



AFPD

BOTTOM LINE

THE VOICE OF INDEPENDENT RETAILERS • VOL. 23, NO. 3 • MARCH 2012

Hot Button Issues

Why CAT Tax and
Liquor Laws
Top AFPD
Members' List
of Concerns



LIQUOR
REGS



CAT
TAX



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corn syrup

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Meet the Ohio Legislators who strive to make a difference to our industry



ZERO
CALORIES
MAXIMUM
TASTE





Auday P. ARABO
AFPD President/CEO

President's Message

Knocking Down Walls

In life there are the obstacles and fights you see, as well as those you do not see that rear their ugly head. 2012 is no different. There are two major issues/obstacles we have targeted: the CAT Tax for Ohio gas stations and the potential alcohol regulatory and legislative changes in Michigan.

One of my favorite quotes helps describe how we do things at AFPD. The great basketball player Michael Jordan said: "Obstacles don't have to stop you. If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it, or work around it." The AFPD government relations team (headed by Paul Condino) is locked and loaded on these issues—but there is more. Favorable legislation pertaining to underground storage tanks and clean up is moving in Michigan, and we will also be taking a shot at removing all recycling of bottles and cans from retail locations in 2012.

Who knows what else may be coming our way? We need to be prepared, which means we need your help in funding the AFPD Michigan and Ohio PACs. Please send a personal check made out to the AFPD Michigan or AFPD Ohio PAC, and mail it to 5779 West Maple Road, West Bloomfield, MI 48322.

AFPD has retained Derek Dickow of Steward Media to help fundraise for our respective PACs. With a healthy funded PAC in each state and with our government relations team and our friends in Lansing and Columbus, we are a force to be reckoned with. However, we need your help with the PAC, including your willingness to talk to your local state representatives. We also need you to be ready when we call you to mobilize on an

issue. Team AFPD is on the move, and we need your support!

The annual AFPD Trade Dinner and Ball on February 24th was an incredible event made possible by our generous sponsors and supporters. If you missed it, you missed out! Please make plans to attend next year's dinner, and mark your calendar as soon as we announce the 2013 date.

With another successful trade dinner behind us, we are looking forward to our 28th Annual Michigan Food & Petroleum Trade Show on April 25th at the Suburban Collection Showplace in Novi, MI. This will be another incredible event with hundreds of exhibitors showcasing their products and special "show only" deals. Yes, this is a buying show, so if you miss it, you may miss the deals of the year! For more information on attending the show, visit www.AFPDonline.org.

Please make sure your kids, employees, and customers know that March 31st is the deadline for all AFPD Foundation Scholarship applications—no exceptions. Please visit www.AFPDonline.org for more information.

Lastly, a warm welcome to our new AFPD Chairman, Joe Bellino, Jr. and the new members of the AFPD Executive Board. A number of long-time AFPD members have commented that this is one of the strongest AFPD boards ever assembled. Please know that AFPD is in great hands as we push forward and overcome the obstacles and challenges at hand, as well as any other challenges that may pop up along the way. AFPD is here to serve you! So, please get involved and let your voice be heard. ■■■

"Obstacles don't have to stop you. If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it, or work around it."

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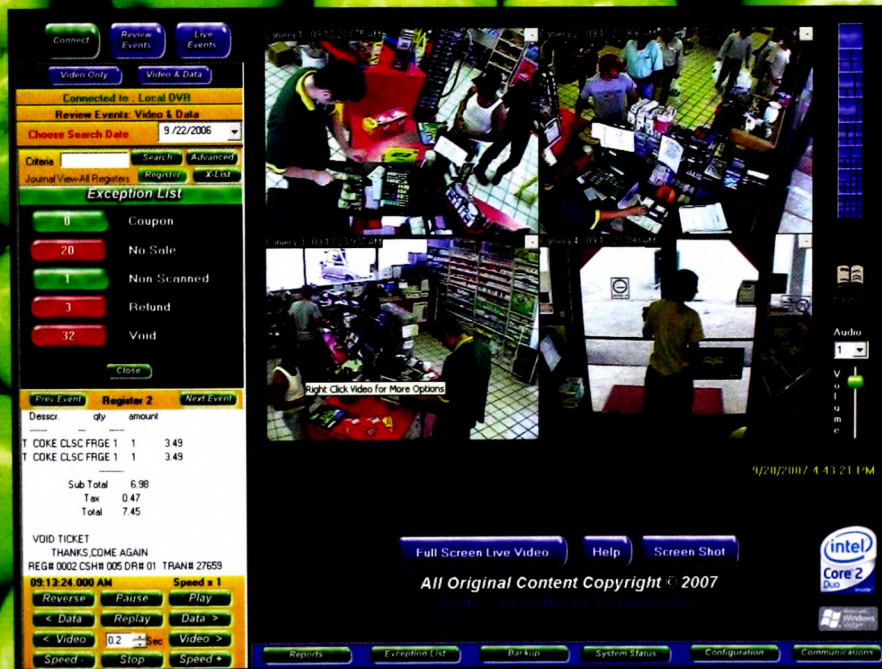
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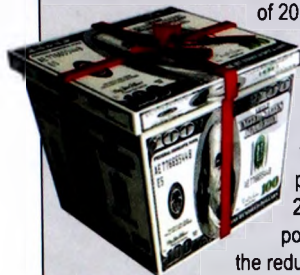
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Federal

Payroll Tax Holiday Extended Through 2012

The recently passed Middle Class Tax Relief and Job Creation Act of 2012 (MCTRJCA) extends the temporary two percentage point payroll tax holiday for employees, as well as the self-employed, through the end of 2012. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 provided the first temporary reduction (for 2011) in the OASDI rate for the employee portion of the FICA tax. MCTRJCA extends the reduction through December 31, 2012.



Required Raw Meat Labeling for All Retailers

Effective March 1, all retailers—including small businesses—are required to provide nutrition information to consumers for the major muscle cuts of meat and poultry either on a label directly on the product, or made available to consumers at the point of purchase with a poster, pamphlet, or brochure.

Ground meat and poultry must be labeled directly on the package. Small businesses with fewer than 500 employees are exempt from labeling certain ground products if the business produces less than 100,000 pounds per year, so long as the label has no nutrition information or claims. The quantity per product is calculated on a company-wide basis.

DOJ Enforcing ADA Compliance

New Americans with Disabilities Act (ADA) regulations take effect on March 15, but the Department of Justice (DOJ) is already aggressively enforcing ADA compliance—with particular attention to the convenience and fuel retailing industry. Of the 1,000 new rules, approximately 450 will directly affect convenience stores. DOJ has also increased enforcement of current ADA regulations. Failure to comply could lead to staggering penalties.

Michigan

Low-Interest Loans for Detroit Supermarkets—Must Apply by March 23

The Green Grocer project (GGP) at the Detroit Economic Growth Corporation (DEGC) is offering loans to improve the quality of the grocery sector in Detroit. The Community Development Block Grant Revolving (CDBG-R) loan program has funds available for projects with a verifiable, demonstrative impact on the physical, financial, or operational capacity of the store. CDBG-R loans can range from \$50,000 - \$200,000, with below-market fixed interest rates, and can be used for pre-development, acquisition, construction, renovation, and operating costs. The grocer loan applicant must meet HUD requirements for the Community Development Block Grant Program funding under the American Recovery and Reinvestment Act of 2009; meet all HUD requirements for CDBG-R Special Economic Development Eligible Activities; and meet the GGP program requirements that the loan will have a positive impact on the neighborhood and/or citywide economy of Detroit and its residents. Applications for the GGP CDBG-R loan program must be received by March 23, 2012.

March 27: Repair Facility and Mechanic Training

The Michigan Department of State offers training to help repair facilities and their employees meet the basic requirements of the Motor Vehicle Service and Repair Act. Repair facility owners, managers, service advisors, and technicians should attend. Registration is free. To register, submit your registration request to BLRD@michigan.gov with full name, address, telephone number, email address, mechanic or facility registration number, class date of choice, and two alternate dates. Training dates: March 27; April 17; June 14; July 19; October 18; November 7.

Ohio

2012 Ohio Safety Congress & Expo

Registration is open for the Ohio Bureau of Workers' Compensation (BWC) 2012 Safety Congress and Expo (OSC12). The free, annual event will run March 27-29 at the Greater Columbus Convention Center. Safety Congress features 150 education sessions, general sessions with nationally-recognized experts, demonstrations, and full-day workshops covering the latest safety and health information and techniques, as well as an Expo Marketplace with more than 200 exhibitors offering safety services, industrial supplies, and safety equipment and gear. Register online at www.ohiobwc.com.



Connect With AFPD on Facebook, Twitter, and YouTube

Now you can connect with AFPD staff, other members, and customers on Facebook. Don't miss anything—be sure to 'like' us at www.facebook.com/pages/Afpd-Associated-Food-Petroleum-Dealers/224303990967376. You can also follow AFPD on Twitter: [#Official_AFPD](https://twitter.com/Official_AFPD), and watch our many videos, including the latest where Auday Arabo and Rev. Bullock talk with Chuck Stokes about the first annual Beloved Community lunch on AFPD's YouTube channel: www.youtube.com/_xIVE5IK5Y0.

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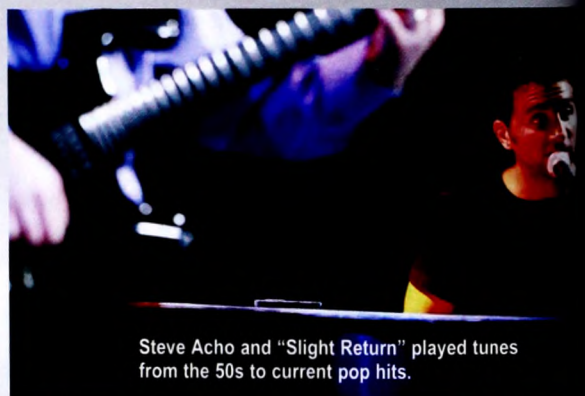


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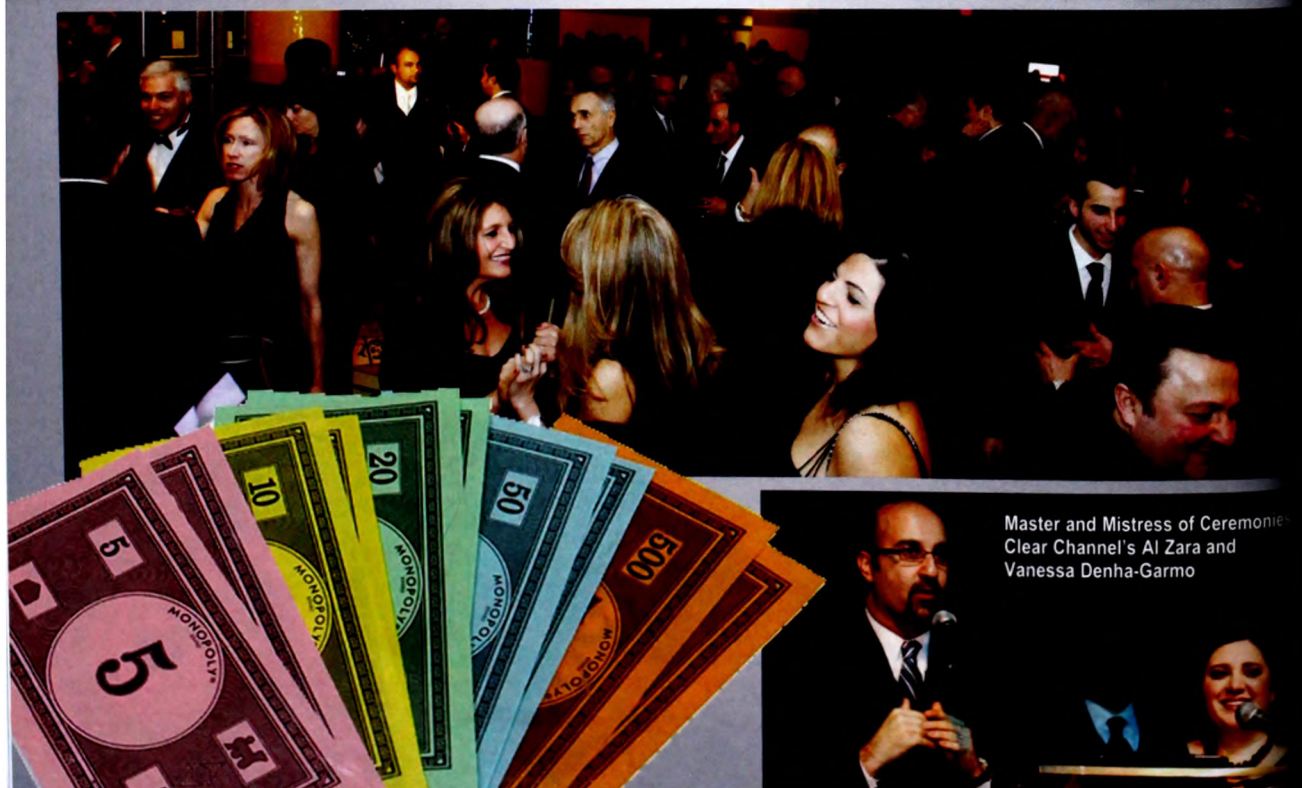


Everybody loved Boogie Heads.

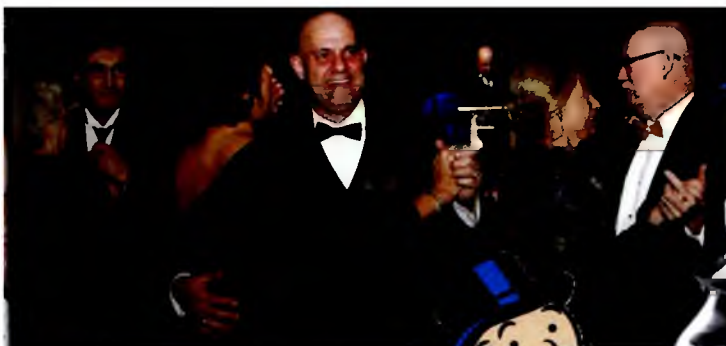
TRADE DINNER 2012



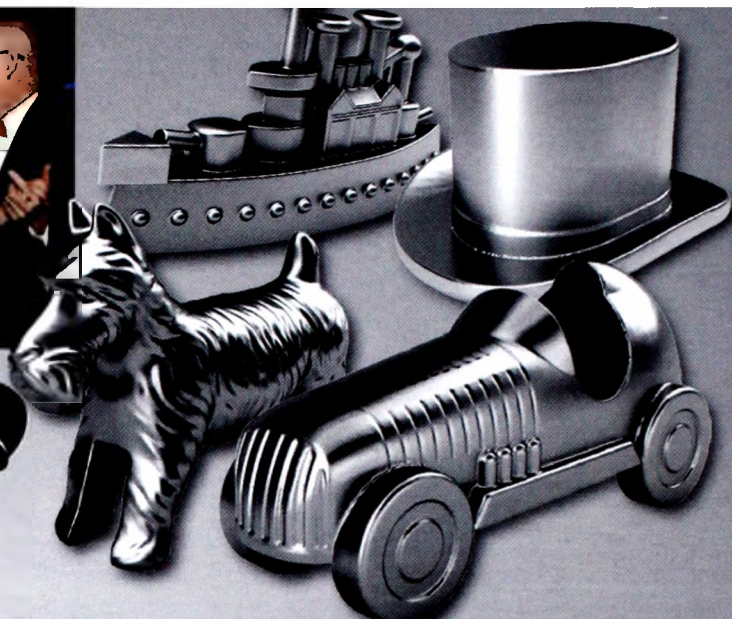
Steve Acho and "Slight Return" played tunes from the 50s to current pop hits.



Master and Mistress of Ceremonies
Clear Channel's Al Zara and
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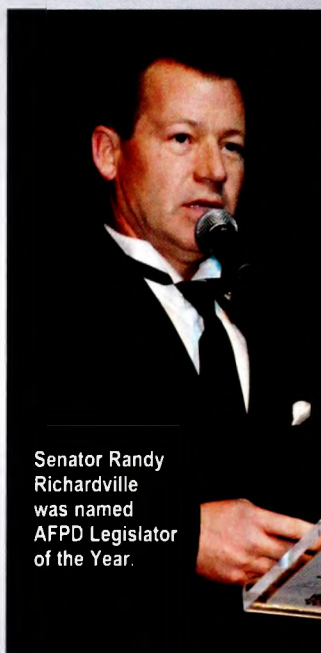


The 96th Annual AFPD Trade Dinner and Ball provided a memorable evening for membership and previewed an exciting year to come for the of independent retailers in Michigan and . Taking full advantage of the lively "Monopoly" theme, AFPD treated the 1,000 guests to a room decorated with life-sized items from the popular board game. The event included a great dinner, drinks, dancing to a terrific band, Slight Return.



Hosted by Vanessa Denho-Garmo and Clear Channel's Al Zara, several videos provided a history of the organization, highlights of AFPD's activities in 2011, as well as previews of what's to come in 2012. On Monday, AFPD president and CEO, acknowledged several elected officials who attended the Trade Dinner and Ball. AFPD board members and sponsors were also recognized and acknowledged for their services to the organization. Following tradition, the passing of the gavel ceremony transferred the reins of AFPD from Chairman James Hooks to Chairman Joe Bellino, Jr.

The highlight of the evening was the presentation of the AFPD Legislator of the Year award to Michigan Senate Majority Leader Randy Richardville. Richardville has served in the Senate since 2006 and in the House of Representatives from 1999 to 2004. Throughout his years in the legislature, Richardville has been a leader in economic development. He thanked him for his continued support of the independent retailer. The members benefitted from hearing about the many ways AFPD works on his behalf, and they showed their appreciation to staff and supporters. The real pleasure of the night was the chance to enjoy the solidarity of the organization and its members, to engage with colleagues and friends, to recognize and celebrate the strength and vitality of AFPD and the industry it serves.



Senator Randy Richardville was named AFPD Legislator of the Year.



Outgoing Chairman James Hooks passed the gavel to new Board Chairman Joe Bellino, Jr.





TRADE DINNER 2012



AFPD's 2012 BOARD of DIRECTORS

1st row (left to right): Clifton Denha, John Denha, Chris Zebari, Fred Dally, Jim Bellanca, Auday Arabo, Pat LaVecchia, Steve Honorowski, Bobby Hesano

2nd row: Paul Elhindi, Marvin Yono, Brian Yaldoo, Vickie Hobbs, Marsha Keenoy, Kenneth Atchoo, Mike Rosch, Jim Garmo

3rd row: Phil Kassa, Jim Mandas, Joe Bellino, Jr., Al Chittaro, Gary Davis, Frank Ayar, Dave Freitag, Percy Wells II

4th Row: Jim Hooks, Harold McGovern, Najib Atisha, Al Jonna, Bill Michailidis

NOT PICTURED: Mike Koza, Jason Ishbia, Jerry Crete, Tiffany Otis-Albert

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A Hot Button Year

Here's why CAT tax and liquor regulations top the list of AFPD's concerns—and what the organization is doing about it.

By Carla Kalogeridis

The Ohio Commercial Activity Tax (CAT) and Michigan's upcoming changes in liquor regulations are getting a great deal of attention from AFPD's government relations team. And though seemingly unrelated, they do have one thing in common: Both involve keeping an eye on the playing field.

Auday Arabo, president and CEO of AFPD, has often said that he isn't looking for special treatment for AFPD members—but he is prepared to fight hard whenever the profitability of independent retailers is jeopardized by unfair taxes or burdensome regulations. Let's take a look at both issues and see what the prognosis is for 2012.

Third Time's No Charm

While recognizing that the CAT tax is an important contributor to the State of Ohio's general fund, AFPD's issue is that gasoline retailers must pay the tax at three different points in the gasoline distribution chain (0.20 percent each time): when the fuel is sold by the refiner to the jobber, then from jobber to retailer, and finally, from retailer to consumer. And with gasoline prices incredibly competitive and profit margins so low, there is no opportunity for the retailer to pass along this expense.

The refiner builds the CAT tax into his



price when he sells to the jobber, and the jobber builds the CAT tax into his price when he sells to the retailer, but the retailer—who has now absorbed the CAT tax expense at two stages along the way—cannot build the cost into the price at which he sells the gasoline to the consumer. “The negative consequences of the CAT tax were unforeseen when the tax was first conceived in 2007, and gas was \$1.65 per gallon,” explains Ed Weglarz, AFPD vice president, petroleum. “Now, the price of gas has doubled and so has the tax. Unfortunately, the independent retailer only gets about 5-6 cents profit per gallon, no matter what the selling price to the consumer. And the retailer can't up the price to deal with the tax because the margin is too competitive.”

Compare that to the estimated 12-13 cent per gallon profit enjoyed by vertically oriented companies like Marathon—who serve as refiner, wholesaler, and retailer—and thus, only pay the CAT tax once. “The intra-company transfer of product is not a commercial transaction, therefore the CAT tax is not paid by these companies until they sell their gas to the motorist,” explains Weglarz. “This means that the independent retailer is not able to compete fairly against the vertically integrated companies.”

Interestingly enough, Weglarz says that

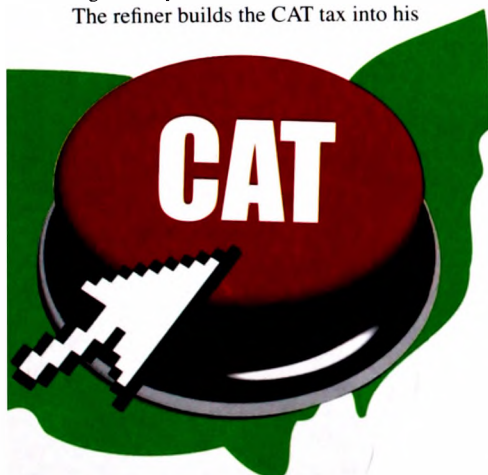
gas retailers actually make more money when gas prices are down because people have more money in their pocket to spend on other items like pop, chips, milk, and other products where retailers have a better margin.

CAT Tax Tales

Originally, Ohio passed the CAT tax to replace the corporate franchise tax and tangential personal property tax. Unfortunately, the result was that independent retailers are now paying four or five times more in CAT tax than they were under the previous system. “Since implementation, the CAT tax has caused many gasoline retailers to close their doors, and many of those that remain are barely getting by. The present CAT tax is an unsustainable burden on gas retailers,” says Weglarz.

AFPD is leading the charge in asking Governor Kasich and legislative leaders in the state to allow the CAT tax to be paid on all Ohio petroleum products at a single point of distribution, specifically at the terminal loading rack where trucks pick up fuel to be delivered to retailers.

“This solution, long supported by AFPD, would level the playing field for all gasoline retailers and independent jobbers, while not increasing the tax burden on any other sector or sector in Ohio's economy,” says Paul





The CAT Tax has taken away the ability of AFPD members to make a decent profit in this business.

—Ron Milburn, AFPD Vice President, Ohio

Condino, AFPD's vice president of government relations. "And importantly, the revenue to the state would remain the same." There's no argument from us that Ohio gets the revenue," agrees Weglarz. "Our proposal results in the same amount of revenue, but everyone who sells gas is paying the same amount of tax. In addition, changing to a single point of collection makes it easier for the state to collect and audit."

Telling the CAT tax story is a significant part of the overall effort. Weglarz, Condino, AFPD Vice President Ron Milburn traveled to every tax study committee meeting across the state in 2011, bringing with them AFPD members who personally told their stories of just how damaging the CAT tax has been to their businesses.

Even prior to gas price increases, the CAT tax was a financial burden on the independent retailer," says Milburn. "It was supposed to give relief, but this did not happen because the legislature thought it would." Milburn says gas retailers soon discovered that in too many cases, the CAT tax actually quadrupled retailers' costs compared to their previous tax burden. For example in first quarter 2011, 26 AFPD members paid a total of \$78,455 on their franchise tax and personal property tax, which are the taxes the state legislature did away with in favor of the CAT tax. The same AFPD members in the same first quarter paid \$145,368 on the CAT tax, which equals an increase on the tax burden of 85.3 percent. Due to the continued increase in the price of gasoline in 2012, this number could reach 150 percent or higher.

"The CAT tax has taken away the ability of AFPD members to make a decent profit in this business," says Milburn. "They've had to lay off employees, cancel their health insurance programs, and work way too many hours by themselves just to keep the doors open."

There is light at the end of the tunnel, says Condino, because follow-ups after the tax study committee meetings show that the Ohio legislators are getting it. "They want to help

our members," he believes. State Representative Terry Boose has said that AFPD's name is synonymous with "CAT tax relief for retailers," while Representative Ron Amstutz is working to refine statutory language to help amend the CAT tax for gasoline retailers. Tax Commissioner Joe Testa is examining AFPD's recommendation to see if there is potential for administrative rule changes.

Weglarz says that while no one is really opposed to AFPD's proposal, getting it implemented is a sticky situation. "Right now, the revenue from CAT tax goes into Ohio's general fund," he says. "But if you collect it at the rack, then the money has to go to the roads. It's a constitutional issue, and that's the situation we're trying to work on politically. In politics, it's always a long, arduous road to getting things done—even when you're right."

Weglarz says AFPD needs members to contact their state senator and local representative and tell them their real-life stories about how the CAT tax has affected their businesses. He says AFPD will continue to educate politicians, adding that there's a "significant chance" that there will be new, relief-giving legislation put together by second or third quarter of this year.

Condino thinks that nothing will happen legislatively, however, until after the November elections. "Members of the house are running for re-election, and tax issues are not great to run on," he says. AFPD is hoping for a temporary rule change that would act as an emergency measure to bring relief within the next two months, but any such measure would have to be approved by the governor. "The governor and his administration have been so strong in protecting retailers and small businesses that we're hopeful the emergency measure could be implemented," Condino adds.

"AFPD has a lot of momentum going on the CAT tax now in the Ohio legislature," confirms Milburn. "I'm optimistic that changes will start occurring this year."

"Few issues will remain more important in Ohio than securing fair play and justice for independent retailers regarding the CAT tax," predicts Condino. "We've done a strong job of advocacy, and the climate in the Ohio legislature is that they want to fix an unintended wrong. Ohio legislative leaders understand that their job is to create an environment where the independent retailer can prevail."

"The AFPD government relations team knows what it's doing on the CAT," says Joe Bellino, Jr., chairman of the AFPD board. "They are working extremely hard to get this thing turned around."

"The CAT tax is our number-one priority in Ohio for 2012," confirms Auday Arabo, president and CEO of AFPD, "and members can judge us by our ability to fix it."



Liquor: Small Compromises, but Good Overall

AFPD Michigan members don't have to worry about the CAT tax, but independent retailers are definitely on high alert regarding potential new regulations coming down the pike regarding the sale of liquor.

The good news is that AFPD's Auday Arabo was one of 21 individuals invited to serve on the Office of Regulatory Reinvention (ORR)'s Liquor Control Advisory Rules Committee. The Liquor Control Advisory Rules Committee assists the ORR in reviewing Michigan's liquor control system to ensure that the regulations are simple, fair, transparent, and efficient, and conducive to business growth and job creation. The ORR panel, which is responsible for reviewing the current state of the liquor business in Michigan, will also make recommendations to improve the system.

"There are a lot of rumors floating around about what was and wasn't recommended in those meetings," says Arabo, "but only 21 people know for sure, and I'm one of them."

AFPD Chairman Joe Bellino, Jr., whose family has been in the liquor business almost 60 years, says there are definitely changes needed in the Michigan liquor industry. His biggest concern was that non-industry people serving on ORR might suggest things that could hurt liquor retailers, so he was particularly pleased that Arabo was asked to serve. "With Auday's participation on ORR and our government relations team staying focused on activities from the governor's office, we are keeping our finger on the pulse of liquor changes in Michigan," he says.

Bellino adds that 90 percent of the time liquor retailers agree on the needed changes. "We have to stick together," he says.

Some of the potential changes include the possibility of more liquor licenses and changing the three-tier system that has been in place to keep a level playing field for many years. "We don't have trouble with the three-tier system, and you're not going to sell more liquor just because you give out more licenses," Bellino maintains. "I'm a liquor retailer now, but I was in the wholesaler business for years, so I understand both sides of the fence."

At the present time, no hint of potential regulations had been released from Governor Snyder's office, although his recommendations are definitely forthcoming. "Most legislators support efficiency changes, and AFPD does, too," explains Condino. "But we also support generally keeping the system as it exists."

Stating that AFPD's voice "means a lot in Lansing these days," Bellino is optimistic that "AFPD will be able to impact the outcome of any changes in the liquor laws because we have the largest constituency of independent retailers by far."

Of course, AFPD is not the only group lobbying for the governor's attention on liquor regulations. The Mackinac Center in Midland, for example, is a wealthy think tank group that believes, among other things, that the best thing to do is give out more liquor licenses and open up the industry to "survival of the fittest." Additional recommendations



from the Mackinac Center include getting rid of the half-mile rule for SDD, eliminating the beer and wine distributor, and dismantling the three-tier system, which AFPD sees as an important system of checks and balances for the state.

"When it comes to alcohol, most of the issues this group is pushing, AFPD is opposed to," says Arabo. "That's why it's important that we have heavy-hitters like Randy Richardville supporting our cause in Lansing."

Arabo says groups like the Mackinac Center don't understand that as one of 17 states left in the U.S. that controls the sale of alcohol and spirits, Michigan's regulations are in place for a reason: the health and safety of its communities and residents. "Even with the current regulations, alcohol and liquor is a growing sector of the Michigan economy," he says. "If it's growing, why mess with it?"

Arabo said AFPD doesn't support the idea

of giving every gas station a liquor license that wants one. "If you give everyone license, you de-value the other licenses."

"But more important is the issue of keeping our communities safe," he continues. "Urban areas don't need more liquor licenses because there's no money for enforcement. You can't paint the entire state with a broad brush. The system we have in place now allows for responsible growth, growth that occurs safely."

Arabo says the final changes may come to retailers in the form of Michigan Liquor Control Commission (MLCC) rule changes while others will have to be legislated. "I'm assured that AFPD will be there from beginning to end, protecting the interests of the small retailer," he says.

Condino predicts that when all is said and done, "There will be some bills that AFPD won't like and some areas where we will have to compromise. But overall, what we end up with will be good for AFPD members."

No Rest for the Weary

"Between the potential alcohol law changes from the State of Michigan and the CAT Tax changes we are vigorously fighting for in Columbus, for our petroleum members, there will be no rest for the weary in 2012," states Arabo. "AFPD will come out with guns blazing to protect the vital interests of our members and improve the business climate."

"Our government relations team is set to play championship-caliber offense along with a stellar defense," he continues. "However, everything starts and ends with the AFPD member. We encourage members to donate to the AFPD PAC and get involved by attending our various events throughout the year. The power of thousands of members working together compared to one or two stores on their own makes a big difference in the survival of each member's small business." Please send personal checks to AFPD PAC at 5779 West Maple Road, West Bloomfield, MI 48322. ■■■

Carla Kalogeridis
(carlak@arion-media.com) is editor of AFPD's
Bottom Line.



AFPD will be able to impact the outcome of any changes in the liquor laws because we have the largest constituency of independent retailers by far.

—AFPD Chairman Joe Bellino, Jr.

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Richardville Named AFPD Legislator of the Year

As an association of small businesses, it makes sense that AFPD's heroes would be those individuals who understand and push for the rights and advancement of small businesses in Michigan. "In the history of AFPD, we've had many legislators, governors, and mayors who have reached out to lend a helping hand to our members," says Joe Bellino, Jr., chairman of the AFPD board of directors. "Right now, with these troubled times we're in, Randy Richardville is the man."

Born and raised in Monroe County, Richardville earned a degree in finance from Albion College and later earned his MBA from Aquinas College. He was elected to the Michigan Senate in 2006, and in 2010, was selected as senate majority leader by his fellow Republican caucus members. Prior to his election to the Senate, Richardville spent three terms in the Michigan House of Representatives. He held a leadership position in the House in each of his terms, including service as the House Majority Floor Leader during his final term. Richardville has been a leader in economic development for small businesses—a major consideration that led to his being named AFPD's Legislator of the Year at the recent AFPD Annual Trade Dinner and Ball.

"It was easy to decide to recognize Randy Richardville," says Auday Arabo, president and CEO of AFPD. "He has many personal friends among our membership, he understands what it takes to run their stores, and he takes their challenges to heart."

For example, Arabo says Richardville single-handedly changed the way last year's catering bill was passed. Since 1973, retailers have paid 1.85 percent more for a bottle of spirits than a bar or restaurant. Because of Richardville's efforts on the catering bill—and AFPD's subsequent work on the SB 331 bill—that playing field was finally leveled in 2011. "The original bill would have left AFPD members on the short end of the stick," Arabo explains. "But because of what Randy Richardville did in his own caucus, we were able to put a bill out that was favorable to our members and also brings us to parity on liquor prices."

"Randy Richardville gets the fact that it isn't government that creates jobs, it's small business people like our members of AFPD," says Paul Condino, vice president of government relations for AFPD. "He supports the concept that government is responsible for creating an environment that makes small businesses successful."

Richardville often points out that 80 percent of the jobs in

Michigan come from businesses with 100 or less employees. "It's the small mom-and-pops that AFPD represents, who've been in our communities for years, contributing in so many different ways—they are the backbone of our economy, our culture, and our communities," he says.

In fact, Richardville is particularly fascinated by the cultural diversity seen within AFPD's membership. "U.S. immigrants often have an entrepreneurial spirit that you don't always see in people who are native to this country," he points out. "Watching AFPD members grow, adapt, and influence the culture here is partly what the United States is all about. It's a pretty special organization to me."

Bellino says that Richardville understands that without thriving businesses, the state will eventually have no workers. "Without workers, we'll have less people in the state, and more people leaving the state looking for other places to work," he says.

"Randy is always looking out for independent retailers in Michigan," he continues. "There will be a lot of changes in our business in the next few years... I'm just glad we have Randy Richardville on our side."

Joe Palamara, an associate with Karoub Associates, says the great thing about Richardville is that he's such a down-to-earth person. "He's been so effective on behalf of independent retailers and consumers all across Michigan. And by the way he's conducted himself, he's earned the respect of everybody."

Condino agrees. "He has the ability to work with Democrats, Republicans, and Independents alike and that's so important," he

says. "And he does it with a fair amount of humility and commitment to his family—traits that are important to our members." Arabo believes Richardville's statewide respect comes from his dependability. "What he tells you, you can take to the bank," he says. "He's a man of his word, and when he says it's done, it's done."

"For the last couple of years, the successes of our association have been built on government relations," Arabo concludes. "At the end of the day, the big decisions that save our independent retailers millions of dollars start and end in Lansing. That's why it's important to have good friends in the legislature in positions of power because they can make or break our businesses."



Randy Richardville

"What he tells you, you can take to the bank. He's a man of his word, and when he says it's done, it's done."

—Auday Arabo, AFPD President and CEO

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M. Scott BOWEN
Michigan Lottery Commissioner

Who Wouldn't Want *Cash for Life*?

The Michigan Lottery is proud to introduce a new series of instant tickets, the *Cash for Life* family. The series features four price points and has more than \$64.5 million in total cash prizes available, so there is something for all of your players. This is one family you'll want to gladly welcome into your stores! Remember to watch for the *Cash for Life* family of games on February 28.

The \$1 ticket offers players the chance at winning the top prize of \$400 a week for life. There is more than \$5.1 million available in cash prizes in the game.

The \$2 *Cash for Life* ticket gives players the chance to win more than \$10.7 million in cash prizes, as well as the chance to win \$800 a week for life.

The \$5 ticket could land players a nice \$2,000 a week for

life in a game that features more than \$19.6 million in cash prizes.

And finally, players could win a hefty \$4,000 a week for life on the \$10 *Cash for Life* ticket, which carries more than \$29.1 million in prizes!

In addition to *Cash for Life*, don't forget to promote \$100,000 *Cashword*, which was introduced on January 31. This \$3 game offers the usual wealth of cash prizes, with a top prize of \$100,000. The unique feature to this particular game is its interactive component. Players can visit MyMICashword.com or download the MyMICashword app and play on their smartphones for a chance to win Player's Club rewards points and Lottery coupons. ■■■■

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Johnson Oil: Staying True to the Vision

In an era when businesses seem consumed with downsizing—or at the very least trying to reduce their full-time employees, Johnson Oil is staying true to the vision of its founder, whose values still serve the company well a half-century later. “Of our roughly 150 employees, we only have about ten who are part-time,” says district manager Jim Wall, who is responsible for operations at 11 convenience stores and one restaurant. “We hire mostly full-time.”

And while HR administrators nationwide try to cut corners in a tough economy by trimming fringe costs, Johnson Oil makes them part of their identity. “We offer an extensive benefit package for all employees,” Wall says, “not just managers.” As a result, employees at Johnson Oil’s convenience stores, located within driving distance of each other in Michigan, tend to stick around. “We don’t really experience a lot of turnover in our stores,” says Wall, who has been with the company since 1988 and in his current role since 1995. “Most employees have been with us for quite a while. We have cashiers who have been with us for more than 20 years.”

Johnson Oil was launched in 1954 by Dale E. Johnson, as a single service station in Gaylord, Michigan. “He was pretty generous,” Wall says of the founder, who passed away in 1994. “He thought if you were giving an honest effort doing your job every day, you should get benefits.”

That consistency among staff—and the employees’ sense of loyalty to the company—are all part of the commitment to great customer service. “Customer service is where we shine,” Wall says, noting that the experience goes well beyond customer-employee interactions. “We’re also really strict about keeping our stores neat and spotless.”



Having items customers want is a priority, especially since customers at some stores have specialized needs. “We carry a variety of things, depending upon the location,” Wall says. “Many are near lakes, so we carry fishing equipment. In the winter, we change things over to cater to snowmobilers up here in the north—spark plugs, snow gear, helmets. Our customers appreciate it.”

Naturally, every customer is looking for a great deal, and Johnson Oil delivers. “We’ve developed our own brand of coffee, Big Bold Brew,” Wall says. “If customers buy a mug, they get a refill for 50 cents. Lots of places are a dollar, or well over that, but we’ve always done it for fifty cents.” And not just coffee; customers can choose to fill their generous 20-ounce cups with soft drinks or a cappuccino. “We get a lot of repeat business for that,” he says. “On customer appreciation days, we give mugs away to local customers.”

Johnson has been an AFPD member for more than 10 years and says, “They are really good about mailing us promotional posters and other helpful information. The coupon redemption program has been especially good for our stores.”

Plans for the future include selling things like fishing licenses at the store, and introducing the ability to process Electronic Benefit Cards [EBTs]. More developments are in the works as well, Wall says, as the company keeps tabs on emerging trends. Some of those trends

are tougher than others to predict, Wall says. One of the most surprising in his nearly 25 years, he says, is how the bottled water and energy drink markets have taken off. “It’s really just unbelievable,” he laughs. “I have customers who buy three to six energy drinks a day!” ■■



We offer an extensive benefit package for all employees, not just managers. We don’t really experience a lot of turnover in our stores. We have cashiers who have been with us for more than 20 years.



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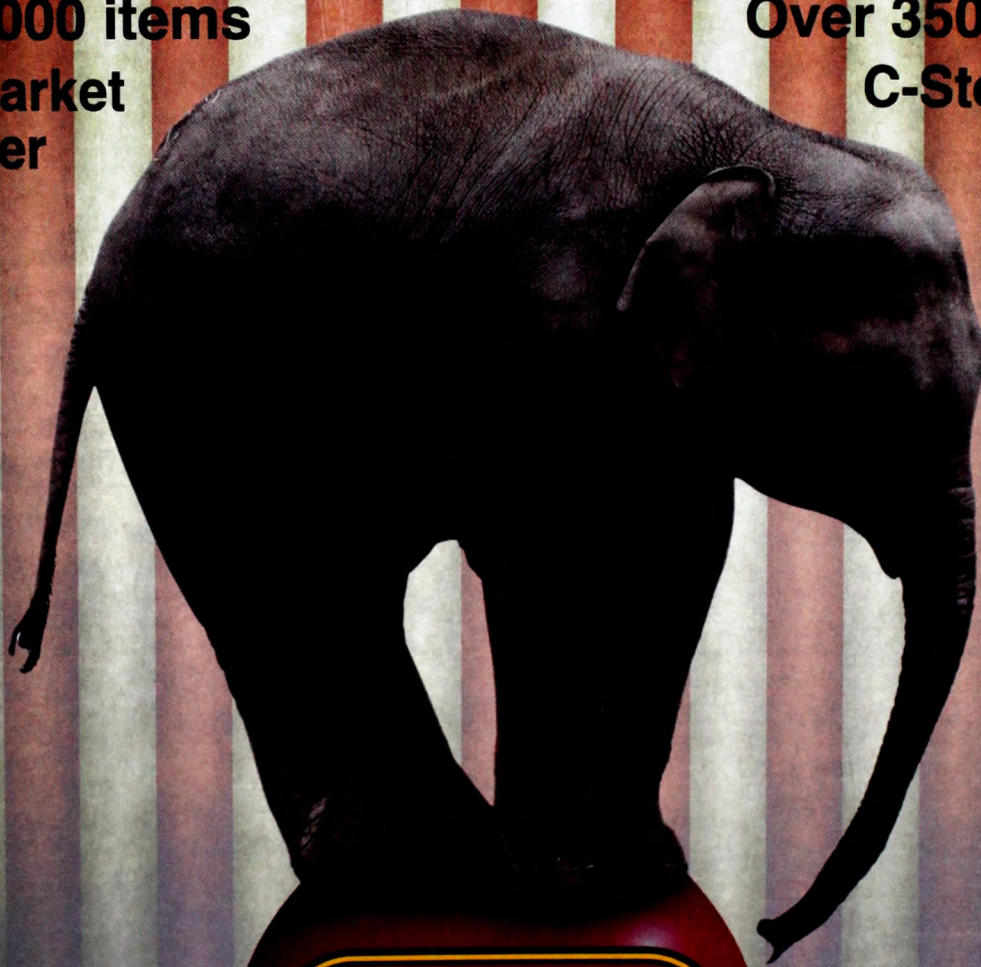
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Out With the Old—and Save Money, Too

By Pamula Woodside

Over the last three years, many local food and convenience store owners have been active participants in DTE Energy's Energy Efficiency Program for Business. These businesses have taken advantage of the great incentives to help them invest in new technology and lower their monthly bills. The incentives provide food and c-store owners a cost-effective opportunity to upgrade old and inefficient equipment with the latest technology.

In total, DTE Energy has provided incentives for 475 business owners who have collectively received \$1.5 million in incentives, and are saving almost \$2 million in annual gas and electricity costs. These savings include incentives specifically developed for their businesses. In particular, refrigeration and lighting are areas where even small changes can make a big difference. Typical improvements to include:

- **Install anti-sweat heater controls on display cases.** These controls sense humidity conditions and turn the heaters off when unneeded. You could save \$100 or more per sensor a year.
- **Add energy-saving controls to reach-in beverage coolers.** This step can reduce their energy use by 40 percent.
- **Install high-efficiency evaporative fan motors in refrigerated cases and walk-in coolers.** Taking this measure can reduce motor energy use by up to 70 percent and also reduces the amount of heat generated by the motor.
- **Add night covers to open cases to trap refrigerated air and keep food colder.** The covers reduce electricity use by up to 40 percent and keep product temperatures lower for several hours after the covers are raised. This measure also reduces product loss and improves product integrity.



- **Improve the efficiency of walk-in coolers.** This is accomplished by adding strip curtains and checking floors for proper insulation levels.
- **Conduct regular maintenance.** This includes recharging low refrigerant, cleaning condenser and evaporator coils, replacing torn or loose door gaskets, and insulating bare suction lines.



Save energy.
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DTE Energy has provided 475 business owners with **\$1.5 million in incentives**, and collectively, they are saving almost \$2 million annually in gas and electricity costs.

Simple lighting improvements can produce significant savings, too. Waste heat from inefficient lighting can add significantly to the cooling load. Consider these steps for improving lighting efficiency:

Replace overhead T12 fluorescent lamps and magnetic ballasts with T8 fluorescent lamps and electronic ballasts to reduce lighting energy use by 15 percent to 25 percent. T8s have superior color rendering versus T12s, and new fixtures with electronic ballasts eliminate annoying flicker and emit less heat.

Replace high output ballasts in refrigerated cases with "cold weather" electronic ballasts. Install T8/T5 fluorescent lamps.

Install occupancy sensors in restrooms, break rooms, storage areas and walk-in refrigerators. This can save 30 percent of lighting energy.

Switch incandescent lamps to ENERGY STAR® qualified compact fluorescent lamps (CFLs). The result is reduced lighting energy use by up to 75 percent.

Save \$20 per year for each incandescent exit sign you replace with an ENERGY STAR qualified model. These signs can last 10 times longer than older models. Use ENERGY STAR qualified CFLs with reflectors for spotlighting.

Gas stations should consider upgrading outdoor canopy lighting from 320-watt metal halide fixtures to 150-watt induction lights. Induction lighting costs a little more up front, but uses 50 percent less energy and lasts significantly longer, reducing maintenance costs. Induction lighting also provides more consistent lighting over the life of the bulb.

If you are interested in participating in DTE Energy's program, we are happy to work with you on the energy-saving options available to you. We will offer a series of training and education seminars throughout the year that are dedicated to your business, and can also visit your business location to provide a complimentary Energy Opportunity Assessment, which will look at where you have the greatest opportunity to save and provide you with a list of improvements and the incentives available. ■■■

Pamula Woodside is principal account manager for DTE Energy. For more information on DTE Energy's energy efficiency programs or to sign up for 2011 rebates and incentives, visit dteenergy.com/saveenergy.



Induction lighting costs a little more up front, but uses 50 percent less energy and lasts significantly longer, reducing maintenance costs.



What is DTE Energy's Energy Efficiency Program for Businesses?

DTE Energy offers a number of energy efficiency programs specially designed to help its businesses customers save money by saving energy. The programs include rebates and incentives for businesses that buy energy-efficient products or make energy-saving improvements to their facilities.

Taking advantage of these programs can help offset the up-front cost of investments that can provide your business with long-term savings, including the installation of energy efficient equipment such as:

- Lighting
- Heating, ventilation and air conditioning
- Motors and drives
- Water heating
- Select food service equipment

Custom energy efficiency solutions are available for businesses that use sophisticated energy systems. Incentives are paid based on the projected first-year energy savings.

To encourage the design and building of high-performance facilities, DTE Energy offers assistance and incentives for commercial businesses installing energy-efficient equipment that outperforms current commercial building codes.

Finally, for a limited time, DTE Energy is providing the installation of free programmable thermostats for all of its business customers. Programmable thermostats allow you to customize temperature control in your facility to coordinate with occupancy. The preset temperature settings can automatically reduce energy used to heat or cool air during non-business hours. Adjusting temperature settings with a programmable thermostat for just eight hours a day can save as much as 10 percent annually on heating and cooling bills.

New AFPD Chairman to Focus on Partnerships and Growth

Joe Bellino, Jr. will bring the unique perspective of a small business owner to his new leadership role in AFPD.

By Carla Kalogeridis

Broadway Market's Joe Bellino, Jr., a 10-year veteran of AFPD's board of directors, has taken up leadership of the organization as its new chairman. Former board chairman, James Hooks of Metro Foodland, officially passed the gavel at the AFPD Annual Trade Dinner and Ball in February.

After an action-packed, two-year tenure that included the purchase of new AFPD headquarters in West Bloomfield, 700 new members, repeal of item-pricing, leveling the tax rate on spirits, and achieving a beneficial compromise on the catering bill, Jim Hooks says he is "ready" to pass the

gavel to Bellino. "I know the AFPD board is in good hands," says Hooks, "and I think he will do a good job."

Bellino, who graduated from Monroe Catholic Central and Monroe Community College, started working in the family business—Bellino's Quality Beverage—as a young teenager. His grandfather had introduced the family to the alcohol business by selling beer and wine after Prohibition.

He learned how to manage a store from the ground up, working in the warehouse, driving a truck, and later, selling wine. Eventually, Bellino bought Broadway Market from his cousins in 1998. The store has been in the family for 58 years.

"As chairman of the AFPD board of directors, I hope to bring the perspective of a small businessman, who did well for 10 years but has had to struggle the last couple of years when business slowed down due to the recession," Bellino says. "I think most of our members can relate to that."



New AFPD Chairman Joe Bellino, Jr. took over the reins of the association at the recent AFPD Trade Dinner and Ball.

Bellino says he has been working 12-15 hours a day, every day for the last couple of years to put food on the table and send his kids through college. "I've always believed that as a small businessman, I need to give back to the people who give to me," he says. "Unfortunately, with the economic slowdown during the last three to four years in Michigan, I've given back less than my first eight to ten years of being in business."

Despite the heavy workload, Bellino has stayed active in his community. He is a member of St. Mary's Catholic Church in Monroe, a past Parish Council member, and even finds time to sing in the choir. He has also served on the board of trustees for Monroe County Community College and supports numerous charitable causes, including River Raisin Center for the Arts, Salvation Army, Relay for Life, Family Counseling and Shelter Services, Holiday Camp, and the Community Foundation of Monroe.

Bellino has great hopes for the future of AFPD and is looking forward to the opportunity to lead the organization. "My goals for my tenure are to foster better alliances with our partners, grow our money-saving programs, and increase membership," he says.

"Joe Bellino is a high-energy individual and someone with a great work ethic," says Auday Arabo, president and CEO of AFPD. "He is going to be a great asset to AFPD in so many ways."

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By Paul Condino

2011 was a very active year for the AFPD government relations team in Ohio. At the first-ever Ohio Day at the Capitol, members met with more than 40 Ohio legislators to advocate for changes to the Commercial Activity Tax (CAT), which plagues our independent gasoline retailers. From this advocacy, many legislators responded positively to our message. Certain legislators, however, were particularly helpful in moving the ball down the field and near the goal line for a legislative fix. We're hopeful their hard work will result in a touchdown in 2012 and help level the playing field for independent retailers.

The senators and representatives highlighted here are just a few of many who support AFPD and small business in Ohio. The excellent listeners, proven leaders, and protectors of independent retailers and consumers alike. They represent the best of the Ohio Legislature and have been selected as AFPD's Ohio Legislative All-Stars.



Speaker of the Ohio House William G. Batchelder (R—Medina) is a third-term State Representative serving District 69. He previously served in the Ohio House for 30 years. An attorney and judge, Speaker Batchelder spent 31 years of his law career at the Williams and Batchelder law firm in Medina, Ohio, while also serving as an adjunct professor at both the University of Akron Law School and at Cleveland State University Levin College of Urban Affairs. Speaker Batchelder has helped direct policy through the State

House that is crucial for a successful business environment in Ohio. Under his leadership, the House has stood up for independent retailers and small business. For his efforts, AFPD is proud to recognize Speaker Batchelder as captain of the Ohio Legislative All-Star Team.



President of the Ohio Senate Thomas E. Niehaus (R-New Richmond) has represented the 14th Senate District of Ohio since 2005, and was unanimously elected president in January 2011. He previously served in the Ohio House of Representatives from 2001-2004. Niehaus spent 10 years with Harte Hanks Communications, North America's largest owner, operator, and distributor of community shopper newspapers, and 15 years (10 as an editor/publisher) with Community Press, a network of 27 com-



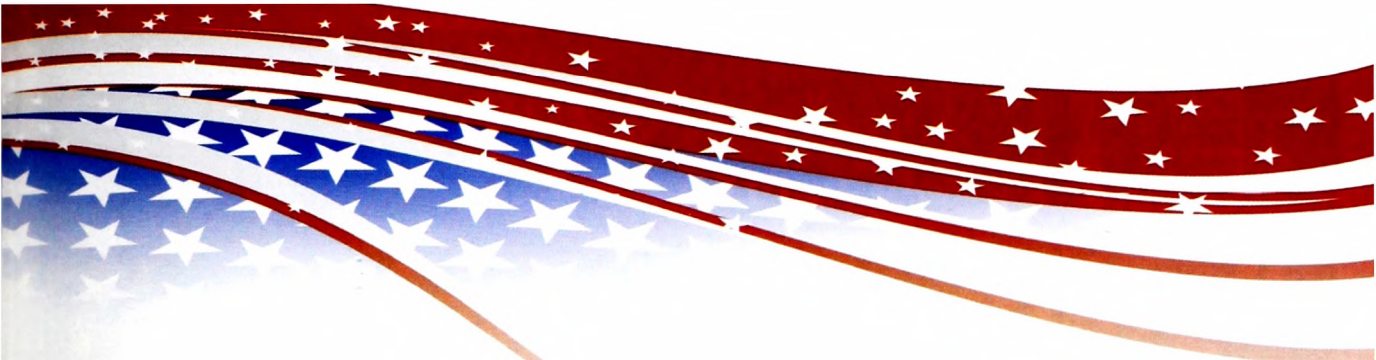
Representative Ron Amstutz (R-Wooster) represents the 3rd District which includes all of Wayne County. His 30-plus years of service in both the Ohio Senate and Ohio House include numerous leadership assignments, including Assistant Majority Whip. Prior to his election, he was mayor of the city of Orrville in 1976. Representative Amstutz worked in the Ohio office of *The Daily Record* as a writer and photographer, and was quickly promoted to bureau editor. Rep. Amstutz has immersed himself into the trenches of Ohio taxation

and finance law—perhaps more than any other single legislator. Always approachable, he is a true servant of the public, and AFPD is proud to include him on the Ohio Legislative All-Star Team.



Representative Kenneth "Kenny" Yuko (D-Richmond Heights) represents the 7th District. Rep. Yuko began his career as a clothing buyer for Polsky's Department Store, but served Laborers Local #860 for 30 years, including 25 years as union organizer, until his retirement in 2004. He has received multiple awards for his efforts.





These Senators and Representatives **are excellent listeners**, proven leaders, and protectors of independent retailers and consumers alike. They represent the best of the best.

cluding the 2000 Organizing Award from his international union. Rep. Yuko serves as chair of the House Commerce and Labor Committee, and is a member of the Transportation and Infrastructure; Local Government and Public Administration; Health; and Faith-based Initiatives committees. He was named Legislator of the Year by the Ohio Health Advocacy Network in 2006. Rep. Yuko has been a friend of AFPD since well before the merger with the Ohio Petroleum Retailers and Repair Association (OPRRA). He has attended OPRRA and AFPD membership meetings to provide insight and information about group rated workers' compensation, the CAT tax, and fuel quality testing issues. AFPD proudly names Rep. Yuko to the Ohio Legislative All-Star Team.



Representative Cheryl Grossman (R-Grove City) is serving her second term in the Ohio House of Representatives, representing the 23rd District. She was elected by her colleagues to serve as Assistant Majority Whip. Rep. Grossman served as mayor of Grove City from 1996 to 2008. Prior to her service as mayor, she was Council Member-at-Large and Grove City Council President from 1994 to 1995. Rep. Grossman has always been supportive of ensuring small businesses

Ohio are treated with fundamental fairness. She traveled the state as part of the House Tax Structure Study Committee to hear from citizens and businesses, and authored a bill aimed at keeping ODOT fees for Ohio's highway signs fair and affordable for businesses. For her work, Rep. Grossman is recognized as an AFPD Ohio Legislative All-Star.



Representative Andrew Brenner (R-Powell) is serving his first term in the Ohio House of Representatives, representing the 2nd District, which includes all of Delaware County.

Representative Brenner is vice president of Prestige Music Studios, Inc. and president of the Music Lessons Company, Inc., and spent 12 years in the private sector as an owner/operator

of small mortgage companies and a real estate company. He was first elected as Delaware County Recorder in 2004, and also served on the Kingston Township zoning board. Although still in his first term, Rep. Brenner has always answered the call on behalf of the independent retailer. He is approachable, a strong listener, and a top-notch advocate for a level playing field for taxation of small businesses in Ohio. AFPD proudly names Rep. Brenner to its Ohio Legislative All-Star Team.



House Majority Whip and Chairman of the Ohio Tax Structure Study Committee John P. Adams (R-Sidney) is serving his 2nd term in the Ohio House, representing the 78th District. A Navy SEAL veteran and owner of two furniture stores, Rep. Adams is also a member of the National Federation of Independent Business/Ohio (NFIB); and was appointed to the NFIB/Ohio Leadership Council in Columbus. He was named Legislator of the Year by the American Legislative Exchange Council, and given the

Watchdog of the Treasury Award by United Conservatives of Ohio. Rep. Adams has carried out his House leadership responsibilities with distinction. After his appointment as chairman last summer, he led his fellow Tax Structure Study Committee members across Ohio to hear testimony from citizens, businesses, and stakeholders weighing in on tax policy in the state. AFPD is proud to recognize Rep. Adams as an AFPD Ohio Legislative All-Star. Representative Adams accepts the honor on behalf of his hard-working, pro-small-business fellow members of the Ohio Tax Structure Study Committee: **Rep. Peter Beck; Rep. Terry Blair; Rep. Terry Boose; Rep. Denise Driehaus; Rep. Mike Foley; Rep. Cheryl Grossman; Rep. Brian Hill; Rep. Tom Letson; Rep. Sean O'Brien; and Rep. Lynn Slaby.** ■■

Paul Condino is vice president-government relations for AFPD.



Four Reasons Your Small Business Loan Was DENIED

By Tom Gazaway

It's been said that banks approve fewer than 10 percent of applications from small business owners. And even if you're one of the 10 percent who get approved, there's a good chance that either you won't get as much funding as you applied for, or the bank will need a lot of collateral in return for the loan, or both. Understanding this—and ultimately being able to obtain funding for your business—requires knowing what stops people from getting approval from the bank.

Reason #1: Using Credit Cards the Wrong Way

According to the Meredith Whitney Advisory Group, 82 percent of small business owners use credit cards as a vital part of their overall funding strategy. Credit card usage is like anything else:

you can do it the right way or the wrong way. From one perspective, where else can you borrow money with rates as low as zero percent, get funding with no collateral or financials, have a low monthly payment, and be able to use it over and over again for just about any purpose? From another perspective, if you don't use credit cards the right way, you'll hurt your personal credit; you will not separate your personal and business credit; and you'll pay too much in interest expenses, hurt your cash-flow, and miss out on tax benefits.

Reason #2: Not Treating Your Personal Credit as an Asset

Here's how to play the game better. The goal of the FICO® Credit Score, designed by Fair Isaac Company, is to predict the likelihood that you will become 90-days delinquent in the next 24 months. Banks use this method because it is more efficient to process a mass number of applications, rather than a laborious manual review of each one. A good credit score gives you more borrowing options with lower rates and better terms. If your personal credit isn't as good as it could be, do what separates great small business owners apart: take action to get it corrected and restored.

Reason #3: Not Choosing the Right Lender

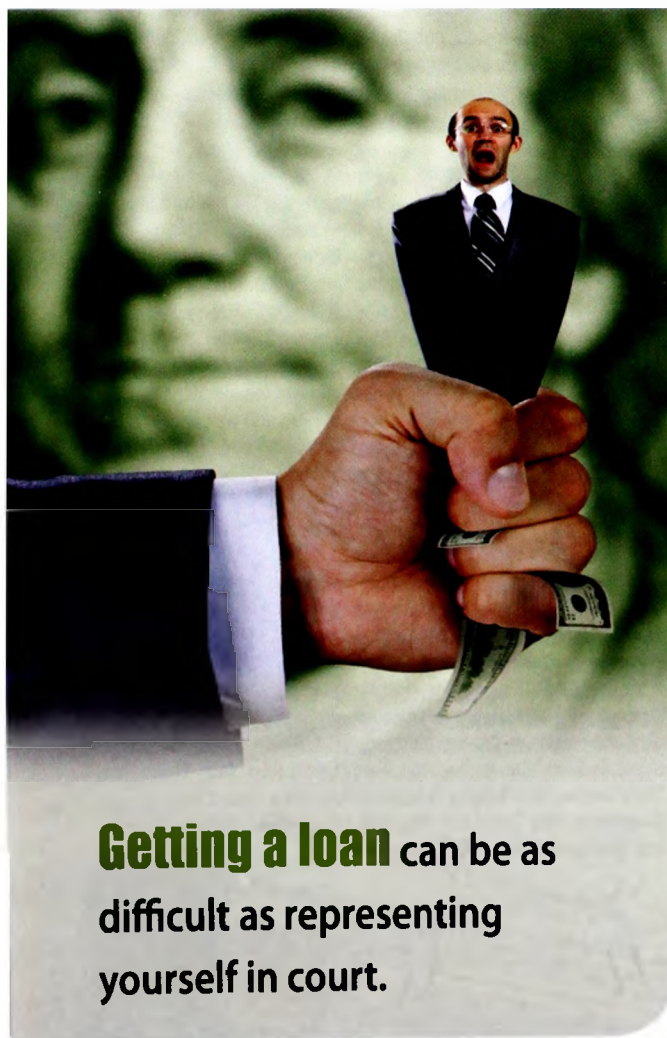
Lenders have different appetites. Their packages and characteristics vary. Some lenders are banks; some are non-bank lenders. Some lenders always require collateral—and it has to be a certain type of asset—and other lenders do not. This can be quite complex, so getting a loan can be as difficult as representing yourself in court. If you didn't get the loan you needed from your local bank, it may be time to consider hiring a small-business lending professional who can help you either get your funding, or create a path to getting that funding sooner rather than later (or never if there's no plan).

Reason #4: Ignoring the Importance of Your Business Credit

Some businesses and industries benefit from good business credit more than others. The government and large corporations commonly check the business credit of their vendors. Other businesses that can benefit are companies that have fleets of vehicles, buy lots of office supplies, computers, and electronic equipment, or who are in construction-related industries where they could benefit from Net 30 or revolving terms on their equipment and supplies.

Hawkeye Management has partnered with AFPD and Jim Olson at 1 Source Capital Commercial Financing to offer expertise to any member who could benefit from having a loan or line of credit to start, build, or grow their business. Please contact Jim Olson at (888) 447-7892, or email jim@1sourcecapital.com if you have any questions, or if your business could benefit from having \$25,000 to \$150,000 in low-cost lines of credit. ■■

Tom Gazaway, CCEW, FICO Pro, XCO, is president & CEO of Hawkeye Management LLC: www.hawkeyemgmt.com



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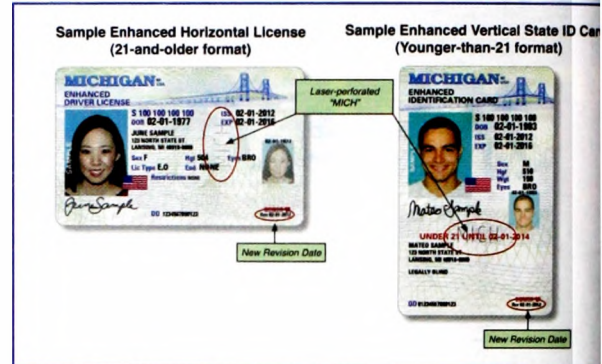
Michigan Unveils Enhanced Driver's License and State ID Card

The state of Michigan has begun issuing an enhanced driver's license and state identification card with several new features. The new format began circulating in both the enhanced horizontal and vertical versions last month.

Existing horizontal enhanced licenses and state ID cards will be phased out of circulation by 2016. However, the current vertical enhanced Graduated Driver License will still be in circulation as late as 2017. Existing enhanced licenses and state ID cards will remain valid until their expiration dates. They will be reissued in the new format at renewal or if a replacement is needed.

New features of the card include:

- A laser-perforated abbreviation "MICH." which can be viewed when held up to a light.
- Card stock and laminate are slightly thinner than on previous enhanced licenses and ID cards.
- A new revision date of 02-01-2012 is printed on the card to reflect these latest changes.
- "Under 18 until MM-DD-YYYY" and "Under 21 until MM-DD-YYYY" is printed as applicable.
- The front laminate of the cards includes the full-color shape of a Great Seal, viewable using a standard black light, as well as a tri-color, optically variable image of a bridge and the word "Michigan" that appears and disappears when viewed from different angles.
- The 2D bar code includes the cardholder's full legal name, date of birth, date of issue, expiration date, address, gender, driver's license or state ID number, issuing jurisdiction, card design revision date, and an inventory control number.
- The 1D bar code has the cardholder's driver's license or state ID number, date of birth, expiration date, and a two-digit manufacturing number.
- The magnetic stripe has the driver's license or state ID number, date of birth, and expiration date.



Documentation, including examples of the enhanced licenses and a poster for your business, can be found at www.afpdonline.org. Questions may be directed to the Department of State Information Center by calling (888) SOS-MICH. More information about the enhanced driver's license and state ID card program is available at www.Michigan.gov/sos.

Michigan's transition to new driver's licenses and ID cards

Michigan's License Being Phased Out

- Licenses are valid until their expiration date
- Licenses and IDs will be phased out of circulation by 2015
- Some Graduated Driver Licenses with this design will be in circulation as late as 2016

New License and ID Card Design Features

- State seal on the front viewable under a black light
- Cardholder's photo and birth date viewable on back under black light
- Laser-perforated word "MICH" is viewable when held up to a light
- Optically variable image of a bridge and the word "Michigan" appears and disappears when viewed from different angles

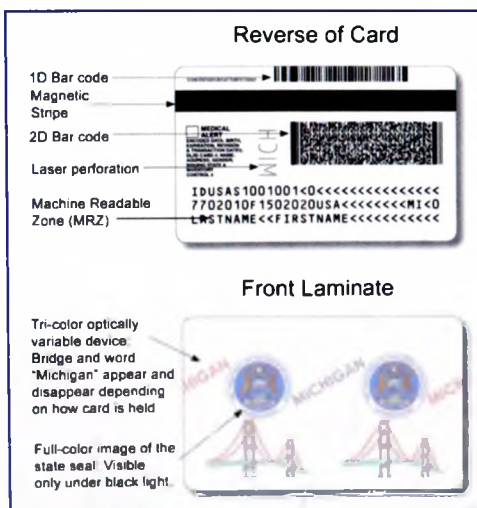
Michigan's Enhanced License

- Shares the basic design of the new standard license and state ID card
- Features a U.S. flag by the cardholder photo
- Existing cards lack the laser perforation and information viewable under black light on the back of the card.

Effective: March 2012

Other valid ID types such as chauffeur or commercial driver licenses are not pictured.

For more information visit the Secretary of State's Office online at www.Michigan.gov/sos.





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AFPD Foundation Continues to Support Communities

By Vanessa Denha-Garmo

Each year, the AFPD Foundation awards \$1,500 academic scholarships to extraordinary and deserving students from Michigan and Ohio who will attend—or are now attending—an accredited public or private college or university. Since its inception, AFPD Foundation has distributed more than \$400,000 in scholarship funds to the employees and family members of AFPD member businesses, their customers, and youth who are in need. Applications must be received by March 31. For details and to apply, visit www.afpdonline.org and click on Education.

AFPD Wins Awards from Detroit 300

AFPD has been honored with two awards from Detroit 300. The first award was for partnering with Detroit 300, the Detroit Police, and the Wayne County Sheriff to help fight crime in Detroit and take back the city one block at a time. The second award was for Corporate Partner of the Year.

CALC, AFPD Team Up on Food Pantry

The Chaldean American Ladies of Charity (CALC) and AFPD have partnered in a food pantry project to serve needy families, primarily Iraqi refugees. "It was important that we provide our community members with staples found in Chaldean kitchens," said Jane Shallal, executive director of CALC. "We come across families daily who struggle and often have to decide whether to pay a utility bill or buy groceries."

"We have made a concerted effort to reach out on a grassroots level to help the community," said AFPD President and CEO Auday Arabo. "CALC is by far the most impressive non-profit organization in the Chaldean community. They are doing a tremendous job to help those in the most need." The food pantry is located inside the CALC warehouse in Madison Heights. AFPD has agreed to support the food pantry for the next three years.

AFPD Co-Hosts Beloved Community Lunch

AFPD recently co-hosted a panel of church leaders and business owners at a Beloved Community Lunch to discuss the plight of the small store owner in Detroit. The event was co-hosted by MOSES and Rainbow Coalition. AFPD President and CEO Auday Arabo explained why dialogue



between pastors and store owners is key. "The last major functional institutions left in the city of Detroit are the pastors and the black churches, as well as the independent store owners," said Arabo. Pastor Alexander Bullock of Greater St. Matthew Baptist Church in Highland Park, who heads up MOSES and Rainbow Coalition in Detroit said, "We must make sure there's access to capital, we must get more media attention, and then Detroiters must support Detroit-based businesses." Although independent store owners are not usually in the limelight, most of them would do anything to help their neighbors, Arabo stated. "They really believe in the neighborhoods, they've stayed here, and they do what's right in terms of somebody being a couple of dollars short on their bill, the owner takes care of that," said Arabo.



Vanessa Denha-Garmo is president of Denha Media and Communications.

She serves as a trustee on the AFPD Foundation board of directors, and is AFPD's public relations contact.



Since its inception, AFPD Foundation has distributed **more than \$400,000 in scholarship funds** to the employees and family members of AFPD member businesses, their customers, and youth who are in need.

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Motown Snack Foods: It's All About Attitude

Attitude can make all the difference in business. It's something Jim O'Shea learned when he was a vice president for a snack food company in Chicago—and it's something that still serves him well as president of Detroit's Motown Snack Foods.

The Chicago-based company was going under, and O'Shea recalls that he offered to step up to try to save it. But the owner of the company's attitude toward the business put O'Shea behind the eight ball. "I could only turn it around a little bit," he says. "The previous owner was a fourth-generation owner and he felt his best next move was to buy a hunting and fishing camp."

O'Shea says attitude still plays a big role in the success of Motown Snack Foods, a Detroit-based snack distribution company now in its tenth year.

"It's not so much the product per se, it's the attitude of the individual delivering it," he says. "One thing I have found in the corporate world is that corporations tend to forget the basics of where they started."

O'Shea remembers his humble beginnings and makes sure he takes care of the guys who are out in the field for Motown. "People seem to forget the people on the front line and don't treat them with respect—they don't treat them as equals," he says. "My guys? I take my top ten guys on a trip with me every year, all-inclusive. Cancun, Jamaica, Virgin Islands—it helps move the bell curve."

Most corporations have their "top hitters, top four or five guys," he notes. After that, there are the good performers, "sort of the arc of the bell." Then, at the tail end, you have the per-

formers where "hopefully you can increase their performance."

"You take the top 10—numbers eight, nine, and 10 are looking over their shoulder a little bit," he says, "because 11, 12, and 13 are right on their trail."

Positive reinforcement and motivating through reward help O'Shea create a work environment where everyone can thrive. "I've been in too many corporate meetings where the focus is on the negative," he says. "A happy person is a more productive person. There's no sense going to work if you don't like it. Work should not be work—it is not healthy to dread it."

Motown supplies a broad range of snack foods, "from A to Z," to an equally wide range of vending outlets, c-stores, gas stations, liquor stores, and grocery stores. The company benefits from the contacts and support offered by AFPD, O'Shea says. As such, he feels it is important to make a difference in the community—something he does with zeal as part of AFPD's annual turkey drive.

"When I first got into AFPD, as a supplier, I saw we could do it a little better," he remembers. Instead of unloading turkeys behind a store in the middle of the winter, O'Shea offered up his 47,000 square-foot warehouse—which means he shuts down his operations for a day or two before the drive. Donors of snacks and beverages have also centralized their efforts through the warehouse, and the system is silky smooth.

"It's set up so you drive in one overhead door, make your pickup, and drive out," he says. The event provides upwards of 2,500 turkeys to the needy of the Detroit area. As with everything else, even O'Shea's charitable efforts all come back to attitude. "Treat people the way you would want to be treated," he says. ■



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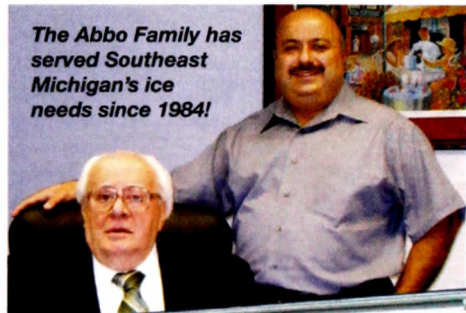
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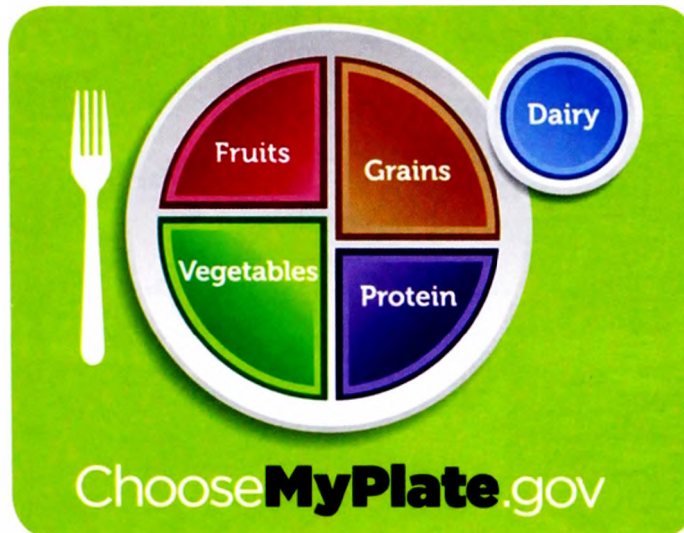
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USDA's ChooseMyPlate Promotes Healthier Food Choices

The USDA is asking retailers to check out its new ChooseMyPlate website (www.choosemyplate.gov) for fresh ideas and resources to promote healthy eating messages to customers. USDA's new MyPlate icon replaces the familiar MyPyramid graphic with a simple, easy-to-remember image of a nutritionally balanced dinner plate. MiPlato is the Spanish version of the icon.

The MyPlate icon and ChooseMyPlate website are designed to help consumers choose a healthy diet consistent with the 2010 Dietary Guidelines, the federal government's science-based nutrition guidance for Americans. The 2010 Dietary Guidelines aim to improve Americans' health and reverse the epidemic of obesity and chronic diet-related illnesses. Today, more than one-third of children and more than two-thirds of adults in the United States are overweight or obese.

The ChooseMyPlate website features



SuperTracker, a web-based tool to help consumers create a personalized diet and exercise plan, track their progress, and get tips and resources. The website's Ten Tips Nutrition Education Series offers easy-to-follow tips for consumers in a convenient, one-page printable format – perfect for posting on a refrigerator. Examples include Add More Vegetables to Your Day, Focus on Fruits, Make Half Your Grains Whole, Eating Better on a Budget, and Eat Seafood Twice a Week.

The tips series is also available in Spanish.

The new Dietary Guidelines Communications Message Calendar (September 2011 through December 2013) has key nutrition messages and themes that grocers and other partners can incorporate into promotional events and messaging: Balance your Calories, Foods to Increase, Foods to Decrease, and How to Be Active Your Way.

Retailers interested in using the MyPlate icon in their signage and publications should look for the MyPlate graphics standards and graphics files on the website. Print materials,

including wall posters and flyers, can be ordered at www.choosemyplate.gov/print-materials-ordering/order-online.aspx. (Limited quantities can be ordered for free from USDA's Center for Nutrition Policy and Promotion.)

Community partners and national organizations are invited to become USDA partners in promoting the Dietary Guidelines for Americans. Visit the website to learn about USDA's Partnering Program.

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FNS 132 • Revised December 2009

Order Free "We Welcome SNAP" Materials

Are you looking for "We Welcome SNAP" signage for your store? SNAP-authorized retailers can order "We Welcome SNAP" posters and decals in English and Spanish by sending a request to the USDA Food and Nutrition Service at PrintShop.BRSB@fns.usda.gov.

Please include the name, address, and phone number of the addressee to whom the materials should be sent. If our national office has any questions concerning the request, they will contact you.

The new SNAP logo and materials include a simple but important message: Putting Healthy Food Within Reach. USDA encourages SNAP-authorized retailers to utilize signage and other promotional strategies to help SNAP customers achieve a healthy diet on a limited budget. ■■■

Workplace Safety—Who's Accountable?

Each year, Ohio employers can participate in the Bureau of Workers' Compensation's (BWC) Group-Experience-Rating Program or Group-Retrospective-Rating Program. These programs provide an opportunity to significantly reduce your workers' compensation premiums, while increasing awareness of safety and risk-management strategies.

A group-rating program is a partnership that includes you and your employees, your sponsoring organization or third-party administrator (TPA), and BWC. Each has specific roles and responsibilities, all designed to assist in preventing workplace accidents:

The employer will:

- Maintain a safe workplace.
- Attend safety training to enhance workplace safety.
- Implement BWC's 10-Step Business Plan for Safety.
- Attend the two-hour training and provide proof of attendance.

The certified primary and affiliated sponsoring organization (FPD) will:

- Communicate, educate, and verify BWC's 10-Step Business Plan for Safety to group members.
- Sponsor eight hours of safety training.
- Provide information regarding safety resources.
- Manage employer fulfillment of the two-hour training requirement.



The TPA (CareWorks Consultants – CCI) may:

- Assist with fulfilling the group-rating safety requirements.
- Assist an employer with safety needs.
- Develop safety training and deliver safety resources.
- Provide resources for claims handling.

BWC will:

- Monitor all group-rating safety activities to confirm requirements are met.
- Meet with sponsoring organizations annually to provide recommendations for fulfilling safety requirements.
- Provide safety training through Ohio's Center for Occupational Safety & Health.
- Offer on-site safety consultation (hazard assessments, air and noise monitoring, ergonomics evaluation, training) by a BWC safety professional.
- Offer safety program support materials.
- Conduct employer visits to confirm the employer is meeting group-rating requirements. ■■■

Resources

Group sponsor: www.afpdonline.org

TPA: twohourtraining@ccitpa.com

BWC: <http://www.ohiobwc.com/employer/services/safetyhygiene.asp>, groupratingsafety@bwc.state.oh.us

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Interchange fees are determined by the payment brands. The rate you pay for a transaction varies depending on type of card (debit, credit, reward); type of transaction (card-present, card-not-present, phone order, online order); and the merchant's average transaction volume. The fee charged is also tied to the level of risk for that transaction—the lower the risk, the lower the rate. For example, a transaction conducted with a card that is present carries a lower risk and fee than a card-not-present transaction.

In addition to interchange fees, the individual payment brands may charge a separate assessment fee, which covers the operating costs of managing the network.

Chase Paymentech advocates for merchants in a number of ways. For instance, the company is a founding sponsor of the

Merchant Advisory Group (MAG www.merchantadvisorygroup.org/), an organization designed to help merchants have a stronger voice with the payment brands. We've also helped introduce new products and payment options to make purchasing even easier for your customers. To learn more about the ways we advocate for you, visit www.chasepaymentech.com.

Payment Brands Offer More Information

Understanding interchange rates can be complicated because the payment brands do not have one set rate that applies to every industry or every transaction. Additionally, rates are adjusted throughout the year. To learn more about current interchange rates, visit the payment brands' websites:

- **Visa:** www.usa.visa.com/merchants/operations/interchange_rates.html
- **MasterCard:** www.mastercard.com/us/merchant/sup-ort/interchange_rates.html
- **Discover:** Website not available; please contact Discover at (866) 710-3356

For additional information, contact Account Executive John Wilcox at (888) 464-9902 ext. 70255, john.wilcox@chasepaymentech.com. ■■■

**Understanding
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can be complicated
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Understanding Portion Control

Most people consume far more calories than they realize. The culprit? A warped sense of portion size.

According to a survey conducted by the American Institute for Cancer Research (AICR), many Americans believe that the kind of food they eat is more important in managing their weight than the amount of food they eat. "People are eating more and wondering why they're getting fatter," says Melanie Polk, MMSc, RD, director of Nutrition Education at the AICR. "One big reason is that their focus is too narrow."

Polk adds that Americans are concentrating too much on cutting fat, or relying on fad diets that restrict carbohydrates, sugar, or some other nutrient. Studies reveal that these strategies fail to address the issue of total calories consumed, as well as overall good nutrition.

Serving Sizes Essential to Good Nutrition

Experts say that understanding the concept of standard serving sizes is essential to good nutrition. Standardized serving sizes help consumers, health professionals, and food manufacturers find a common language for the sake of communication.

Although serving sizes are "standardized," individual portion sizes will vary because people have different caloric requirements. Portion size also depends on a person's specific weight management goals and health needs. For example, pregnant and breastfeeding women may require larger portions of food than do women who are not pregnant or nursing.

Nutritional Needs Vary

Portion sizes and overall dietary requirements depend on several factors, including activity level. For example, an inactive person may only need three-quarters to one cup of cereal in the morning, which is the usual serving size of most varieties. But someone who runs several miles a day or who engages in other forms of aerobic exercise may need two or three standard serving sizes.

To help determine a standard serving size, Polk recommends measuring out those listed on the "Nutrition Facts" food label.

Ways to Estimate Portion Sizes

What is a portion size? According to the American Dietetic Association, you can use the following "models" to approximate portion sizes:

- A deck of playing cards = one serving (three ounces) of meat, poultry, or fish (can also use the palm of a woman's hand or a computer mouse)
- A baseball = one serving (one cup) ready to eat cereal
- 4 stacked dice = one serving (1 1/2 ounces) of cheese
- A baseball = one serving (one cup) of fresh fruit

When at home, Polk advises to take time to "eyeball" the serving sizes of your favorite foods (using some of the models listed above). Measure out single servings onto your plates and bowls, and remember what they look like. Figure out how many servings should make up your personal portion, depending on whether you need to lose, gain, or maintain weight.

She also advises people to avoid serving food "family style." Serve up plates with appropriate portions in the kitchen, and do not go back for seconds. In addition, never eat out of the bag or carton.


Seek Dietary Guidance

If you are unsure about your personal nutrition requirements, go to www.choosemyplate.gov (see story p. XX) to get eating recommendations based on factors like age, sex, and activity level. For an even more individualized plan and for motivation, seek the advice of a registered dietitian (RD). These professionals can create individual menus and food plans that are suited to your specific weight management and overall health goals. ■■■

Source: Blue Cross Blue Shield online resource



Americans are concentrating too much on cutting fat, or relying on fad diets that restrict carbohydrates, sugar, or some other nutrient.



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FOOD RESCUE

Forgotten Harvest	(248) 967-1500
Gleaners Community Food Bank	(313) 923-3535

FRANCHISING OPPORTUNITIES

Buscom Enterprises, Inc.	(586) 296-5560
Kasapis Brothers/Ram's Horn Restaurants	(248) 350-3430
Tubby's Sub Shops, Inc.	1-800-497-6640

GASOLINE WHOLESALE

The Anderson's Inc. (E-85)	(419) 884-1111
Central Ohio Petroleum Marketers	(614) 884-1111
CFX Management	(937) 430-1111
Gilligan Oil Co. of Columbus, Inc.	1-800-351-1111
High Pointe Oil Company	(248) 474-1111
Motor City Oil Co.	(313) 884-1111
Obie Oil, Inc.	(937) 272-1111

GREETING CARDS

 Leanin' Tree	1-800-556-7819 ext. 1111
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GROCERY WHOLESALE & DISTRIBUTORS

Burnette Foods, Inc.	(231) 262-1111
Capital Sales Company	(248) 541-1111
Cateraid, Inc.	(517) 541-1111
Central Grocers	(815) 553-1111
Complimentary Foods	(734) 543-1111
D&B Grocers Wholesale	(734) 513-1111
Exclusive Wholesale World	(248) 356-1111
General Wholesale	(248) 263-1111
George Enterprises, Inc.	(248) 884-1111
Great North Foods	(989) 330-1111
Jerusalem Foods	(313) 341-1111
Kap's Wholesale Food Services	(313) 884-1111
Spartan Stores, Inc.	(616) 876-1111
SUPERVALU	(937) 374-1111
Value Wholesale Distributors	(248) 967-1111

HOTELS, CONVENTION CENTERS & BANQUET HALLS

A & M Hospitality Services	(586) 751-1111
Hampton Inn - Commerce	(248) 867-1111
Hampton Inn - Shelby	(248) 624-1111
Holiday Inn Express - Commerce	(248) 624-1111
Farmington Hills Manor	(248) 884-1111
Petruszello's	(248) 870-1111
Shenandoah Country Club	(248) 680-1111
Suburban Collection Showplace	(248) 346-1111

ICE CREAM SUPPLIERS

 Nestle DSD	1-800-328-3397 ext. 1111
 *Prairie Farms Ice Cream Program (Large Format)	1-800-399-6970 ext. 1111
Pars Ice Cream Company, Inc.	(313) 291-1111

ICE PRODUCTS

Arctic Glacier, Inc.	1-800-327-1111
Home City Ice	1-800-758-1111
U.S. Ice Corp.	(313) 884-1111






indicates supplier program that has been endorsed by AFPD

- Indicates supplier only available in Michigan

**** Indicates supplier only available in Ohio**

SUPPORT THESE AFPD SUPPLIER MEMBERS

INSURANCE SERVICES: COMMERCIAL

 North Pointe Insurance	1-800-229-6742
 **CareWorks	1-800-837-3200 ext. 7188
 **Cox Specialty Markets (North Pointe)	
(Underground Storage Tanks)	1-800-648-0357
Enterprise Insurance	(734) 452-9199
Gray & Brown Insurance	(586) 446-3663
Northern Insurance Agency	(248) 856-9000
Farm Insurance (Agent Dawn Shaouni)	(248) 879-8901
Las-Fenner-Woods Agency, Inc.	(614) 481-4300
Lyndall Insurance	(440) 247-3750



INSURANCE SERVICES: HEALTH

 *BCBS of Michigan	1-800-666-6233
Deleto, Ramsby & Assoc.	1-800-263-3784
Care Plus, Inc.	(313) 267-0300
Husaynu & Associates	(248) 851-2227

INVENTORY SERVICES

Inventory	(586) 718-4695
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LEGAL SERVICES

 *Belianca, Beattie, DeLisle	(313) 882-1100
 **Pepple & Waggoner, Ltd.	(216) 520-0088
Manings, McClorey, Davis & Aho, PLC	(734) 261-2400
Ma & Associates	(248) 265-4100
Ma & Elias, PC	(248) 865-8400
Mar & Phillips, LLP	(858) 597-9611
Schram, PC	(248) 335-5000
Saya Law, PC	(248) 626-6800
Wes. Gadd & Silver, PC	(734) 354-8600
Attorneys & Counselors	(586) 493-4427
Alton & Horst	(614) 228-6885
Offices of Kassab & Arabo, PLLC	(248) 865-7227
Orlov, Mekani, Shallah & Hinds, PC	(248) 223-9830

LOTTERY

Michigan Lottery	(517) 335-5648
Lottery	1-800-589-6446

MAGAZINE & TRADE PUBLICATIONS

Midwest Free Press	(313) 222-6400
Midwest News	(313) 222-2000
News Distributors	(586) 978-7986
Michigan Chronicle	(313) 963-5522

MEAT & DELI DISTRIBUTORS

United Meat	(313) 867-3937
Portion Control Meats	(419) 358-2926
Py & Sons	(810) 387-3975
Fresh Foods	(313) 295-6300
Foods	(586) 447-3500
Wood Foods Distributors	(313) 659-7300
Food Corp	(586) 727-3535
Prime Packing Company	(313) 259-7500

MILK, DAIRY & CHEESE PRODUCTS

 *Prairie Farms Dairy Co.	(248) 399-6300
 **Dairymens	(216) 214-7342
Country Fresh	1-800-748-0480

MISCELLANEOUS

Pyramid Sunglass Company	1-800-833-3996
SureGrip Floor Safety Solution	(850) 264-8537
Validator	(386) 308-2543
Z Coil Comfort Side	(313) 407-4976

MONEY ORDERS/MONEY TRANSFER/ BILL PAYMENT

 MoneyGram International	MI (517) 292-1434
	OH (614) 878-7172

OFFICE SUPPLIES & PRODUCTS

 LB Office Products	1-800-826-6865
 Staples	1-800-693-9900 ext. 584

PAYROLL PROCESSING & HUMAN RESOURCES

Total HR Services, LLC	(248) 601-2850
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PIZZA SUPPLIERS

Hunt Brothers Pizza	(615) 259-2629
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POINT OF SALE

BMC - Business Machines Specialist	(517) 485-1732
Caretek (Security, Credit Card, Point of Sale and more)	1-866-593-6100
Silk Route Global	(248) 854-3409

PRINTING, PUBLISHING & SIGNAGE

International Outdoor	(248) 489-8989
Michigan Logos	(517) 337-2267
Wall Kempinski Graphics	(586) 775-7528

PRODUCE DISTRIBUTORS

Ace Produce	(248) 798-3634
Heeren Brothers Produce	(616) 452-2101
Tom Maceri & Son, Inc.	(313) 568-0557

REAL ESTATE

American Business Broker	(614) 944-5778
Centro Properties Group	(248) 476-6672
Judeh Tax Appeal Team	(313) 277-1986
Signature Associates - Angela Arcon	(248) 359-3838

REFRIGERATION & REFRIGERATION SOLUTIONS

Phoenix Refrigeration	(248) 344-2980
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REVERSE VENDING MACHINES/RECYCLING

TOMRA Michigan	1-800-610-4866
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SECURITY, SURVEILLANCE & MORE

Central Alarm Signal	(313) 864-8900
Gulfcoast Loss Prevention	(727) 776-3429

SHELF TAGS

JAYD Tags	(248) 730-2403
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SODA POP, WATER, JUICES & OTHER BEVERAGES

 Monster Energy Company	(586) 566-6460
 Nestle Waters Supermarket Program	(734) 513-1715
7UP Bottling Group	(313) 937-3500
Absopure Water Co.	1-800-334-1064
Arizona Beverages	(313) 541-8961
Buckeye Distributing (AnZona)	(440) 526-6668
Coca-Cola Refreshments	
	Auburn Hills (248) 373-2653
	Belleville (734) 397-2700
	Metro Detroit (313) 868-2008
	Port Huron (810) 982-8501
Coca-Cola Refreshments - Cleveland	(216) 690-2653
Faygo Beverages, Inc.	(313) 925-1600
Garden Food Distributors	(313) 584-2800
Intrastate Distributors (Snapple)	(313) 892-3000
Pepsi Beverages Company	Detroit 1-800-368-9945
	Howell 1-800-878-8239
	Pontiac (248) 334-3512
RL Lipton Distributing (AnZona)	(216) 475-4150

SPECIALTY FOODS

Cousin Mary Jane	(586) 995-4153
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TOBACCO COMPANIES & PRODUCTS

Altria Client Services	(513) 831-5510
Beamer Co. (Hookah's & supplies)	(248) 592-1210
Nat Sherman	(201) 735-9000
R J Reynolds	(336) 741-0727
S & E Distributor, Inc. (e-cigarettes)	(248) 755-8926
Westside Vapor (e-cigarettes)	(614) 402-0754

WASTE DISPOSAL & RECYCLING

National Management Systems	(586) 771-0700
Smart Way Recycling	(248) 789-7190

WINE & SPIRITS COMPANIES

Beam Global	(248) 471-2280
Brown-Forman Beverage Company	(248) 393-1340
Diageo	1-800-462-6504
Ghost Vodka	(616) 835-4108
Heaven Hill Distilleries	1-800-348-1783
Treasury Wine Estates	(734) 667-3515

WINE & SPIRITS DISTRIBUTORS

Great Lakes Wine & Spirits	(313) 867-0521
National Wine & Spirits	1-888-697-6424
	1-888-642-4697



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AFPD works closely with these associations:



Calendar



—March 27-29, 2012—

Ohio Safety Congress & Expo

Congress: March 27-29; Expo March 28-29
Greater Columbus Convention Center
Columbus, OH



—April 25, 2012—

AFPD Annual Food & Beverage Trade Show

Suburban Collection
Showplace
Novi, MI

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