Just In

Sarafa to leave AFD post at year end

After 3 1/2 years at the helm of AFD, Mike Sarafa informed the AFD Board of Directors of his decision to leave the job at the end of this year.

"Together, we have improved and strengthened the organization in ways that will benefit it for years to come. We are blessed with an extremely dedicated and qualified staff that will continue to serve our membership well. I am confident that my departure will not interrupt AFD’s work and mission," Sarafa said.

Sarafa is leaving to pursue opportunities in the private sector and will make an announcement about his specific plans in the coming weeks.

AFD Chairman Ronnie Jamil has appointed a search committee to begin the process of finding a new president.

For more information on the AFD President’s job posting, fax Will Hunt at the Harvard Resource Group at (248) 528-1119 or email him at www.HRGUS.com.

Inside

Food Industry helps Katrina victims .................................................. 3
Powers moves the brew ............................................ 8
Happy Holidays – AFD’s two holiday trade shows brought out new products and show specials ........ 18
Meet Representative Hiddenbrand ........................................... 22

AFD and Sarafa brothers honored at MSAE Diamond Awards Banquet

It was a big night for AFD, as the Michigan Society of Association Executives (MSAE) held its annual Diamond Awards Banquet on Sept. 15, 2005, at St. John’s Golf & Conference Center in Plymouth.

Nearly 250 members and guests attended the event, designed to recognize excellence and innovation in associations. Forty-two entries competed for top honors in nine categories, and five of Michigan’s most respected association leaders were inducted into the Michigan Association Hall of Fame.

AFD received a Diamond Award Honorable Mention in the Government Relations category for its role in changing Michigan’s liquor laws to allow...

Awards, Continued on page 22.

Talking Turkey

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. This year, in addition to our regular stops, because so many people have been displaced by Hurricane Katrina, AFD will work with Forgotten Harvest to bring turkeys to the hurricane victims. "During the holidays, these people will be especially blue. Providing a turkey for their Thanksgiving meal 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 12.

The spirits moved at AFD’s two Holiday Beverage Shows

Scott Skinner from Diageo and Kandi Karban of Festival of Trees stand beside the “Spirits Tree” that adorned the S.E. Michigan Holiday Show lobby. The tree, donated by Diageo, will be auctioned off at the Festival of Trees in November. Proceeds go to Children’s Hospital. See pages 16 & 20 for more photos from AFD’s two Holiday Beverage Shows.

Made in Michigan

AFD salutes the industries and businesses that call it home

It’s no secret to us...Michigan has it all! Fertile soil, a good industrial mix, spectacular lakes, forests and recreational opportunities plus a host of entrepreneurs with drive and ambition keep our state on the forefront for agriculture, manufacturing and tourism. Beginning on page 4, we profile a few of the Michigan companies that help to make this state great!
Stock-Up on America's #1 Healthy Beverages!

See Your Pepsi Representative For Details.
The food industry steps up to help Katrina victims

By Ronnie Jamil
AFD Chairman

Nearly two months have passed since Hurricane Katrina's devastation was felt on the Gulf Coast. News reports continue to monitor the thousands of homeless and hungry. But there is another story that isn't making the news—should.

Retailers across the country are helping our fellow Americans. Wal-Mart jumpedstart the national fundraising with a $15 million donation and set up “mini-Wal-Marts” in the hurricane zone offering products including food, water, clothing, diapers, baby wipes, baby formula, and bedding at no cost to those in need.

Safe-way matched employee contributions and delivered an initial check for $100,000 and has donated 10,000 American Red Cross Emergency Preparedness KIts.

Supervalu donated $50,000 and delivered food, water and other supplies to the region.

Food Lion made a donation of $250,000 and sent four truckloads of water and food to Picayune.

Brookshire Grocery is matching donations up to $250,000.

America's Second Harvest is coordinating donations from the food industry. Dry storage items in full truckload quantities: bottled water, hand-held snacks, canned meals, utensils, disinfecting household cleaning items and diapers are being funneled through this non-profit agency to those in need.

Nearer to home, Meijer sent three trucks loaded with food, water, juice, and baby formula to the neediest areas in Mississippi and Hollywood Markets matched customer donations up to $10,000. (See related story on page 29.)

Absopure Water has donated several thousand cases of water to various organizations in the Detroit area that were collecting goods for the Katrina victims. Absopure fielded over 400 phone calls requesting donations since the tragedy. The company made several shifts in production and manufacturing facilities in Michigan, Wisconsin, Missouri, and Illinois, allowing them to increase the cases they ship to customers servicing the markets struck by Hurricane Katrina.

AFD and our members are also pitching in to help. AFD donated $1,000 to assist Wayne County Sheriff Warren Evans' relief efforts in Mississippi. Thirty Wayne County sheriff officers, medical personnel and Michigan service workers headed to the Gulf Coast to help victims of Hurricane Katrina. The group loaded food, water and other supplies onto trucks and RVs, then headed to Biloxi in a convoy.

Metro Detroit retailers also loaned shopping carts to the City of Detroit for use at City Airport to help in the distribution of supplies to refugees and International Wholesale donated 1,400 cases of water.

We're also thinking ahead. In addition to our regular Turkey Drive stops, AFD will work with Forgotten Harvest to bring turkeys to those families that are displaced by the hurricane. To make a donation, see page 12 or call Michele MacWilliams at (248) 671-9600.

I know that there are many, many more stories of retailers, wholesalers and suppliers that went out of their way to help. Your efforts and donations prove to all of us just how compassionate we can be—and I for one am very proud to be part of the food industry.
Lottery brings excitement to Michigan stores

The Michigan Lottery, which was authorized by voters in 1972, is a nearly $2 billion business that provides gaming options to adults in Michigan and other states. While the vast majority of its revenue is awarded to players as prize money (in FY 2004, $1.1 billion), 100 percent of its profits are contributed to the state School Aid Fund to support K-12 education in Michigan. In FY 2004, the Lottery set a record with a contribution of $645 million to the fund.

Lottery Instant tickets are popular from the entrepreneur that sells his products out of the back of a minivan to the Made in Michigan Michigan-grown companies and their products.

Faygo Rips into energy drink category

Faygo Beverages has been at the leading edge of flavored soft drinks for almost 100 years, and now Faygo has turned its flavor developing skills to the new liquid category, offering Rip It Energy Drinks. Faygo believes these are the best tasting Energy Drinks on the market, and offers them in 16 oz. and 24 oz. loose cans, as well as the new 8 Pack - 8 oz. cans. The flavors, the original Power, and the new Citrus X, are offered in both regular and Diet.

Reverse vending made easy with Envipco

Envipco has been in the business of developing, manufacturing, and maintaining reverse vending equipment (machines that accept empty beverage containers) for over ten years and they continue to expand throughout the state. “Michigan represents a very competitive environment for us as such we recognize the need to constantly improve upon our services and products to the retailer. Internally we have seen many managerial changes over the past few years, which led to challenges in providing services above and beyond our customers’ expectations,” says Envipco’s Jerry Smith. “With the internal changes effectively in place we are back to implementing and recommitting to that high level of service that built our reputation. Thank you for your continued business and for your future business,” he added.

Envipco recently introduced a high capacity machine called the XMT, which provides greater efficiency in material handling of empty beverage containers. The company is also actively working to streamline the process of settling container deposits with distributors through improved software. This improved settlement system will also minimize the risk of lost distributor credit invoices.

Better Made - a Michigan chip tradition

Better Made was founded in Detroit as Cross & Peters Company, Inc. on August 1, 1930. Apparently Detroit was a chip city back then because by 1934, there were over 20 potato chip companies in Detroit. Today only Better Made remains. Better Made is proud to have survived and prospered through the years as a Union plant, drawing many of its employees from the surrounding urban area.

From the beginning, Better Made has processed Michigan potatoes for up to 10 months of the year and the best available potatoes from Florida, North Carolina, Indiana and Missouri for the remainder of the year.

Better Made Potato Chips and Popcorn are cooked exclusively in 100% cottonseed oil, containing 0 grams of trans fat.

Because Better Made is a Detroit company, they are in a good location to know what Michiganders like to snack on and can easily adapt to market changes and trends.

Better Made Snack Foods has a full line of traditional-flavor chips, as well as new flavors such at Salvatore’s Sicilian Style (Garlic & Parmesan), Izzy’s Deli Dill, Cathy’s Creamy Barbeque, Salt and Pepper, Curry & Garlic and Ketchup. They also produce a line of flavored popcorn.
Pure, Natural Sugar.

It's made right here in Michigan.
From sugar beets grown right here in Michigan.
Pioneer Sugar and Big Chief Sugar.
Pure, natural Michigan.

Locally grown. Locally owned.

www.michigansugar.com
as well as tortilla chips, cheese puffs, pretzels, salsas, cookies and more. For more information go to bettermadesnackfoods.com. Also available are Better Made hats, t-shirts, mouse pads and coffee mugs.

A fresh new idea for SUPERVALU
A tradition of fresh thinking

— that's how SUPERVALU approaches an ever-changing market. SUPERVALU's years of food logistics innovation, coupled with our established retail expertise, gives the company a unique blend of capabilities and a highly complimentary business model that's unlocking new opportunities. Since 1870, the enduring mission of SUPERVALU's 55,000 employees is to "serve our customers better than anyone else could serve them."

Delivering the best supply chain solutions involves integrating many competencies. Retailers tap SUPERVALU's expertise in buying, category management, logistics, transportation and technology to help them create more efficient, cost-effective operations.

Kar's is nuts about baking
A holiday dinner is even more delicious when the Green Bean Almondine is prepared with Kar's fresh, slivered almonds. And holiday desserts and cookies are even more tempting when Kar's nuts are mixed in. Kar's nuts makes holiday recipes - and everyday recipes better - because Kar's only chooses the highest quality nuts. Kar's offers a wide variety of baking nuts in 2 oz. to 12 oz. sizes. Contact Kar's at 1-800-KAR-NUTS (1-800-527-6887) for details on holiday shippers and to schedule a sales rep to visit your store.

Michigan coffee roaster names new advertising agency
Paramount Coffee, one of the country's oldest and most diverse coffee roasters has named Queue Creative of Lansing, Michigan as their advertising agency of record.

Founded in Lansing, Michigan in 1935, Paramount was long known for its quality coffee products served in restaurants and institutions throughout the area. As the coffee market evolved in the latter part of the century, Paramount roasted and marketed branded and private labeled gourmet coffees and allied products through restaurants, grocery stores, office deliveries, convenience stores, specialty stores and coffee shops throughout Michigan and neighboring states.

“We've had a very high quality product for many years,” stated Paramount President Steven Morris. “and marketing superior quality in a dynamic industry is always a challenge. There are a lot of good players on the board, so to grow we have to constantly be aware of our clients’ needs and always keep an eye on the trends of the coffee drinker.”

Made in Michigan, Continued on page 8
Be Selective

Budweiser Select.
Brewed for a crisp taste
that finishes clean.
Powers Distributing Company moves the brew

By Ryan MacWilliams

With 160,000 square feet of holding capacity and shipments of roughly 368,000 cases a day, the beer truly does flow like water at Powers Distributing Company.

For over 65 years, Powers Distributing Company has been a wholesaler of high-image brands including Miller products, Coors, Mikes Hard Lemonade, and Samuel Adams to name a few. Powers distributes to on-premise locations; bars, festivals, restaurants and country clubs. They also sell to off-premise sites such as grocery stores, convenience stores, independent liquor stores and drug chains including CVS and Rite Aid.

Powers Distributing Company was started in 1939 by Orville Powers and Safrone Metes under the name Metes and Powers Distributing. At that time they were located in Pontiac. Orville and Safrone later passed the company on to Howard & Mary Powers and Peter Metes. In 1984 the current owners, Rob and Jerry Powers - sons of Howard Powers - bought the company. At the time the warehouse and distribution center was located in Sylvan Lake.

Powers Distributing Company prides itself on its highly trained workforce. They continually improve sales and merchandising skills to enhance customer relationships.

The current Powers warehouse opened in 1998 and was modeled after other successful beer distribution warehouses throughout the country. It is located at 3700 Giddings Road, in Orion which is convenient to I-75 and other major northern Metro Detroit suburban arteries. The design of the warehouse allows for a smooth flow of product. Inbound trucks come through massive multi-truck entrances in the back of the warehouse; product is then unloaded by forklift and is sorted by brand in either the main storage area or the massive ballroom-size freezer.

"We have three shifts working day and night, loading and unloading our 35 trucks, the night shift being the busiest," explained Joe Hnatow, the warehouse manager at Powers. "We move 20 to 23 thousand cases of beer each night," he elaborated.

Some beer, such as Coors products, must be refrigerated because they aren't pasteurized. When an order is filled, the beer is selected, wrapped up and loaded into a truck for distribution. This process runs most of the day and keeps everyone on their toes.

Powers Distributing Company carries over a hundred different brands for their customers in Oakland and Macomb counties. With so many brands supplied, the sales department at Powers is able to improve their customers' profitability by studying the demand for items at the particular retail site and in turn supplying them with the best selling brands for that area. Powers personnel will suggest store layout and displays that are proven to help customers increase sales, margins & profitability. The people at Powers believe that through top-notch sales and customer service they can keep clients happy and create a strong mutually beneficial business relationship.

For 65 years, Powers Distributing Company has served Oakland and Macomb counties with a wide range of beers and other beverages. Over that time they have grown to be a powerhouse in beer distribution and it is safe to say - "keep on truckin'" for the foreseeable future.

For more information contact Gary Thompson, Vice President & General Manager at (248) 393-3700.
NEW RIP IT™ PROFIT PACK

Add RIP IT®'s unique 8 oz can fridgemaster carton with the new SHARK™ opening to your shelf and maximize your profit per cubic inch. Capitalize on the fast growing multi-pak trend with RIP IT Power or New Citrus X. For the big thirsty, try all the delicious RIP IT flavors in 16 oz single serve and 4-pack cans.

Do yourself a flavor and order RIP IT Energy fuel today 800-345-9880

©National Beverage Corp. (AMEX: FIZ)
Fridgemaster® is a Registered Trademark and SHARK™ is a Trademark of MeadWestvaco Packaging Systems, LLC.

November 2005 | 9
A recent study conducted by the American Wholesale Marketers Association (AWMA) suggests that Internet cigarette sales continue to be a growing problem for the convenience store industry.

The AWMA conducted its study to determine how well recent crackdowns issued by the National Association of Attorneys General (NAAG), U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), tobacco companies and major credit card companies are working to deter consumers from purchasing cigarettes via Internet smoke shops. Based on findings by the AWMA, more work needs to be done—particularly in the form of federal legislation to strengthen the Jenkins Act and stop the illegal sale of cigarettes via the Internet. “Although AWMA undertook this study recognizing that the problem of Internet trafficking of cigarettes is a growing concern, we were ultimately shocked by what our study revealed in terms of the scope of the problem and the lack of adequate enforcement,” notes the study. “While many states are working to address this issue,” notes AWMA, “it is clear that these patchwork efforts are falling short and a more comprehensive solution is needed to effectively combat illegal Internet cigarette sales nationwide.”

The study found that out of 30 randomly selected Internet smoke shops, AWMA was easily able to purchase cigarettes online from 18 of those sites, of which more than half of the sites allowed purchases to be made with a credit card, such as Visa, Diners, MasterCard and/or American Express. As for age verification, most sites simply had a statement on the homepage stating users must be of a certain age to purchase cigarettes, as well as a simple check-off to verify the buyer is 18 years of age or older.

According to the study, “While AWMA supports the efforts made by those working to end illegal Internet sales of cigarettes, the findings in this report point to the critical need for federal action to win the war against these illegal sales.”

Mountain Dew “MDX”

Mountain Dew will launch its newest innovation, MDX, on November 1. MDX will bridge the gap between Carbonated Soft Drinks and energy drinks, thus pioneering a new category—energy soda. As energy drinks continue to grow at explosive rates, MDX looks to satisfy the needs of consumers who are looking for a lift, but enjoy drinking a soda. MDX is an alternative to energy drinks. MDX was developed to taste as bold and refreshing as Mountain Dew. Built with a Power Pack of ingredients including Guava, Ginseng, Taurine, Maltodextrin, and Ribose. For more information, retailers should contact their local Pepsi salesperson.
Economy drinkers purchase nearly twice as much – more than twice as often.

There’s a lot more profit in your economy beer customer than you might think. WHY? Consider this: Not only is he making tracks to your store more often, he also buys nearly twice as much beer as an import buyer every time he’s there. On an annual basis, that means an economy buyer is laying down two dollars for every one you receive from an import customer. These are the economics of economy beer.

Let us help make beer work harder for your entire business. Visit MillerAdvantage.com or contact your Miller distributor today.

Making Beer Work Best For You
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 Thanksgiving dinner to needy Metro Detroit families.

Payment Method:

By check:
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

By credit card:
Circle one: MC Visa Card Number: ________________________________
Expiration Date: __________V-Code # (last 3 digits on back of card) ____________

Signature ____________________________

Fax to AFD at (248) 671-9610

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
Over $12 billion to schools
$6.45 billion to schools in 2004 alone
Over 92 million winners in 2004
$1.1 billion in prizes to players last year
$145 million in commissions to retailers in 2004
+ 12,000 participating retailers

LOTS OF GOOD FOR MICHIGAN

From our school kids to all the winners, from the retailers to the many jobs it creates, and the money it puts back into our local economy – the Michigan Lottery is doing its part to help improve lives across the state. And that’s one bottom line we can all feel good about.
IZZE Beverage Company recently launched its newest package – a 12-pack of 8.4-ounce cans – at Natural Products Expo East in Washington, D.C., Sept. 16-18. “Available in a bright, easy-to-carry and simple-to-store package, our new can 12-pack is perfect for conventional and natural grocery and convenience stores – it displays perfectly on shelves or end-caps,” said IZZE Beverage Company vice president of sales Peter Burns. “And now that school’s started, it’s also ideal for parents who want to buy a healthy beverage in bulk for lunch boxes and after-school treats.”

The new can 12-pack is now available in Sparkling Blackberry, Sparkling Clementine, and Sparkling Pomegranate. IZZE Sparkling Juice, an all-natural blend of pure fruit juice and sparkling water, is free of caffeine, artificial ingredients, high-fructose corn syrup, and all other refined sugars.

IZZE Beverage Company was founded in 2002 by two friends who set out to create a distinctive natural beverage while contributing to a higher purpose. The IZZE Project Reach program supports and creates education-based development for farm workers and their families in the communities where IZZE buys its fruit.

Spartan Stores may acquire Farmer Jack

In September, New York-based Lehman Brothers Equity Research issued a client note saying it believes the sale of Farmer Jack is close and could be announced before Farmer Jack’s parent company, Great Atlantic & Pacific Tea Co., releases second quarter earnings Oct. 14. The note suggests Spartan is the probable buyer of the chain, which has been up for sale since May. Spartan is seen as a contender for the 71 stores because the grocer has several wholesale customers and a distribution center in the southeast Michigan area.

“Spartan is a wholesaler/retailer in Michigan and Ohio and, in our opinion, these stores would be a very good fit with its current operation, which have experienced a strong turnaround in recent quarters,” Lehman analyst Meredith Adler said in the note.

The United Food and Commercial Workers Local 876 approved a new labor agreement, which included a 10 percent pay cut and other concessions for its Farmer Jack grocery employees.
Food and beverage industry calls for improvements to nutrition panel

The Grocery Manufacturers Association (GMA) recently detailed several options for improving nutrition labeling on packaged foods and beverages, including specific recommendations for single serve packages. "During the past decade, the Nutrition Facts Panel has become an easily recognized source of information among consumers. However, because of the current design, consumers do not always link caloric content to the serving size listed," said GMA Senior Director of Nutrition and Regulatory Policy Alison Kretser, MS, RD. "Some simple changes to the Nutrition Facts Panel could help consumers make smarter dietary choices."

In comments submitted to the U.S. Food and Drug Administration (FDA), GMA recommended that FDA increase and bold the font size of both serving size and calories, and eliminate the line that visually separates these two interdependent pieces of information. GMA also suggested that FDA allow companies to add a footnote directing consumers to www.Pyramid.gov for personalized nutrition information.

GMA suggested two design options for single serve packages, including a dual column format that would list nutrition information per serving and per package. For products with limited labeling space, companies could instead add a single line declaring "Calories Per Container." Both options would allow companies to remind consumers about the appropriate serving size while providing them with simplified information about caloric content for the entire package.

"Serving sizes listed in the Nutrition Facts Panel should reflect the government's nutrition recommendations in the authoritative 2005 Dietary Guidelines and the new MyPyramid," added Kretser. "However, for packaged foods and beverages that could be consumed during a single eating occasion, companies should have the flexibility of listing the amount of calories and nutrients for the entire package as well as per serving."

"Nutrition is a serious issue, and labeling changes are just one of the ways in which we can make a difference," Kretser concluded. "As the FDA considers GMA's recommendations, the food and beverage industry will continue to respond to consumers' concerns by introducing new products with improved nutritional profiles, fewer calories and more convenient single-serve packaging."

Experience the difference at Peoples State Bank

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

1.888.876.4545 www.psbnethank.com
Member FDIC

Experience the difference at Peoples State Bank

Peoples State Bank
Take Home the Dairy Best.

For more information about Country Fresh products:

GRAND RAPIDS • 1-800-748-0480  FLINT • 1-800-572-5390  LIVONIA • 1-800-968-7980
So much to sample; so little time!

There was plenty of holiday cheer in Grand Rapids and Novi during AFD’s two Holiday Beverage Shows.

AFD moved its popular Holiday Beverage Shows to the beautiful new Rock Financial Showplace. Record crowds braved a fierce rainstorm to sample new products and take advantage of show specials. More photos on page 20.

Steve Steelye of Canandaigua explains that the concept for Blind Moose was developed by 160 consumers who were locked away for a weekend with wine.

Desperate Housewives Drink Pink! Rated X & a hot (pink) new beverage that was included in a Desperate Housewives episode.

Dan Bristow of International Beverage Co.—a division of Powers Distributing Co.—knows (and loves) his beer. He featured some new and interesting selections from Michigan.

Attendee Heather Benedict loves Tequila Rose.

Martin Dawson came from clear “across the pond” to showcase Brokers, the gin that he and his brother created.

Ben Lockhart was a popular man at his Michigan Lottery booth.

Southern Comfort and Captain Morgan were (literally) BIG!

Record crowds enjoyed the beautiful, brand new Rock Financial Showplace.

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.
There was plenty of holiday cheer in Novi during AFD's Holiday Beverage Show.

Timothy Rose with Dooley's, an incredibly delicious toffee liqueur that tastes like a liquid Milky Way.

Katie Hill with Tattoo, a new product from Captain Morgan.

Verge Montgomery in the MLCC booth.

Lorikeet introduced a new sparkling Shiraz, designed to appeal to those that enjoy red wine but want something festive for the holidays.

Cocktails by jenn is a new beverage targeted to women as an accessory item. Bottles come packaged in a handy tote box or stylish bag.

Exhibitors and attendees enjoyed the beautiful new surroundings of the DeVos Place.
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

Detroit Edison
dteenergy.com

The Power of Your Community™ is DTE®
State Rep. Hildenbrand hits the ground running

By Kathy Blake

State Representative Dave Hildenbrand (R-Lowell) came into the Michigan House of Representatives ready to get things done. Having worked for Dick Posthumus when he was State Senator and later when Posthumus became Lieutenant Governor, Hildenbrand was an experienced freshman legislator when he took office in January 2005.

"My eight years of prior legislative experience made me realize how important relationships are. It helped me hit the ground running," Hildenbrand said.

### Price Modernization Act

Already, he's been busy cooperating with his colleagues to make amendments to the item pricing law. Michigan is the only state that requires price tags to be placed on nearly every item in stores. "For more than 30 years, our local businesses and retailers have been hindered by this archaic law," said Hildenbrand. He is working on legislation that would modernize the law, by allowing retailers to choose between three options, one of which is abiding by the current law. The other options involve using price check scanners throughout the store or installing a Price Accuracy System (PAS) at the front of the store where customers can scan their receipt to create a second receipt that lists the sign prices for each item purchased. This system allows customers to easily check scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy. The resolution would modernize the law, by allowing retailers to choose between three options, one of which is abiding by the current law. The other options involve using price check scanners throughout the store or installing a Price Accuracy System (PAS) at the front of the store where customers can scan their receipt to create a second receipt that lists the sign prices for each item purchased. This system allows customers to easily check scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy. The resolution would modernize the law, by allowing retailers to choose between three options, one of which is abiding by the current law. The other options involve using price check scanners throughout the store or installing a Price Accuracy System (PAS) at the front of the store where customers can scan their receipt to create a second receipt that lists the sign prices for each item purchased. This system allows customers to easily check scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy. Another part of the bill doubles the fine for retail scanner accuracy.

### Sportsmen Against Hunger

Rep. Hildenbrand introduced a bill that allows game sports enthusiasts to voluntarily contribute $1 to help feed the less fortunate when purchasing their hunting and fishing licenses. They can also donate unwanted meat and fish to the Michigan Sportsmen Against Hunger. "Hunting is a sport—and some hunt for the thrill of the hunt, some to eat wild game and fish, and others hunt as part of a family legacy. Some don’t care to eat the meat but want to help those who do," says Hildenbrand. The state fund will be used to help cover the costs of processing donated meat and fish and distributing it to shelters to aid the less fortunate.

### Rep. Hildenbrand's District

The 86th district includes numerous communities including the city of Lowell, Walker, East Grand Rapids, and part of Grand Rapids. His district also includes the townships of Grand Rapids, Lowell, Ada, Bowne, Grattan and Vergennes.

### Background

He started his political career as District Representative for Senate Majority Leader, Dick Posthumus. Then he became Deputy Chief of Staff for Lt. Governor Dick Posthumus, then Chief of Staff for Senator Bill Hardiman. He was also an Agriculture Policy Advisor for Governor John Engler.

### Political and civic committees and memberships

Hildenbrand was a Precinct Delegate for the Kent County Republican Party. He was also involved in numerous local and statewide campaigns through the years.

Hildenbrand stays involved with his community and area. He is a board member of the Lowell YMCA, and is active in 4-H and Future Farmers of America. He is a member of the Right to Life of Michigan, the Kent County Farm Bureau, the National Rifle Association and the Michigan State University alumni organization.

### Education

Hildenbrand graduated Valedictorian from Lowell High School in 1992. He went on to graduate from Michigan State University with a Bachelor's Degree in Public Resource Management. He traveled to Australia and New Zealand to conduct a study in Agriculture and Natural Resources.
A PROVEN TRACK RECORD

Nash Finch is proud to offer a lineup of store brand labels to meet any retail challenge.

Our Our Family and IGA brands offer your consumers the highest of quality at significant savings when compared to national brands. These labels have consistently performed well in cutting tests, often being preferred over the national brand equivalent.

The Value Choice label is the perfect tool to establish price image with your customers. Positioned to complement the IGA and Our Family label, Value Choice is the destination for the shopper who demands the ultimate in price value.

Call us today and find out more about this winning combination.
Air-chilled chickens gain devotees in the U.S.

Producers of antibiotic-free, air-chilled chickens are enjoying rising sales in the U.S. as consumers get hooked on the birds' tenderness and enhanced taste. Farmers Pride Inc.'s Bell & Evans brand, MBA Poultry and Maverick Ranch Association Inc. have all made the switch to air-chilled chickens.

- The Boston Globe

The smell of Touch

Research by Barbara Kahn, a marketing professor at the University of Pennsylvania's Wharton School, found that consumers—especially young consumers—prefer strange, ambiguous, alluring names for products over handles that provide a functional description. That's why the deodorant Touch, a blush called Sin and an ice cream flavor dubbed Chubby Hubby do well in the marketplace.

- Philly.com

Can you spare a dime for Amazon.com?

Amazon.com is partnering with Coinstar, a company that places coin-counting machines in supermarkets, to give penny-savers their returns in Amazon gift certificates rather than cash. Coinstar machines deduct 8.9% of a consumers' change, but users who opt for the Amazon credit will get the full monetary value of the coinage they insert.

- The Wall Street Journal

GMA urges members to channel hurricane assistance through America's Second Harvest

GMA has selected America's Second Harvest as the charity it will recommend to member companies and others for hurricane relief donations. America's Second Harvest needs dry storage items in full truckload quantities: bottled water, hand-held snacks, canned meals, utensils, disinfecting household cleaning items and diapers. In addition, transportation is needed to move donated products to food banks in the affected areas. Companies can also assist by providing storage for refrigerated and frozen foods. For more information on how to help, visit America's Second Harvest website. www.secondharvest.org

Albertson's may sell

Albertson's Inc. said it will explore a sale of the company, an announcement that has analysts offering various buyout scenarios, including the likelihood the grocery giant would be acquired by a private-equity firm rather than another food retail chain. But others say buying Albertson's could be a wise strategic move for Target Corp., which is currently flush with cash. U.K.-based Tesco PLC is also mentioned as a possible suitor, with one analyst pointing out, "They have proven that they can compete with Wal-Mart."

- The Idaho Statesman

Mars unveil heart-healthy chocolate snacks

Mars Inc.'s Mars Nutrition for Health & Well-Being division says its new CocoaVia, a vitamin-fortified snack featuring cocoa flavonoids and plant sterols from soy, could help consumers lower cholesterol. CocoaVia chocolate bars debuted in October.

- Drug Store News

Study: Girls who eat breakfast are slimmer

A study out of the Maryland Medical Research Institute found adolescent girls who eat breakfast have lower body mass index readings than those who don't, with the slimmest of them eating cereals. The study author said cereal fiber, often accompanied by milk and orange juice, accompanied by milk and orange juice, may account for the study subjects' lower weight and "those who eat breakfast on a regular basis are more likely to have a structured eating plan throughout the day and consequently are less likely to snack between meals."

- The Dallas Morning News
island breeze™

BY BACARDI®

THE ORIGINAL LITE SPIRIT™
A different kind of phone company

"...the average consumer doesn’t know his VoIP from his elbow."

As broadband adoption increases, so does the adoption of services such as telephone over Internet networks. Even consumers are saying goodbye to traditional telephone service and embracing the VoIP revolution in increasing numbers. All the major tech companies have been investing millions of dollars in VoIP, an abbreviation for Voice over Internet Protocol, which is a term for making phone calls over the Internet.

A recent article in Mercury News (San Jose, Calif.) stated that the average consumer doesn’t know his VoIP from his elbow. A poll commissioned by Verizon, found that out of 1,006 American adults, 20 percent believed VoIP was a hybrid automobile from Europe and 10 percent thought it was a low-carbohydrate vodka. Respondents were offered those choices in addition to the real definition of VoIP. Overall, 87 percent got the answer wrong.

The state of the art in VoIP communications has greatly advanced in the past few years. Earlier implementations were criticized for excessive echoing, noise and other quality-of-service issues. Modern systems can provide quality that compares favorably with standard analog telephone lines. Faster voice compression, quicker computer processors, and the availability of high-speed communication links such as DSL have all made VoIP implementations a viable technology and a compelling solution for businesses.

“We have built a VoIP network that delivers high-quality voice service at an extremely competitive price,” said John Zamojcin, co-developer of U.S. operations for PowerOne Solutions, a company that brings consumers and businesses with an internet connection an alternative to their traditional U.S. telephone company at savings of up to 80 percent.

“Traditional phones are fading. Landlines are making their last grasp. According to the research firm The Yankee Group, more than 17.5 million people will be using VoIP phone service by the year 2008,” says Zamojcin. “VoIP’s time has come and PowerOne Solutions wants to bring it to you. Many businesses are realizing the significant cost savings to be found in VoIP vs. traditional telephone service and are already replacing traditional systems.”

For further information contact John Zamojcin at PowerOne Solutions regarding VoIP technology. They will come out to your business and provide a free price comparison. John can be reached at (734) 737-0204.
House approves wine shipments to individuals

The Michigan House of Representatives has passed legislation that would allow limited wine shipments to individual Michigan consumers but ban wineries from shipping directly to retailers and restaurants.

The bill, approved in an 84-22 vote in September, is a new version of a committee-passed measure that would have banned all direct shipments by Michigan and out-of-state wineries.

The amended House Bill 4959, sponsored by Chris Ward, R-Brighton, would allow Michigan and non-Michigan wineries to each ship about 500 cases, or 4,500 liters, of wine annually to consumers. The bill now goes to the Senate.

A May U.S. Supreme Court ruling said states that allow direct wine shipments must do so on an evenhanded basis and not just for in-state wineries, as Michigan law did. In response to the ruling, AFD and the Michigan Beer & Wine Wholesalers Association had sought a ban on all direct shipping by wineries, citing concerns over minors' access to alcohol, as well as an economic threat posed by allowing Michigan and out-of-state wineries to ship to consumers and bypass licensed distributors and wholesalers.

Under Michigan's current three-tier distribution system, alcohol imports flow from producer through distributors and wholesalers, then to restaurants and retailers who sell the products.

NACS reschedules convention

The National Association of Convenience Stores (NACS) announced it has found a new location for The NACS Show following the natural disaster in its original location, New Orleans. It will now be held Tuesday through Friday, November 15-18, in Las Vegas.

The show originally was scheduled for October 29-November 1. For an updated schedule for the NACS Show 2005 in Las Vegas and answers to frequently asked questions, NACS is delivering updates via e-mail and on its websites, www.nacsonline.com and www.nacsshow.com.

The new color of money continues with $10 Note

In addition to the $20 and $50 notes, the U.S. Treasury Department, Federal Reserve and Secret Service recently announced the new design and updated security features for the $10 note, which will enter circulation in early 2006.

The new $10 was unveiled to the public on September 28, the third denomination in the new currency series that incorporates enhanced security features, subtle background colors and symbols of freedom into the designs. - NACS

A new way to be Blue. Get the freedom to self-refer with Blue Elect.

Blue Elect is a new option from Blue Care Network and Blue Cross Blue Shield of Michigan that lets your employees visit any doctor, anytime, in or out of network, with or without a referral, they're covered. It's a lot of added flexibility at a lower cost than traditional PPOs.

Of course, Blue Elect also offers all the in-network savings, the coordinated care, and the added-value programs of the traditional Blue Care Network product. Take a look, and you might find that Blue suits more of your employees than ever.

To learn more, contact your Blues sales representative. Blues contracted agent or call 1-800-464-BLUE.

www.MiBCN.com

Blue Elect Self-Referable Option

Blue Care Network of Michigan
A member organization and independent licensee of the Blue Cross Blue Shield Association

November 2005 | 27
A creative way to save on group health insurance.

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

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

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

For information on AFD's endorsed Blue Cross program, call:

Dan (800) 666-6233 or
dreeves@afdom.org

Governor announces more station inspections

Michigan Governor Jennifer M. Granholm recently announced that her administration will increase gasoline pump inspections. According to an article by Greg Lindenberg of CSP, the governor has requested that Michigan Department of Agriculture (MDA) Director Mitch Irwin transfer staff internally to increase inspections at gas stations. She also announced that the MDA will use $1.3 million appropriated by the state legislature to hire additional inspectors.

"With the national and international markets for gasoline and oil soaring out of control and the federal government sitting passively on the sideline, no single state has the power to control gas prices. So we must make sure, at the very least, that we use the power we do have—to ensure that consumers are getting what they pay for—especially right now, when we are paying too much," said Granholm. "We will increase inspections to ensure that gas station equipment is working properly and to ensure that every complaint receives a thorough investigation."

In addition to increased inspections, Granholm called for legislation to require that gas station operators prove their pumps have been calibrated and are working properly when they apply for renewal of their operator's license. State law requires that licenses are renewed annually.

"With gasoline prices increasing at more than 10 times the general inflation rate over the past year, market participants at every level should welcome an immediate, aggressive and thorough review of all factors contributing to near record-high fuel prices," Granholm said.

The governor announced that the $1.3 million would be used to hire a total of 16 new inspectors. - CSP

Attention Food and Beverage Industry:

Food & Beverage Report

Wholesalers • Brokers • Manufacturers • Distributors
Liquor, Beer & Wine Distributors and Principals
Food Processors • Banks • Phone Companies

Reach a group of 25,000* of your best prospects each month by advertising in AFD's Food & Beverage Report!

*2.3 Press shipping. 10,000 circulation includes every supermarket, drug store, convenience store and specialty food market—virtually the entire retail food industry in Michigan.

If you’re reading this message, we can help you increase your company's market share in Michigan. Our rates are competitive and layout and design personnel are available to give you your own special flair to your ad.

Join the successful companies that advertise in The Food and Beverage Report. Call for more information, rates, or to schedule an ad.

Our readers look forward to learning more about your company, your product and your services.

Associated Food Dealers of Michigan
30415 West 13 Mile Road
Farmington Hills, Michigan 48334
Call Ray Amyot at 989-386-9666
or 248-671-9600 • Fax 248-671-9610

ADVERTISE WITH US: IT PAYS!
Hollywood Markets match donations for Katrina

Hollywood Super Markets, a Metro Detroit grocery store chain, matched its customers' donations, up to a total of $10,000, to assist the victims of Hurricane Katrina. Thom Welch, Hollywood Super Markets vice president, said that customers who made their donations at any of the Hollywood stores (Utica, Troy, Royal Oak and Bloomfield Hills) received a cash register receipt for their donation.

Mike Sarafa, AFD president, said, "By doubling the funds of its customers, Hollywood Super Markets are encouraging others to donate, as well as making a significant contribution themselves." Sarafa added.
GATORADE WAS DESIGNED FOR JOCKS. AND YOU'RE NOT A JOCK, ARE YOU?

Introducing POWERade OPTION, a great-tasting sports drink with 80% fewer calories than Gatorade. Now you can replace your body’s lost fluids and electrolytes without putting back the extra calories you may not want. www.poweradeoption.com

NEW POWERade OPTION. A LOW-CALORIE SPORTS DRINK. SPORT IS WHAT YOU MAKE IT.
Proud to be Made in Michigan

We're on a Roll.

Spartan Stores

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