AFPD's Tony DeLuca appointed to Lansing's Board of Water & Light

Tony DeLuca, AFPD Membership Services Director, and Frank Lain are the two new commissioners on the Lansing Board of Water and Light’s eight-member governing Board of Commissioners. With City Council’s approval, Lansing Mayor Virg Bernero appointed the two Lansing residents to the board.

“We are very pleased to have commissioners DeLuca and Lain join our Board of Commissioners,” General Manager J. Peter Lark said. The term for DeLuca expires June 30, 2010.

AFPD’s popular trade shows change locations

Mark your calendar now to attend the 24th Annual AFPD Trade Show, taking place Monday and Tuesday, April 28 and 29 in its brand new location - the Rock Financial Showplace in Novi, Michigan.

“We had so many requests for booth space that we had to move the show to a larger hall to accommodate all our exhibitors,” said Cathy Willson, special events director. “This year attendees will have even more products and services to see and sample – all in one place,” she added.

Willson also noted that AFPD’s Ohio Trade Show, which takes place on Wednesday, June 11, will now be held at i-X Center in Cleveland.

For more information on AFPD’s trade shows, see pages 9 and 21 or call Cathy Wilson at (248) 671-9600 or (800) 666-6233.

Frito-Lay takes proactive approach to driver safety

By Michele MacWilliams

Two Detroit delivery driver shootings last year have put the retail food industry on alert and have resulted in a series of safety summits to find solutions to these types of incidents. “Our drivers’ safety is a top concern for Frito-Lay, Inc. We want to employ the best practices to keep our drivers, and the retailers that they serve, out of harm’s way,” said Fred Gongola, Metro Market Director for Frito.

In order to determine what the best practices are, Frito’s Detroit area management team met with the Detroit Police Department. Sergeant Coleman and Lt. Gerald Lee attended the meeting at Frito’s Plymouth offices.

The officers explained that there were three distinct groups of armed robbers - or “cells” as they call them - that are targeting grocery delivery truck drivers. The cells work in the following areas: 1. Seven Mile between Schaefer and Telegraph. 2. Schoolcraft Road

Detroit Safety Summits

From the initial meeting in the Frito-Lay offices, a Detroit Safety Summit has been formed. Frito-Lay has taken the lead to bring together all sectors of the food and beverage industry to pro-actively promote delivery driver safety. Safety Summit members have met with Detroit Police Department officers and have received suggestions to keep drivers safe. AFPD members are encouraged to attend future meetings. Interested retailers can contact the AFPD office for further information at (248) 671-9600.
Planning for 2008 and beyond

By Jane Shahal, APFD President

Already, 2008 is upon us, but what can we expect from this sparkling New Year? Market analysts from Datamonitor and Mintel Group have taken a look ahead and expect the following trends to have a major impact on consumers in 2008.

Probiotics

Consumers have discovered the health benefits of active cultures in yogurt and yogurt-based drinks and now manufacturers are moving into other product categories. Currently leading the way in probiotics is Dannon's Activia yogurt that achieved more than $150 million in first year sales. Procter & Gamble is jumping on the bandwagon with its Align probiotic supplement in stores in a number of markets after exclusively marketing the product online for two years. Cheese and chocolate are two other likely categories for probiotics.

Organics for kids

Organic food manufacturers are beginning to get serious about targeting younger people at a time when conventional grocery and foodservice brands have been criticized for marketing practices aimed at young children.

Fresh, fresher, freshest

Fresh is hot. The number of new food products launched in the USA that either use or are designed to use steam as a cooking method tripled between 2005 and 2007.

Super fruits

The market analyst is predicting a move from health and natural food stores to the mainstream for anti-aging and high nutrient "superfruits" like acas, goji berries, noni and even pomegranates and drinks made from them. 'Look for 'superfruits' to go mainstream in 2008 as larger companies begin to get into the game.

Sweet dreams

Sleep disorders are moving high on the list of health issues. Products that make it easy to de-stress and promote sleep are posed for growth.

Keep it crunchy

Texture is important when it comes to the foods consumers like and those do not. Manufacturers may be taking some of the "bad" stuff out of foods but they are putting the crunch in.

Hot, hot, hot

As consumers age, their sense of taste and smell diminishes, and this translates into a demand for hotter, spicier, and bolder flavors. Consider increasing your offerings in hot and spicy salsas and bolder cheeses.

Living in a high tech world

Caffeine is showing up in all kinds of products besides drinks. Sunflower seeds, oatmeal and potato chips are now being supercharged.

Protect planet earth

Very few products have some "green" story to tell. Those that are legitimate will find consumers are willing to spend in the name of sustainability.

On the lookout for killer food

High-profile food scares over issues such as tainted spinach and pet food have had an impact on consumers. Focus will be directed in restoring consumer confidence in our food supply. Imported foods from other countries will have to not only meet the U.S. standards, but be delivered with guaranteed inspections.

Clean labels

Clean labels contain ingredients easily understood by consumers. Usually they are ingredients that mirror what someone may have in his or her kitchen cabinet. Ingredient labels will be easier to read and understand.

Experiential shopping

In a world where you no longer just eat, you have a culinary experience. There has been a shift toward experiential shopping. In 2008, traditional supermarkets will expand the number of types of experience they offer in store. We will see more in-store dining, warming lighting and familiar display fixtures to keep customers stimulated, interested and, most importantly, in the store longer.

Attention small mart shoppers

For a long time it was about "big" - big stores, deep product offerings, expansive thinking. But the tide has been turning. Retail management is not only thinking small, they’re building smaller stores. Delivering edited product assortments and betting that this approach will deliver a big return on investment. So independent retailer…stay the course. Tesco has put the spotlight on stores of the kind,000-sq.-ft. variety. Its Fresh & Easy Neighborhood Market has caused Safeway to get ready to open smaller stores. Wal-Mart is expected to test a convenience store format in California, where they’ve struggled to overcome big-box opposition. Congratulations to you independent food retailers—you are the ones that are hip to being small!

It is important for you to pay attention to research, market trends and consumer demands so that your retail growth and profitability in 2008. Work in partnership with your suppliers/wholesalers to provide you with valuable market research information relevant to your area and consumer population, so that you can make wise decisions. I wish you a very prosperous New Year.
Driver Safety,
Continued from front page.

between Evergreen and Greenfield, and 3. Joy Road near Lahser.

At the time of the meeting, the police had identified some potential suspects but had not yet made any arrests. “We have some leads, but not enough to eradicate cells,” said Officer Coleman.

While police conduct their investigation, the officers offered suggestions on how to keep deliveries safe. They said that the most important thing to remember when faced with an armed robber is to cooperate. This is true whether the robbery takes place outside the delivery truck or inside a store. “Don’t ever run,” said Sgt. Coleman. “Unlock doors if that is what they demand. Don’t ever give them the impression that you are not going to cooperate.”

Both officers said that the best practice for deliveries is to not carry cash and to print that information boldly on the truck. “They are looking for cash. If the word gets out that your drivers don’t carry cash, then they will look for other targets,” they said.

Although this practice is currently difficult one to incorporate, both officers felt that if there was no cash to steal, then the incentive would be removed and the delivery robberies would stop.

The police officers had these additional suggestions:
• Drivers should pay attention to cars that are following them. Are the same cars present from one day to the next or one stop to the next?
• Vary your schedule. Don’t stick to the same route every day, even though it would be more time efficient.
• If possible, complete your deliveries during daylight hours.
• Call your retailers to coordinate deliveries. Have someone from the store present when deliveries are made.
• Light up delivery trucks. If deliveries have to be made in the dark, install exterior lights so that the area around the truck is easy to see.

Security systems provide safety help
AFPD member, Mike Eida, of Scada Systems in Detroit, a company that provides security systems to retail stores, says that a security system is an important deterrent to violent crimes. “A thief is less likely to rob a store or a delivery driver at a store if security systems are present,” he says. Security systems are key to apprehending criminals as well. Police rely on them to identify suspects.

Eida says that with a security system, an owner can monitor his business from anywhere, which provides a great deal of peace of mind. In addition, security systems generally increase insurance rates.

If you are involved in an armed robbery, the most important thing to do afterward is to call police. Once you have done that, make one more call, to AFPD. Regardless of where the robbery occurred, if you give us the critical information, we will use our fax blast system to notify other retailers and delivery companies that work in the area.

Provide AFPD with the following information:
• Date and time of robbery
• Location of robbery
• Description of robber(s) if available
• A description of what was happening at the time that the robbery occurred.

Call AFPD at 1-800-666-6233 or fax us at 1-866-601-9610.

AFPD is also a member of ASIS International Detroit Chapter. This organization posts information about crime on its Website so that other members are aware and can take precautionary measures. AFPD suggests that all members join ASIS by logging onto their Website at http://www.asisdetroit.com.

Through this site, the police as well as private citizens will have the ability to post activities and alerts keeping everyone informed. All members will be able to monitor postings by simply logging in. Higher priority alerts from the police may be broadcast through e-mail alerts to all active members.

By doing this, all retailers and distributors will be armed with critical information that may help them identify a potential cell, thwart a robbery and maybe even save a life.
BP to spin off company-owned and operated outlets

BP announced plans to sell all of its company-owned and operated convenience locations in the U.S., mainly to franchisees, and some to large distributors and dealers, according to the company.

"By tapping into the entrepreneurial experience and knowledge of local station owners, we will build a strong franchise network that will help us grow our business," Fiona MacLeod, president of BP U.S. convenience retail, said in a statement. "This business and the people in it have created a culture of excellence that will be the backbone of our organization going forward."

The company expects to complete the sale of more than 700 stores within the next two years, and announced they will still market BP fuels in the eastern U.S., and ARCO gasoline in the western region.

In Ohio, BP plans to sell 89 branded stations in the Cleveland area and 46 units in Columbus. Additionally, 10 ARCO branded sites in Cleveland and 11 ARCO sites in Columbus will be sold.

King resigns at Valero

Valero Energy Corp. recently announced that Greg King has resigned as president of Valero Energy, effective Dec. 31, 2007.

"This was unexpected, but I want to thank Greg for his dedication to Valero's success over his more than 14 years with the company," said Bill Klesse, chairman of the board and CEO of Valero Energy. "I would also like to personally thank him for his support and loyalty over the last two years. We wish Greg and his family much success and happiness in the future."

Klesse did not offer a reason for King's departure, nor did he name a successor.

King was a key architect of the San Antonio refiner-marketer's growth-by-acquisition strategy, said Dow Jones. During his 14-year tenure he helped to orchestrate complicated acquisitions, including the company's purchase of rival Premcor in 2005.

Scam Alert – revisited

By Ed Weglarz

In previous editions of the Food and Petroleum Report we outlined a number of scams that could adversely affect your business. Well, another scam has surfaced that has been uncovered in various parts of Michigan.

Since the scam can affect any business that honors credit cards while using a satellite dish to obtain approvals, it is very important that we bring this information to your attention.

It has been discovered that satellite dishes at some retail locations have been tampered with, forcing the sites to regress into the "store and forward" mode so that payments can be made with fraudulent credit cards.

While details are sketchy, the scheme involves wrapping silver foil around part of the satellite dish to disrupt its receipt of the signal. Apparently this action allows approval of the sale without ever charging the cardholder's account. The resulting uncollectible charges get charged back to the retailer.

We suggest that you contact your credit card processor and consider disabling the "store and forward" feature of your satellite transmission system.

Furthermore, you should require your cashier personnel to be more observant of any unusual increase in sales activity using a credit card. Watch for vehicle line-ups at certain dispensers, and lingering customers who might be coordinating the exploitation of the scam. Also, be suspicious if you see the same card used for several vehicles in a short period of time. Watch too for sudden increases in gasoline sales, customers activating multiple pumps with the same credit card, and large sales to the same customer on the same or consecutive days. Have your employees report any activity by maintenance technicians who arrive at your location to "upgrade" your P.O.S. and/or satellite system.

Ohio UST Board announces 2008 meeting schedule

The Ohio Petroleum Underground Storage Tank Release Compensation Board has published its 2008 meeting schedule. Meetings are planned for:

- January 9, 2008
- February 6, 2008 (Tentative)
- March 12, 2008
- June 11, 2008
- September 10, 2008
- November 12, 2008

All meetings are scheduled to begin at 10 a.m. However, it is suggested that you contact the Board to confirm the meeting date and time. The meetings are held at the Board's offices located in the LeVeque Tower, 50 West Broad Street, Suite 1500, Columbus, OH 43215.

In other PUSTRCB news, Starr J. Richmond has been appointed new Executive Director. She also will continue her role as the Board's Chief Fiscal Officer until a suitable replacement can be named.

At its November 2007 meeting, the Board voted not to increase tank fees in this upcoming program year (July 1, 2008 – June 30, 2009). Fees will remain at $600 per tank for coverage at the standard $55,000 deductible and $800 per tank for coverage at the $11,000 reduced deductible. For more Board news, log on to www.petroboard.com.
Superior Petroleum Equipment stresses superior service

By Michele MacWilliams

The Chaffin group is a busy bunch. Over the past six months they have hit the ground running with the debut of Superior Petroleum Equipment. From all appearance, the company looks and responds to customers as if it had been around for many years and in some ways it has. Last fall Ron Chaffin, his wife Stephanie, brother John and capital partner Jack Holstein purchased most of the inventory, the trucks and the customer base of the liquidated Maddy Petroleum.

"We also hired some of Maddy's service technicians, which gave us a good start," said Ron Chaffin, who is the company's president. "From that base we've been growing rapidly."

Superior Petroleum Equipment is a distributor and service provider for just about everything that a service station needs, including point of sales equipment, retail dispensers, fleet fueling systems, electrical power solutions, submersible pumps, dispenser accessories, underground fuel systems, leak detection and fuel management systems, surveillance equipment and intercom systems, canopies, lighting, car wash systems and above ground storage tanks.

Headquartered in Grove City, Ohio in a new, state-of-the-art 5,500 square-foot facility, Superior Petroleum Equipment currently provides coverage in Ohio and West Virginia. They are looking to expand into other surrounding states including Michigan. Their primary customers are service stations, trucking companies, municipalities, rental car companies, hospitals, maintenance garages and convenience stores. Chaffin stresses that they can meet the needs of large and small customers alike.

"Our motto is 'Superior service from a superior company' and we live by that motto daily. It is our number one asset," says Chaffin. The company prides itself on its quick emergency response time and 24-hour service.

"A truck ran over pump number three and shut us down," said Dawn Parker of Star Fire Express, a customer in Newark, Ohio. "We called Superior and a tech was on site within the hour. If it wasn't for Superior we would have had to wait until the next day to receive service. Superior is now our repair business of choice."


In addition to the company's 24-hour emergency service, they can also assist with compliance testing and inspections, preventative maintenance, fire extinguisher refills, pump sales, service, rebuilding and repair, lighting and fuel management and control systems.

For more information, contact Superior Petroleum Equipment at 1-877-90PETRO (73876) or visit their website, www.superiorpetroleumequipment.com.
EIA predicts 2008 gas and diesel prices

The Energy Information Administration (EIA) predicts that both motor gasoline and diesel will average more than $3.00/gallon this year, including a spring peak above $3.40/gallon at the pump.

EIA believes that world demand will grow much faster than non-OPEC supply. U.S. gasoline demand is projected to grow by one percent in 2008. The usual caveats are included in the forecast. Downside risks could come through a sharper-than-expected global or U.S. economic slowdown, which would dampen the estimate.

ATM fraud alert!

Bob Cleary of the Michigan Petroleum Association/Michigan Association of Convenience Stores has notified AFPD that two of his members - in St. Johns and Jackson - have been the target of fraud at their ATM machines. Our understanding is that individuals were able to reprogram the ATM machine denomination settings.

They gained access to the system settings because some ATMs are still using the default password assigned to all machines when purchased. In some cases the default password can be obtained on the internet or from individuals with knowledge of these machines. (If you haven’t changed your default password you should do it immediately!)

Once the machine is accessed (possibly with a prepaid card) the perpetrators are able to steal thousands of dollars without the owner knowing until the machine is checked or balanced. In the case of the St. John’s location, it is believed approximately $4,000 was stolen.

It should be noted that this all happened within 10 minutes and before the criminals left they reprogrammed the machine back to their original settings.

It is likely these criminals are traveling around the state trying to gain access to more ATM machines. Be on the lookout for any suspicious activity around your ATM machines and contact law enforcement immediately if you suspect anything illegal taking place.

Reminder of ATM best practices:

Change the original default password on your ATM machine

Know that the company you are dealing with is reputable

• Balance ATMs daily or as frequently as possible

• Increase security around the ATM and check video equipment to make sure it is working properly

DEQ considering future fee increases on USTs and ASTs

The Michigan Department of Environmental Quality is considering increasing fees for underground storage tanks and above ground tanks. The increase could be as high as 80 percent on both tanks.

Increasing the fee for site plan review on ASTs and instituting a fee for site plan review on newly installed USTs is also under review. AFPD has been on the front line expressing its concerns over the negative impact these fee increases would have on small business owners. AFPD will continue to fight on your behalf and keep you abreast of the fee issue. If you have any questions, please contact the AFPD.
Are you paying too much in property taxes?

Soon you will be receiving your new property tax assessment notice for 2008. If you think that your assessment is too high based on your neighborhood or market, you only get one chance to appeal. The tax appeal window opens ONLY once a year for a limited period of time. This window typically opens very shortly after you receive your notice. So, time is of the essence.

With values declining, taxes have continued to rise. This means that your property may be over-assessed resulting in higher taxes. In 1994, the State of Michigan passed Proposal A which capped a property owner’s Taxable Value to a mathematical formula and not to the marketplace. Anyone transferring ownership of a property after that year experienced an un-capping of their Taxable Value and a re-capping based on the market at the time of the sale.

According to the Detroit News, property values have seen the following declines since 2004:
- Livingston County -15.13%
- Oakland County -13.72%
- Macomb County - 12.01%
- Wayne County - 35.63%

In order to understand property taxes and how to determine if a property owner is paying too much, Judeh & Associates, a real estate appraising and consulting company, is offering a series of free seminars at the following locations:

**Wayne County:**
- Tues., Feb. 5, 2008, 9:00 a.m. – 11:00 a.m.
  - Fifth Third Bank
  - 15006 Southfield Road, Allen Park, MI 48101

**Oakland County:**
- Wed., Feb. 6, 2008, 6:00 p.m. – 8:00 p.m.
  - MBN TV Office Building
  - 25335 Southfield Road (in the lower level)
  - Southfield, MI 48075

**Macomb County:**
- Thurs., Feb. 7, 2008, 12:00 noon – 2:00 p.m.
  - Macomb Community College
  - 14500 E. 12 Mile Road
  - K Building, room K-315/17, Warren, MI 48093

Seating is limited and a reservation is required. Call Judeh & Associates at: (313) 277-1986 for reservations.

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Attention, AFPD Members

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Save money and time by letting the professionals handle your coupons

All AFPD members have access to our successful Coupon Redemption Program. The AFPD coupon program eliminates the time-consuming and costly chore of sorting, counting and mailing coupons to individual manufacturers, which reduces the volume of accounting records a retailer must keep.

You simply package and mail your coupons to the AFPD office and receive a check from us within five to six weeks! AFPD Coupon Specialist Harley Davis will make sure that you get your money. There is absolutely no charge for this service as long as you are a member of AFPD. The AFPD Coupon Redemption Program has been a valuable membership benefit in Michigan for over 25 years. All our grocery and petroleum dealers who use our coupon redemption program realize how quick and easy it is to accept coupons and get manufacturer redemption.

If you are interested, please give Harley a call at 1-800-666-4623. He will explain how simple it is to accept and redeem coupons at your locations.
2nd Annual
Food & Petroleum Trade Show

Wednesday, June 11, 2008

I-X CENTER
One I-X Center Drive, Cleveland, Ohio, 44135

Show Hours: Wed., June 11, 2008 • 12-6 p.m.

Ask your sales rep for tickets, or call 800-666-6233 for free tickets.
Admission ticket required. $12 at the door.

Call AFPD for more information: Toll Free: 800-666-6233
or Toll Free Fax: 866-601-9610

AFPD's Ohio selling trade show, attracting buyers from:
convenience stores, supermarkets, service stations,
specialty stores, bars, restaurants and drug stores.
The 2008 Elections – from the Ohio perspective

By Vaughn Flasher
Capito Strategies Group, LLC

With the hotly contested 2006 midterm election barely in the rearview mirror, the 2008 election season is now upon us. Of course, with the presidential candidates having been out on the campaign trail and dominating political news for the better part of 2007, the 2008 election season seems to have been here for quite awhile already.

While Ohio voters stand to play a key role yet again in determining the outcome of the presidential contest, the choices they make at the ballot box this year will also have implications closer to home that will impact the direction of our state for years to come.

Lest anyone harbor any doubts about whether the presidential candidates will be spending much time on the stump and money on the airwaves here in Ohio, just remember the old axiom “As Ohio goes, so goes the nation” – because it still holds true today. Just how important is Ohio to winning presidential elections? Ohio has gone with the winner in 43 out of the 51 elections that have taken place since the state was established in 1803. Ohioans have also voted for the winner every time since 1896 with the sole exception of choosing Richard Nixon over winner John Kennedy in the 1960 campaign. Not a bad track record.

Of course, the presidential candidates and their campaign strategists know this all too well. Winning Ohio will be a central focus for both Democrats and Republicans as they work to formulate national election strategies that they hope will lead them to victory in November.

For Ohio voters, all of this attention from the presidential campaigns means that they will likely be on the receiving end of more paid political advertising than voters in virtually every other state. Over the airwaves, in the mail, on the telephone and via the internet, a deluge of campaign ads will be generated in the weeks leading up to election day to sway Ohioans’ opinions about the candidates. And, it won’t just be ads run by the candidates’ own campaigns. “Independent” third party organizations are more active than ever and they will undoubtedly spend millions of dollars to “educate” voters about the pros and cons of each candidate.

Aside from the presidential race, there will be plenty of action here at the state level and in races for Congress. All of Ohio’s 18 congressional seats are up for election this year, with a number of districts considered to be “open” seats due to the retirements of several incumbent officeholders. Additionally, all of the 99 seats in the Ohio House of Representatives are up for election, as are 16 of the State Senate’s 33 seats.

The outcomes of these contests, especially those for the Ohio House where Republicans maintain a tenuous hold, have the potential to alter the balance of political power in Ohio. Democratic Governor Ted Strickland is already in a strong position. If the Democrats manage to win control of the House of Representatives for the first time since 1994, Strickland’s ability to pass and enact his public policy agenda will be further enhanced.

So, which political party has the edge in Ohio for this year’s election? The answer is, it depends on who you ask.

Democratic leaders would say that a majority of voters remain fed up with Republicans in general; and more specifically, that they’ve had enough of President Bush, his policies, and the War in Iraq. They believe that their gains in Ohio in 2006 were just the beginning of a resurgence of the Democratic Party in this state and that they are poised to make further inroads in 2008.

Republicans would contend that the outcome of the 2006 election was an aberration; a blip on the radar screen; and, that despite whatever missteps the President has made, and despite the scandals involving Republican officeholders at the state and national level, the Republican Party still stands for the ideas and ideals that resonate with and are supported by a majority of Ohioans. Republicans believe that if they get their message out and connect with Ohio voters on the issues that they care about, they can begin to repair their image and thus, strengthen their standing among the electorate in 2008.

So, who is right? The easy but honest answer is, “time will tell.” One thing is for sure – a significant shift in political landscape of the state did occur in 2006. Except for the Auditor of State’s office, Democrats swept every other statewide office – including the office of Governor for the first time since the 1980s – and reduced Republican control of the Ohio House of Representatives to a slim margin of just four votes (53-46). Federally, Republicans ended up losing a congressional seat to the Democrats and in the U.S. Senate, the race between Mike DeWine and Sherrod Brown wasn’t even close.

All of this happened for a reason – voters voted their preference and in 2006, their preference wasn’t Republican. Can that preference change? Of course it can. Will it change in 2008? Again, time will tell. The bottom line is that Ohio remains a politically competitive state and it will be hotly contested by both political parties this year.

Ohio group rating enrollment deadline approaches

Group rating enrollment packets are mailed each fall to current Associated Food and Petroleum Dealers (APFD) Ohio group members and those who have submitted savings estimate authorization (AC-3) forms. The Ohio Bureau of Workers’ Compensation (BWC) requires all employers participating in a workers’ compensation group rating program to re-enroll each year.

Take time and study your options. Verify that the latest information is being utilized in your offers, including BWC’s recent credibility table changes. If the latest rates from the credibility table are not used, the offer will be inaccurate due to inflated savings figures. Also, some groups try to force employers into making an early decision. The BWC’s official deadline for applications is the last business day in February. The Frank Gates Service Company asks you to submit enrollment materials by February 27 to allow time for processing.

The following checklist specifies all materials that must be completed and submitted to Frank Gates to ensure your enrollment is processed promptly:
- BWC employer statement for group rating (AC-26) form
- BWC permanent authorization (AC-2) form
- Frank Gates service contract
- Your indicated service fee

These forms, along with a postage-paid envelope, were included in the enrollment packet you received. If you have not received your enrollment paperwork or if you have questions, please contact Scott Weisend with Frank Gates at 800-777-4283, ext. 25440, or email sveisend@frankgates.com.

If you have not already requested a free group rating estimate, call (800) 395-4119 today or complete an online AC-3 at www.frankgatesgroups.com.

Article courtesy of The Frank Gates Services Company.
Get a Grip on Your Thirst

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Lipari Foods grows with the flow

By Michele MacWilliams

The dust hasn't even settled in Lipari Foods' new facility and they are already leasing additional warehouse space for their growing business. Just over a year ago, Warren-based Lipari Foods Inc., a wholesale food distributor, moved a half-mile down the road into a new, 250,000-square-foot headquarters that gave the company more space to support sales growth throughout the Midwest. Started over 40 years ago by Jim Lipari, the company has enjoyed steady and deliberate growth. The new distribution center has twice the storage space as the previous location and can handle sales of up to $500 million a year. President and CEO Thom Lipari said to Detroit Business. However, the company has grown so quickly that they are now leasing some of their old warehouse space to accommodate recently acquired product lines. The reception area has a calming waterfall as a backdrop, granite counters and a two-story wall of glass to let in the welcoming sunshine. Offices are decorated in warm earth tones with mahogany cabinetry. The warehouse has a seven-level shelving system and separate storage areas for frozen, refrigerated and nonperishable foods. The facility has served to invigorate Lipari's employees, who are excited about even simple amenities, such as having an elevator and windows in the administrative office. In November, Lipari purchased Pittsburgh-based Robert Wholey & Company, a meat and seafood distributor. They closed the Pennsylvania facility and now ship the Robert Wholey products from Lipari's warehouse in Warren. "With the addition of meat and seafood, our customers can get all their specialty products from one source," Thom Lipari says, adding that this is one more service that customers are looking for, so that much of what they order can be consolidated onto one truck. Lipari Foods was founded in the early 1960s by Thom Lipari's father, Jim Lipari, who started selling barbecue sauce out of a station wagon, while supplementing his income by being a meat cutter on weekends. Jim Lipari's big break came in 1967, when Frank's Tea & Spice appointed Lipari as their distributor. The company's first warehouse was on Harper Avenue in St. Clair Shores. In 1971, Jim's son Thom started working at Lipari. At the time, the company still focused on spices, but was continuing to expand. A friend in the food brokerage business asked Jim Lipari to sell 20 cases of Alpo Swiss Cheese. He agreed and took the cheese out on his route. "I sold out almost immediately," explained Jim. "As an example, we bring in fish from the East Coast that goes to a secondary facility for processing. It then comes into our Warren warehouse and in two to three hours it is out to our customers." Lipari Foods has evolved into a Midwest powerhouse in the food distribution business. But through the years Thom, and his father Jim, have never forgotten their roots, or the difficult years when a side job as a meat cutter was needed to keep food on the table.  

"We are unique, in that from our Warren facility, we can next-day ship to Wisconsin, Kentucky, or any other of the nine states that we service," Thom Lipari proudly states. He explained that if a customer in Madison, Wisconsin places an order at 4:00 p.m. on Tuesday, he can receive shipment on Wednesday at 7:00 a.m. "Ninety-five percent of our business is next-day service. We're in the perishable business and it needs to be that way," he adds. "As an example, we bring in fish from the East Coast that goes to a secondary facility for processing. It then comes into our Warren warehouse and in two to three hours it is out to our customers."

Lipari Foods has evolved into a Midwest powerhouse in the food distribution business. But through the years Thom, and his father Jim, have never forgotten their roots, or the difficult years when a side job as a meat cutter was needed to keep food on the table.  

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Super Raffle is back

By Tom Weber
Acting Commissioner

With the new year upon us, the Michigan Lottery is kicking things off with another Super Raffle game.

As you may recall, the first Super Raffle, in May 2007, was an astonishing success. All 250,000 tickets, priced at $50 each, were sold in just two and half days. Our second Super Raffle, with the same number of tickets and price points, was offered in September, and those tickets sold out as well. Both Super Raffles were big wins for the Lottery, as they were for our retailers and players.

On February 4, the third Super Raffle game, with tickets at $50 each, will launch. Like the previous two, the game will offer the best odds ever - 1 in 55 - to win at least $500. The prize structure will include two grand prizes of $2 million each (annuitized), 25 prizes of $100,000 each, and 4,500 prizes of $500 each. This is a great ticket for you, our retailer partners, because you earn $3 commission on every ticket sold. And for the lucky retailers who sell the top two prize winning tickets, there is a $5,000 commission.

Your players will want to take advantage of this great opportunity to win a lot of green. And with that in mind, the Super Raffle drawing will be no earlier than March 17, St. Patrick’s Day.

New instant games:
Several new instant games are set to start the year off right. On Jan. 7, Solid Gold, a $1 ticket with top prizes of $3,000, and Million Dollar Doubler, at $10 and with top prizes of $1 million, will hit the streets. Also on Jan. 7th, Love to Win, in plenty of time for Valentine's Day, will be available. Love to Win is priced at $2 and has prizes up to $14,000.

On Jan. 21, the $2 game ‘Fast $500’s’ goes on sale with top prizes of $10,000 and over 1,000 prizes of $500. Also on Jan. 21, look for the re-issue of the $2 American Idol game. A new second chance drawing has been added, along with an independent retailer sales promotion. A trip for two to Las Vegas will be awarded to one lucky retailer, and six other retailers will receive $100 worth of promo tickets.

Over 95 cents of every dollar spent on Lottery tickets is returned to the state in the form of contributions to the state School Aid Fund, prizes to players and commissions to retailers. In fiscal year 2007, the contribution to schools was $748.9 million.

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Based on a considerable body of sampling research with consumers, resistance is apparently futile.

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Building homes, encouraging urban renewal are Senator Mark Jansen's goals

Jansen's legislation encouraging grocers to open in redeveloping areas

Jansen sponsored Senate Bill 294 to allow local units of government to offer tax abatements for up to 10 years for grocery stores established in redeveloping areas. The purpose is to help ensure that residents across Michigan have adequate access to grocery stores selling fresh fruits and vegetables. It was approved by the Senate Economic Development and Regulatory Reform Committee and will now go before the full Senate for consideration. "I had support from almost everybody in the committee. There should be a vote on the Senate floor soon," he said.

Jansen's former position with Habitat for Humanity of Michigan prompted him to sponsor this bill. "This bill is a good first step to addressing a complex issue," Jansen said. "Regardless of where Michigan residents live there should be local groceries where they can buy fresh fruits and vegetables, as well as other nutritious foods."

He added that, "In addition to the health benefits, my bill will help improve communities. Grocery stores provide jobs for local residents and often pave the way for neighborhood revitalization since they are high-volume magnets for complementary stores."

The tax abatement is only available for grocery stores established in underserved areas located in core communities or in underserved rural places as defined by the U.S. Census Bureau. Also, the tax abatement is only available for groceries that provide fresh meat, fruits and vegetables, and dairy products.

"Both small stores and chains are interested in this legislation," Jansen said. Spartan came and testified at hearings. It's not necessarily going to be big boxes that put up these stores. It could be smaller stores. It could be accounts in a community. Lots of core communities don't have this, we're trying to give them that option. This bill works for urban and rural areas," beamed Jansen.

28th District

Jansen's 28th State Senate District covers portions of Kent County not including the cities of Kentwood, Grand Rapids and Lowell.

Habitat for Humanity

His community involvement includes work with the Habitat for Humanity which he is still involved. In fact, he is working on an initiative to be announced in February that encourages legislators to go back to their home districts and help with revitalizing neighborhoods.

In 2003, Jansen became director of special initiatives for Habitat for Humanity of Michigan. He leads a unique program called Vision 2020 where he brings together local community leaders, non-profits, for-profits and other parties interested in eliminating sub-standard housing and encouraging change in specific geographic areas of Michigan.

Background

Jansen graduated from South Christian High School in Grand Rapids and attended Grand Valley State University and Calvin College. He was a missionary in the Appalachian Mountains of eastern Kentucky from 1984-1987. Afterwards, he spent over five years working in the computer industry.

His first political office was as a Kent County road commissioner. He was elected Gaines Township Clerk for the term of 1992-1996. He has been an elder at Covenant Christian Reformed Church of Cutlerville and Director of Youth Ministries from 1989-1996, a board member of Wedgewood Christian Services for youth, and vice-president of Cutlerville Christian School Board.

Jansen served three terms in the Michigan House of Representatives from 1996-2002. All six years, he was on the House Appropriations Committee, having been one of only two freshmen appointed to this post by leadership. He also chaired the Family Independence Agency subcommittee. During his second term, the Speaker appointed Jansen to lead the House Republican Policy Committee and to serve on the House Republican Campaign Committee. In 1998-1999, Jansen was named vice-chair of the Legislative Effectiveness Committee for the National Conference of State Legislatures (NCSL) and was appointed to serve on the Fiscal, Oversight and Intergovernmental Committee of the Assembly of States Issues for NCSL. Jansen was also a board member for Michigan Youth in Government and served on the Steering Committee for the Bowhay Institute for Legislative Leadership Development (BILLD).

Sen. Jansen is the recipient of the Michigan's Children - 2007 Legislative Hero award. He lives in Gaines Township and is married with four children.

Contact Senator Jansen

To reach Senator Jansen, write to him at: The Honorable Mark C. Jansen, State Senator, PO Box 30036, Lansing, MI 48909-7536; call his office at (517) 373-0797 or email Semnjansen@senate.michigan.gov.
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Canadian retail chain pulls plastic water bottles

Plastic containers taken off shelves over chemical's health concerns

Canada's largest outdoor goods chain has pulled water bottles and food containers made of polycarbonate plastic from its shelves over worries about the chemical bisphenol A, which has been linked to cancer and reproductive problems in animals.

Vancouver-based Mountain Equipment Co-op (MEC) became the first major Canadian retailer to stop selling products that contain bisphenol A. The chain is being urged by the Canadian and U.S. Food and Drug Administration to do so.

"Inconclusive science and regulatory uncertainty presently surrounds bisphenol-A (BPA). For these reasons, MEC has stopped selling polycarbonate water bottles and food containers until guidance is provided by the Government of Canada on the health risks posed by BPA," the company said in a statement.

The Canadian co-operative joins U.S.-based Patagonia in dropping the products because of health concerns.

The chemical, which can mimic the effects of the hormone estrogen in cells, has been surrounded by controversy. Some North American researchers and environmentalists have shown it can cause several types of cancer as well as developmental, neural, behavioral and reproductive harm in animals.

Industry experts say the products are not dangerous, citing studies from government agencies, such as the U.S. Food and Drug Administration, which found that food and beverage containers manufactured from polycarbonate do not pose a health risk to humans.

Food vouchers for WIC to include healthy additions

Fruits, vegetables and whole grains will be added to the list of items covered by the U.S. government's Women, Infants and Children (WIC) program. However, less support will be provided for milk, eggs and juice. The new food packages are designed to improve the nutrition and health of low-income pregnant women, new mothers, infants and young children.

States have until August 5, 2009, to implement the new measures.

Key changes include cutting the amount of eggs WIC recipients can buy with their government vouchers, from 2 to 2 1/2 dozen per month to one dozen. Juice for children ages 1 through 4 years will be reduced to 128 fluid oz from 288 fluid oz, and milk would be cut from 24 quarts to 16 quarts per month.

It also would allow recipients to substitute items. They would be able, for example, to replace whole wheat bread with brown rice, oatmeal or corn or whole wheat tortillas.

Currently, WIC provides about $37 per month to qualified low-income pregnant women, new mothers, infants and young children. States have until August 5, 2009, to implement the new measures.

As Hispanic population grows, retailers cater to their needs

With the U.S. Hispanic population growing faster than any other group, it is important for grocery stores and restaurants to understand and cater to this increasingly important customer base.

A new report found that Mexican is clearly the most-preferred cuisine among Hispanic consumers, as indicated by 58 percent of survey respondents. Italian is a distant second (19 percent), followed by American (11 percent).

Darren Tristano, executive vice president of Technomic Information Services, said in a press release.

"We see that successful foodservice operators and suppliers will need to keep abreast of what these new consumers will expect on restaurant menus, how frequently they'll dine out, and how to best serve them," he said.

The new report found that Mexican is clearly the most-preferred cuisine among Hispanic consumers, as indicated by 58 percent of survey respondents. Italian is a distant second (19 percent), followed by American (11 percent).
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Wayne County Land Bank T.U.R.B.O. program means substantial development savings

On November 27, 2007 AFPD hosted a seminar at Shenandoah Country Club to help explain the benefits of the Wayne County Land Bank’s TURBO program for retailers, developers and potential developers.

The seminar was designed to educate owners of property in Wayne County that is in need of remodeling or redevelopment about a program that can mean substantial savings.

The seminar explained that land banks:
• can never condemn or forcibly take property (eminent domain)
• can never affect the tax foreclosure process
• can never levy taxes
• can never bypass local zoning and land use laws

Their objective is to transform underdeveloped residential and business properties into new opportunities. The Wayne County Land Bank designed the TURBO program to assist developers. Through the program, TURBO takes the benefits of Land Bank and provides meaningful financial incentives to private property owners who develop or rehabilitate unproductive land situated in Wayne County.

The TURBO Benefit that the investor will receive represents meaningful assistance with development expenditures incurred by the property owner in improving his or her property and transforming the property into a productive use.

Maximum TURBO Benefit
• Possible 1 year tax exemption during the year of construction +
• 50% reimbursement of the real property taxes for 5 years (i.e., partial reimbursement for improvements made to the property)

Limited TURBO Benefit
• Reimbursement equal to 100% of the increased property taxes resulting from the improvement to the property.

Brownfield Reimbursements
• Property placed in the land bank may be “deemed a Brownfield”
• 100% reimbursement of eligible Brownfield project costs

Example of savings...
• Investor buys land in Taylor for $300,000
• Annual property taxes = $9,212
• Planned development = 30,000 square-foot retail shopping center
• Value of new shopping center = $2,000,000
• New Property taxes = $61,419 a year

As a TURBO participant, Developer will save:
• $9,212 construction year plus
• $30,709 each of the following five years ($153,545)

Turkia Mullin at the TURBO seminar at Shenandoah Country Club.

“Our goal is to assist as many Wayne County taxpayers as possible with development costs, regardless of size,” said Turkia Mullin, speaker at the seminar. She added that TURBO can be used anywhere within Wayne County.

Local units of government may also issue support letters for specific projects. This will allow the investor to receive a one-year tax exemption during the year of construction.

Anyone who owns property within Wayne County and is doing a development may qualify, including:
• commercial and residential developers
• landlords
• community development corporations
• faith-based organizations
• businesses
Congratulations, AFPD, on another Great Trade Dinner!
KANSMACKER Super Series is a large capacity customer-operated plastic, can and glass redemption center that counts, crushes and bags both plastic and cans. The glass is returned in the Distributors' carton/cases.

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The KANSMACKER MINI 3 in 1 is a compact version of the Super Series machine with a smaller capacity customer-operated plastic, aluminum can and glass redemption center that counts, crushes and bags both plastic and aluminum cans. The glass is returned in the Distributors' carton/cases. This machine can be configured in 6+ different possible configurations to fit almost any space provided.

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VOLTAGE
110-115V 1 Ph (Standard Outlet)

PERFORMANCE/CAPACITY
Glass—40/minute—Holds up to 300
Plastic—30-45/minute—Holds up to 160
Cans—50+/minute—Holds up to 720

VOLTAGE
110-115V 1 Ph (Standard Outlet)

PERFORMANCE/CAPACITY
Glass—40/minute—Holds up to 140
Plastic—30-45/minute—Holds up to 120-200
Cans—50+/minute—Holds up to 480

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Michigan service tax repealed

The greatly opposed 6% tax on services is now replaced by a surcharge in the state's main business tax.

The Michigan State Legislature repealed the 6% service tax—which covered many service industries including lawn care and financial planning—on Dec. 1, the same day the tariff was initially scheduled to take effect. This ended an aggressive battle between members of the state's services industry and the Michigan government.

The Legislature replaced the service tax with a surcharge to Michigan's main business tax that is expected to bring in about $750 million in fiscal 2008-2009 for the state—the same amount the service tax would have acquired.

The service tax was unveiled in early October of last year as a way to help the state offset its $1.8 billion budget deficit by taxing 20 previously untaxed services.

The service tax faced burgeoning opposition from the start, with state representatives pushing at least two bills through Legislature to replace the funds just weeks after its unveiling.
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