METHO MC /Visal CARD # 3 Digit Code (Last 3 numb	
3	I can donate the following Door Prizes BILLING / CONTACT INFO: Contact name Company Address	PAYMENT METHO MC Miss CARD # 3 Digit Code It ast 3 numb Expiration Date	ers on back of Credit Card)
	I can donate the following Door Prizes BILLING / CONTACT INFO: Contact name Company	PAYMENT METH MC/Visa CARO # 3 Digit Code (Last 3 numb Expiration Date Signature	ners on back of Credit Card)



A SPECIAL THANKS TO THE FOLLOWING AFD MEMBERS, FOR THEIR COMPLIMENTARY CONTRIBUTIONS TO THE AFD HOLIDAY BEVERAGE SHOW:



Visit booth 502 for all your ice requirements and thanks to U.S Ice for providing complimentary ice to all of our exhibitors and FREE Parking for all attendees!



Stop by Ashby's Sterling Ice cream at the back of the show for a complimentary scoop!

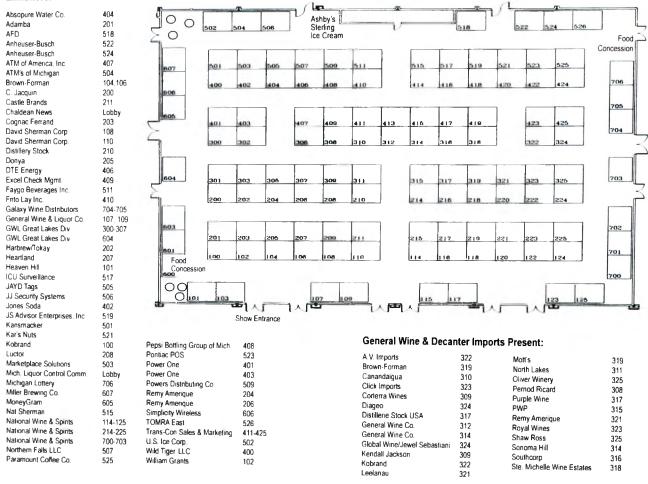
AFD S.E. MICHIGAN HOLIDAY BEVERAGE SHOW 2005

Tuesday, September 21, 4:00 p.m. - 9:00 p.m. Wednesday, September 22, 4:00 p.m. - 9:00 p.m.



AFD S.E. MICHIGAN HOLIDAY BEVERAGE SHOW

Exhibitors:





ASSOCIATED FOOD DEALERS OF MICHIGAN

30415 W 13 Mile Rd., Farmington Hills, MI 48334 • (248) 671-9600 • Fax (248) 671-9610

Media Notice

Contact: Mike Sarafa (248) 671-9600 cell phone (248) 798-9610 Michele MacWilliams (248) 625-0070, cell phone (248) 330-5558

Grocers provide 1,900 turkeys to needy families

During 25th Anniversary Turkey Drive of the Associated Food Dealers of Michigan

Farmington Hills (Nov. 14, 2005)—The Associated Food Dealers of Michigan (AFD) and Detroit-area neighborhood grocers, will provide 1,900 families in the Metro Detroit area with turkeys for their Thanksgiving dinners. AFD is the trade organization for the food and beverage industry in Michigan. This is the 25th year that the AFD has given away turkeys for the holidays. The Turkey Drive schedule is as follows:

Thursday, November 17 – Turkey Pick-ups

10:00 a.m. to 1:00 p.m.

Turkeys will be picked up by representatives of various churches and civic organizations between 10:00 a.m. and 1:00 p.m. at Value Center Market, 22700 Ryan Road, one block south of 9 Mile in Warren. All turkeys are already spoken for. Please do not send people to Value Center to receive a turkey. (We suggest this as a photo opportunity.)

Organizations scheduled to pick up turkeys:

Berkley: St. Vincent de Paul Society: Dearhorn: Sacred Heart: Detroit: Arab American Chaldean Council, Children's Center, Fellowship Chapel, Greater Grace, Inner City Sub Center, Inc., Wayne Elementary School, Pershing High School, Little Rock Baptist Church, 10th Precinct, Councilman Ken Cockrel (Cahedral Church of St. Paul), Plymouth United Church of Christ, Salvation Army, Freedom House, Charles F. Kettering High School, Coalition On Temporary Shelters, 2nd Precinct, The S. A.F.E. Center, Rep. Tupac Hunter (9th Congressional District), Nolan Middle School, World Deliverance Temple, Greater Faith Ministries, Ministries of a Second Chance, New Life in Christ Ministries, Outward Bound Ministries, Prayer Tahermacle Church of God. Samantian Missionary Baptist Church: Department of Human Services, 15th Congressional District, Knights of Columbus, Greater Faith Assembly, New Whitestone Missionary Church, Glorify God Church of Deliverance; Ecorse: Mt. Zion Baptist Church, Ecorse Groodfellows: Grosse Pointe Park: Wolverine Human Services, Oak Park: Mar Addai Chaldean Parish: Pontiae: NAACP Pontiae, Oakland Family Services: Redford: St. Mary's: Southfield: Hope Methodist Church; Sterling Heights: St. James Church & Nursing Home

Thursday, November 17 - Turkey Deliveries

10:00 a.m. to 12:15 p.m.

Also on Thursday, November 17, AFD will deliver turkeys to area churches and civic organizations, which then provide them to needy families. In most cases, the families are waiting at the location for the AFD truck to pull up. The grocers then hand the wrkeys directly to the recipients.

9:30 a.m. Southfield Human Services

Contact: Rhonda Terry 26080 Berg Road, Southfield Corner of Berg & Civic Center at the white house (248) 796-4540

10:20 a.m. New Greater Christ Bantist Church

Reverend William Thompson 13031 Charlevoix, Detroit (Between Dickerson and Chalmers) (313) 331-2386 Cell phone (313) 460-2277

10:45 a.m. Ravendale Community Ed. Center

(Also includes recipients from Joy of Jesus and Faith Clinic Church of God) Contact: Tont McIlwain 13903 Harper, Detroit Next to Harper Food Center (313) 527-1603

12:15 p.m. Chaldean Federation/Family Resource Center

106 West 7 Mile Road #110. Detroit (1/2 mile west of 1-75) (313) 893-2991

Friday, November 18 - Thanksgiving Luncheon 8:30 a.m. to 12:30 p.m.

In celebration of AFD's 25th Anniversary Turkey Drive, AFD volunteers are preparing and serving a Thanksgiving luncheon feast for senior citizens at St. Patrick Senior Center. 58 Parsons Street (at Woodward, one block north of Mack Ave.) in Detroit.

"Many retailers give back to their community all season long and get great satisfaction out of helping others. This is one way we work together to help those in need," says Mike Sarafa, AFD president.