WESTERN MICHIGAN UNIVERSITY
FOOD MARKETING CONFERENCE:
Future Food for Thought

A fruitful marketing conference at WMU attracts industry leaders.
COVER STORY // FUTURE FOOD FOR THOUGHT
A fruitful marketing conference at WMU attracts industry leaders.

HOW DO MICHIGAN’S CURRENT FOOD ESTABLISHMENT FEES COMPARE?
Written by Kevin Besey, Director of the Michigan Department of Agriculture and Rural Development.

COMMUNITY OUTREACH, THE THIRD AFPD PILLAR OF SERVICE
Each month we will feature one of the 7 Pillars of Service that make up AFPD. This month we feature Community Outreach.
Membership has its benefits

Spring is finally here and we hope for warmer temperatures soon which should also warm up the business climate for all our members, so there is a lot to be optimistic about. However, last month another storeowner was murdered at his location. In the last five and half years, ten retailers have been gunned down at their businesses in the Detroit Metro area alone. I know even more have been affected in other parts of Michigan and Ohio as well. I mention this because Fred Dally, our former Chairman of the Board was murdered two years ago in May. He was the only retailer out of the ten murdered in the Detroit Metro area that was an AFPD member. Yes, AFPD has a $50,000 reward posted on the Fred Dally murder and we hope this is solved soon, but people ask why AFPD has not done anything with the other murders. AFPD is not and has never been an ethnic organization and will never identify itself as an ethnic organization. AFPD is a retail trade organization and is rated as one of the top 3 independent retail trade organizations in the entire country and bluntly put, membership has its benefits. This is not to say one life is more important than another because all life is sacred and precious, but AFPD does pick and choose who we help. Simply put, if you are an AFPD member we will help you and if you are not, we will not help you. To help a retailer who is not an AFPD member just because they need it would devalue what it means to be a member and would be completely unfair to those who have been faithful AFPD members for years. You cannot choose to become a member only when you are faced with a crisis! In addition, law enforcement officials, government agencies and distributors consult us all the time when it comes to major issues in the industry. Almost 99% of the time, the bad actors in our industry are not AFPD member because they are too cheap to pay the dues and in the same fashion try to find ways to beat the system by buying and reselling stolen beer or spirits or other items. These folks give all our honest members a bad name! It is only a matter of time before they get caught. The AFPD Seven Pillars of Service helps describe the value proposition of being an AFPD member, but it is hard to calculate what it really means to be a part of that group that represents thousands of retailers, part of a chain of independents as many vendors describe us now. Simply put, AFPD is here to serve you, the member, the independent retailer. Whatever you ask of us, we will do our best to accomplish it as long as it is not illegal, unethical or immoral. At AFPD, we do not play favorites with certain members because they represent supermarkets or multiple party stores or gas stations. Everything is done in an objective manner regardless of size or influence. Good and fair public policy and creating a level playing field approach is how we govern the association and this helps guide us in everything we do. Whether it was the changes in WIC guidelines or legislation to stop the sales of loose cigarettes or creating a cap on beer and wine licenses in Michigan, AFPD is always at the table representing our members, not others in the industry who claim if you do this or do that, then I will become a member. AFPD is not a buying group; we are not an ethnic group, we do not represent only certain types of retailers in a one geographic area. AFPD is a full service, one stop association which is your voice in the industry and we need to hear from you on how we can better service you! Yours in Service.
U.S. Ice has made its mission to be the best ice supplier in Michigan since 1984.

Foad Abbo and his son Saad opened the U.S. Ice Company in Detroit in 1984 with a mission to provide metro area businesses with high-quality ice products and service. The close, personal relationships they created with each customer helped to grow and expand the business. As their customers ice needs grew, so did U.S. Ice, with increased sales, by offering ice freezers, and same day or next day delivery that their competitors could not provide.

Today, our new fleet of 24 GPS-enabled trucks can instantly locate the nearest truck and re-route to support your ice needs with a capacity to make 800,000 pounds of Crystal Pure Ice per day.

We are the largest family owned, independent ice manufacturer and supplier of cube ice, block ice and dry ice serving Southeast Michigan. With our new branding, packaging and advertising promotions, U.S. Ice looks forward to providing you with the highest quality ice products and services.

Call 313-862-3344 for delivery to your business or event. We provide free ice freezers for businesses, and freezer rentals and ice delivery for all your festival, family reunion, company event, picnic or party needs. We sincerely thank you for your business and support since 1984.

U.S. Ice Corp. is located at 10625 West 8 Mile Road, Detroit, Michigan. Visit us online at usicecorp.com.
A Pillar in the Community

BY KRIS HARRIS

Since its beginning in 1910, AFPD has built a proud tradition and heritage by focusing on the welfare of the independent retailer and looking out for their interests. As a result, AFPD has become “The Voice of Independent Retailers” across Michigan and Ohio. At every step, the association has helped businesses, large and small, by providing them the voice and support they need.

But AFPD doesn’t stop there. While its primary purpose is representing its members, the association is involved in the community as well. AFPD leaders believe serving the community is not just something that should be done, but rather something that must be done. For this reason alone, one of the pillars of AFPD is its community outreach.

There’s a solid reason for this approach. Assisting members—from retailers, wholesalers and distributors, to manufacturers with programs, to government relations and regulations—would mean very little if AFPD didn’t make a concerted effort to help their customers and, in turn, the community at large.

One such program is the High Five Turkey Drive. Over the past 34 years, the AFPD has donated more than 66,000 turkeys in the metro Detroit and Lansing areas, and it has grown into the largest free turkey distribution in Michigan.

“Many retailers and other local businesses have given generously to this program,” said Auday Arabo, AFPD president and CEO. “This is one way our local independent retailers work together with the community to provide needy families with a holiday meal.”

The turkey drive has been so successful in Michigan that it has been expanded to Ohio. AFPD works with a number of non-profits and churches in Ohio including Catholic Charities and the Roman Catholic Diocese of Cleveland to help families in the Cleveland and Columbus areas during the holiday season.

Altogether, this outreach brightens the lives of more than 6,000 families in Michigan and Ohio every year with free turkeys for their Thanksgiving dinners. What makes the program even more important is factoring in the potential rise in the wholesale price of turkeys.

Just like the members we represent, AFPD contributes to local communities in a number of little ways without much fanfare. For instance, anytime there is an issue in certain communities, various law enforcement agencies contact AFPD to help, even when it does not involve an AFPD member.

Whether it is a request for hotdogs for an orphanage or refreshments for community organizations, AFPD like so many of you, does their part to make the community a better place.

Whether it’s helping the community directly or giving a hand to those who just need a little help getting back on their feet, AFPD will continue to reach out and help strengthen our local communities.
One of the greatest things a successful company can do to further its business growth, is to give back to the community it is a part of. AFPD is partnering with the Midnight Golf Program to join in the campaign of empowering youth.

We are seeking employment partners to help the youth of Michigan and Ohio gain meaningful work experience. We can offer you staffing help for the Summer months of June, July and August without any expense to you! We have funding available to pay the salary of a youth if hired.

With your help, these young people will further develop job skills and become contributing members of our community. We have youth that are ready for every kind of work experience, from office positions to laborers. All they need is a chance.

Since 2001, more than 1000 young people joined the Midnight Golf Program, 800 plus completed a 30 week learning experience and nearly 800 students were admitted to or graduated from 90 different colleges and universities. A strong community is only possible if we all help each other.

If you are interested in a summer employee, please complete the form below and return to AFPD. A representative for the Midnight Golf Program will contact you directly to consult on the type of work you can provide and match you with a youth member in the program.

**EMPLOYER SIGN-UP**

*Email this form to info@afpdonline.org or fax to (248) 671-9610.*

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Contract Issues With Your Jobber/Supplier – Part I

The issue of Jobber/Supplier contracts has arisen several times lately. Some gasoline retailers want to expand their business, acquire additional locations, or change brands. AFPD is presenting a series of articles that will help you address the various factors that you must consider when striking a deal for fuel supply. This is the beginning of that discussion.

LENGTH OF THE CONTRACT
The jobber needs to commit to the refiner a volume number and a length of term number. Therefore, he needs the same from the retailer. From the retailer’s standpoint a 5 year contract is probably in your best interest, with technology changing so fast. The longer the contract, the more benefits the jobber can offer you.

BRAND SELECTION
If you decide to retail “branded” fuel, look around your trade area and see which brand is NOT represented, or not represented well in your trade area. Most jobbers aren’t going to supply a retail operation in close proximity to another branded site. On the other hand, you probably don’t want to represent a brand that is not popular or accepted in your market. In addition, you may want to consider marketing in an “unbranded” manner. You can advertise your own proprietary name, access supply from a multi-branded jobber, and compete with unbranded product. Obviously, when you decide to do that, you lose the advertising effect that is gained by providing a branded product, but you can usually obtain product at a lower price and, therefore, be more competitive in the marketplace. This issue is a huge decision on your part.

If you decide to brand, the jobber can often times provide image funds to help rebrand the site, along with dispensers and advertising point of sale. He can do this because the refiner will help in these matters in exchange for a volume and length-of-term commitment.

All parties need to be profitable in the transaction. You cannot expect all the benefits of “branding” without the commitment.

Also, determine what happens if the refiner “pulls-out” of the market! In today’s environment refiner’s occasionally do stop supplying certain unprofitable markets, or merge with other refiners into one brand-name. What happens to your contract agreement? You should address this issue and negotiate some latitude to end the agreement if the refiner no longer supports the market with branded product.

Another issue is the exclusivity you enjoy for a certain radius around your site. What clause addresses the branding of another “same brand” site near your location! A specific radius of exclusivity should be defined, with you having the right-of-refusal to allow another same-brand retailer with your radius.

DELIVERING OR HAULING PRODUCT
How will your product be delivered? Does the jobber/supplier have his own trucks? Or, does he use contracted haulers? Can you choose the hauler? What minimum gallon loads are you required to order? How much notice does the hauler require? And, how big of a “window” must you provide for the time of delivery? All these factors can affect your decision regarding a supplier. If a jobber has his own trucks and also operates locations at the retail level, his “company operations” will probably get preferential treatment when there are price changes or supply shortages. Be diligent in researching this issue, and ask if you can obtain your own hauler if that benefits you.

WHO DOES THE JOBBER SUPPLY LOCALLY
Find out who the jobber supplies locally and ask about the service and how he helps the retailer. Also, find out if there are any “company operations” supplied by your selected jobber anywhere near your site. If there are, you could be competing with your supplier at the retail level. There have been situations where the dealer is paying more for the same product than the supplier is retailing at a nearby location. This is an important factor to check out.

Stay tuned for more information on this topic in future issues of the AFPD Bottom Line.
INCREMENTAL GROWTH REBATE PROMO for non-cigarette/non-tobacco.

- 5% increase in units receives a .50% additional rebate
- 10% increase in units receives a 1.00% additional rebate

- 15% increase in units receives a 1.50% additional rebate
- 20% increase in units receives a 2.00% additional rebate

This rebate for incremental growth is only for customers purchasing north of $4k per week as of 1/1/14 (take last 13wks avg purchases of 2014 to validate).

Promotions are IN ADDITION TO THE 2% REBATE already being tracked for current AFPD members!

These programs valid 1/1/14 through 12/31/14 ONLY.

* REBATES ARE APPLIED TO INCREMENTAL SALES (2014 over 2013) ONLY. Please see your Liberty USA representative for all qualification details & other program information.
For several years, Michigan’s wine industry has celebrated April as Michigan Wine Month, and Governor Rick Snyder declared it in 2011 at the urging of the Michigan Grape & Wine Industry Council.

The Council encourages local retailers and restaurants to develop special events to help promote the state’s thriving wine industry. Its main initiative was to join with partners in Detroit area for an event that consists of a wine tasting in the afternoon for retailers, restaurants and the media, followed by a ticketed tasting for the general public in the evening.

“Thirty wineries are participating this year, and we usually rotate the venue,” said Linda Jones, executive director of the Michigan Grape and Wine Industry Council. “Many AFPD members are very strong supporters of Michigan wines, and we know many of them cycle through the event.”

Retailers have seen the benefits of providing Michigan-made products in their stores, and the Michigan Grape and Wine Industry Council is there to help.

“We have quite a selection of materials available and an order form at michiganwines.com, and many retailers take advantage of that,” Jones said.

The best resource for retailers is Michigan Wine Country, an annual publication the council produces every April. The magazine is available to retailers, who can use it to place orders and request displays to promote the state’s quality wines and encourage their customers to shop locally.

“A lot of retailers order a box of 100 magazines and put them out on their counter or in their wine section to help people learn more about Michigan wines,” Jones said. “We also offer ceiling signs, shelf talkers and both a Michigan wines poster and an April wine month poster for retailers. And all of them are available through our office for free.”

For AFPD members who have not yet set aside a section of their store for Michigan products, this is a perfect time to consider making such a move.

“The buying-local trend has been a huge driver of the industry’s growth in the last 10 years,” Jones said. “Retailers from small to large have recognized that there is a desire by people to support local businesses.”

Retailers also have the opportunity to reach out to wineries and order directly from them.

“Michigan retailers are legally permitted to order wine right from the wineries, but many of them don’t know that,” she said. “So if they find particular wines that they like, they have the ability to order a small quantity to test out in their market.”

This direct access to Michigan wineries goes hand-in-hand with recent changes in state law that allows retailers to conduct on-site tasting. The reforms allow AFPD members to reach their current customers in new ways and draw interest from new ones. Jones said many retailers are taking advantage of the changes to host wine tastings in their establishments, but many more can do so, Jones explains.

While the Michigan Wine Showcase is limited to April, the access it provides to Michigan wineries has a rippling effect that lasts throughout the year. The Michigan Grape and Wine Industry Council is dedicated to bringing the industry to your doorstep and help grow the state’s economy. For more information on the resources available to retailers, visit www.michiganwines.com/industry.
Every year the AFPD Foundation awards academic scholarships in the amount of $1,500 each to extraordinary and deserving students all throughout the State of Michigan who will be attending, or are already attending an accredited public college, private college or university. Scholarship recipients have an opportunity to meet and network with donors and contributors during the annual scholarship luncheon in Michigan and the annual scholarship dinner in Ohio.

Since its inception, generous contributions have permitted the AFPD Foundation to distribute over $600,000 in scholarship funds to the employees and family members of member businesses, their customers, and financially disadvantaged youth.

Sponsoring one of these events will truly make a difference in the lives of these students, and together we can work to enhance our next generation of leaders. To learn more, visit our website at www.AFPDonline.org or call (800) 666-6233 and ask to speak with Alyssa Franchi.
Mixing Zones: A Rarely Used Option to Achieve Closure

BY SARA PEARSON, CPG // MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

MYTH: Closure is not achievable at a Leaking Underground Storage Tank (LUST) site using mixing zone-based criteria.

WHAT ARE MIXING ZONE-BASED CRITERIA?
The development of mixing zone-based criteria is a tool that may be used to demonstrate compliance with the groundwater/surface water interface (GSI). The process includes the calculation of site-specific criteria that take into consideration the dilution that occurs when contaminated groundwater enters surface water. The calculations include the three-dimensional area where the contamination is venting, the specific contaminants, the rate of groundwater flow, and the rate of flow in the surface water body. In cases where dilution is significant, the mixing zone-based criteria will likely be higher than generic GSI criteria and still be protective of surface water. Mixing zone-based criteria may be used to identify a cleanup goal for the site. This tool is also useful for demonstrating compliance with site-specific criteria.

WHAT IS THE PROCESS FOR OBTAINING MIXING ZONE-BASED CRITERIA?
The process starts with a request by submitting to the Michigan Department of Environmental Quality (MDEQ), Remediation and Redevelopment Division (RRD), project manager to develop mixing zone-based criteria. A form is available on the MDEQ website to streamline the process for making this request. The RRD project manager forwards the request to the MDEQ, Water Resources Division (WRD), who develop the mixing zone-based criteria. After the mixing zone-based criteria are developed, the RRD project manager will provide the values to the submitter.

The time to submit a request for mixing zone-based criteria is between the initial assessment and final assessment reporting milestones. The mixing zone criteria received from the MDEQ may then be incorporated into the corrective action plan and receive authorization with approval of the Final Assessment Report (FAR). If the FAR has already been submitted, a request may still be submitted. Authorization may be granted prior to, or as part of the Closure Report for these submittals. Authorization from the MDEQ is required when a party elects to rely on mixing zone-based criteria.

WHAT SITES WITH MIXING ZONE-BASED CRITERIA ARE ELIGIBLE FOR CLOSURE?
In past years, requests for the development of mixing zone-based criteria at LUST sites have been rare. Part of the reason behind the limited use for this tool may be the perception that a site could not be closed if it had a mixing zone that required a five-year renewal and continued monitoring. The five-year renewal and continued monitoring are not required for every site. The following description serves as one of many scenarios where a LUST site with mixing zone-based criteria is eligible for closure.

A LUST site has a narrow contaminant plume that is migrating to a large, swiftly flowing river, and wells have been installed along the bank to measure the contaminant levels in the groundwater that will likely vent into the river. The analyses of the groundwater indicate that levels are higher than would be allowed for in a basic risk assessment using the MDEQ’s published generic GSI criteria.

The MDEQ provides the mixing zone-based criteria to the owner, and the owner’s consultant compares the contaminant levels in the groundwater at the site to the new mixing zone-based criteria. The consultant determines that the concentrations in the groundwater are below the new criteria and looks at historical data that indicates the concentrations present at the site do not have the potential to exceed the mixing zone-based criteria. The owner and consultant ask for the mixing zone-based criteria to be authorized by the MDEQ for the site. Closure is granted with no need for long-term monitoring or reauthorization for the site as long as all other relevant pathways and risks are addressed.

The use of a mixing zone-based criteria is a useful tool to establish a site-specific cleanup goal and achieve closure at LUST sites.

FACT: Closure is achievable at LUST sites using mixing zone-based criteria.

MYTH vs. fact
Avoiding Fines for Water in Gasoline

BY TIM WHITE // MDARD

The Michigan Department of Agriculture and Rural Development’s (MDARD) Motor Fuels Quality Program is responsible for enforcing the requirements of The Motor Fuels Quality Act, P.A. 44 of 1984, as amended. In part, the Motor Fuels Quality Act prohibits more than 2 inches of water in underground storage tanks, the selling of gasoline that contains water, and selling gasoline that has an octane rating less than posted. Any retailer found selling gasoline that contains water or has an octane rating less than posted is subject to a Stop Sale order and civil fines. Fines for selling gasoline contaminated with water start at $500; plus the actual costs of the investigation.

In gasoline that does not contain ethanol, any water that finds its way into a storage tank drops to the bottom of the storage tank. If the water has to be removed from the gasoline storage tank, you simply pump out the water and then the firm is usually able to resume selling their gasoline without further complications.

Almost all of the gasoline being sold in Michigan contains ten percent ethanol. When water enters these storage tanks, it bonds with the ethanol in the gasoline and over short time, this combination of water/ethanol drops to the bottom of the storage tank. To remedy this situation, it is not as simple as pumping out the excessive water/ethanol from the bottom of the storage tank. When the water bonds with the ethanol and the ethanol/water mixture drops out, this action lowers the octane of the gasoline left in the storage tank. A scenario that MDARD has seen repeatedly is that a retailer detects 3 or 4 inches of water/ethanol at the bottom of his “regular” (87 octane) storage tank. The firm then has the 3 or 4 inches of water/ethanol pumped out thinking that is all that they have to do. Unfortunately, that is not all that has to be done. Instead of having 10 percent ethanol in the gasoline, the gasoline left in the storage tank will only have 4 or 5 percent ethanol. The loss of 4 or 5 percent ethanol will have lowered the octane of the “regular” gasoline by .8 to 1 octane. The 87 octane “regular” is now 86 octane gasoline.

In the scenario above, along with getting a fine for water in the gasoline, the firm received a fine for selling gasoline that was less than the posted octane. The retailer was fined a total of $1,500 for both a water and octane violation. In order to avoid a second fine for selling gasoline with a lower than posted octane rating, the MDARD recommends removing or “pumping out” the gasoline that is left after the water/ethanol mixture has been removed from the storage tank.

The best way to avoid receiving a fine for having water in your gasoline or for selling a gasoline that has substandard octane is to keep the water out of the storage tank.

The MDARD recommends the following simple steps to help motor fuel retailers avoid fines related to water in their storage tanks:

1. Make sure your electronic tank monitoring equipment is operating properly. You can verify that your electronic equipment is working properly by spot checking your storage tanks for water once or twice a week with a water detection paste (Sargel, Gasoila, Kolor Kut; etc.). If you detect any water it is very important that you have the water removed as soon as possible.

2. Ensure the rubber gaskets and locking caps to your underground storage tanks are in good shape and fully functional. MDARD field inspectors have observed broken caps and missing gaskets to be the cause of water getting into storage tanks on many occasions.

3. Closely monitor your storage tank water levels during periods of high rainfall or snowmelt. MDARD inspectors often observe violative levels of water in storage tanks during the spring thaw.

Questions may be directed to the Motor Fuels Quality Program at (517) 655-8202.
Commercial Activity Tax & Petroleum Activity Tax: New CAT Exclusion and Replacement Tax

Ohio petroleum retailers must remember that the Petroleum Activity Tax goes into effect July 1, 2014, at which time your retail sales of motor fuel can be deducted from your total quarterly gross sales before calculating the Commercial Activity Tax, which is applicable to your sales other than motor fuel. In the meantime the Commercial Activity Tax still applies to your total gross sales (less approved deductions for taxes) for the first half of 2014. Visit www.tax.ohio.gov/PretroleumActivityTax.aspx for more information about the PATax.

The purpose of this information release is to provide guidance following the recent legislative change in Am. Sub. H.B. 59 of the 130th General Assembly, which impacts receipts from the sale and other disposition of motor fuel for purposes of the commercial activity tax (CAT) and the petroleum activity tax (PAT).

CAT EXCLUSION
Beginning on July 1, 2014, receipts from the sale, transfer, exchange, or other disposition of motor fuel will be excluded from the definition of gross receipts for purposes of the CAT. At that time, suppliers of motor fuel will pay the replacement PAT, which is a gross receipts tax modeled after the CAT, measured by a supplier’s gross receipts from the sale, exchange, or other disposition of motor fuel in this state.

PAT – IN GENERAL
Beginning on July 1, 2014, the PAT is levied on the supplier of motor fuel and measured by the supplier’s gross receipts from the first sale, transfer, exchange, or other disposition of motor fuel in Ohio to a point outside of the distribution system. The PAT is levied at a rate of 0.65%. Unlike the CAT, there is no annual minimum tax (AMT), nor is there an exclusion corresponding to that AMT.

WHO IS DEFINED AS A SUPPLIER (I.E., TAXPAYER)?
The PAT is imposed on the “supplier”. A “supplier” of motor fuel is any person that meets one of the following requirements:

- Sells, transfers, or otherwise distributes motor fuel from a terminal or refinery rack to a location in this state and that point is outside of a distribution system; or
- Imports or causes the importation of motor fuel for sale, exchange, transfer, or other distribution by the person to location in this state and that point is outside of a distribution system.

Example: An Ohio licensed motor fuel dealer obtains motor fuel in a bulk lot vehicle from a motor fuel dealer in Indiana and transports the fuel to its customers in Northwest Ohio. The dealer is a supplier because the dealer imported motor fuel into Ohio for sale to a point outside of the distribution system.

WHAT IS MOTOR FUEL?
Motor fuel has the same meaning as that in Chapter 5735 of the Revised Code (R.C.). “Motor fuel” means gasoline, diesel fuel, K-1 kerosene, or any other liquid motor fuel, including, but not limited to, liquid petroleum gas or liquid natural gas, but excluding substances prepackaged and sold in containers of five gallons or less. See R.C. 5736.01 referencing R.C. 5735.01.

WHAT IS THE DISTRIBUTION SYSTEM?
The distribution system is the bulk transfer or terminal system for the distribution of motor fuel. The distribution system consists of refineries, pipelines, marine vessels (i.e., barges), and terminals. The distribution system does not include ground transportation, such as tank cars, rail cars, trailers, or trucks.

WHAT ARE GROSS RECEIPTS?
Gross receipts are broadly defined in R.C. 5736.01(E), as “the total amount realized by a person, without deduction for the cost of goods sold or other expenses incurred, from the first sale of...
motor fuel” within Ohio. However, there are four exclusions from the definition of gross receipts.

**EXPORTS**

Any fuel sold by a supplier to a point outside of Ohio is not included in the supplier’s tax base for purposes of the PAT.

**Example:** An Ohio licensed motor fuel dealer purchases motor fuel from a supplier at a terminal. The terminal dispenses the motor fuel into a bulk lot vehicle. The motor fuel dealer then takes the product to Indiana for delivery to a retail customer. The dealer can show on the bill of lading that the product was delivered to a location outside of Ohio (i.e., Indiana). As such, the supplier may exclude the receipts from that sale from the supplier’s gross receipts pursuant to R.C. 5736.01(E)(1).

**FEDERAL AND STATE EXCISE TAXES**

Current Excise Tax Rates for Motor Fuel (per gallon)

- Motor Fuel – Gasoline $0.184 $0.28
- Motor Fuel – Other than Gasoline $0.244 $0.28

**LICENSING**

All suppliers that will be subject to the PAT as of July 1, 2014 must apply for a license with the Tax Commissioner on or before March 1, 2014. A new supplier should obtain a license within thirty days of engaging in the distribution or importation of motor fuel into Ohio for consumption. All suppliers are required to renew their licenses each year on or before March 1. The following license fees apply to suppliers:

- Applicant that solely imports or causes the importation of motor fuel for sale, exchange, or transfer in this state $300
- Applicant that sells, transfers, exchanges, or otherwise disposes of motor fuel to a point outside of the distribution system $1,000
- Applicant that operates as both an importer and a distributor of fuel for purposes of the PAT $1,000

**DUE DATES FOR QUARTERLY RETURNS**

- 1st Quarter: January 1 – March 31
- 2nd Quarter: April 1 – June 30
- 3rd Quarter: July 1 – September 30
- 4th Quarter: October 1 – December 31

Each supplier is required to file a quarterly return electronically on the tenth day of May, August, November, and February.

A supplier will be required to identify on its return those receipts attributable to motor fuel used for propelling vehicles on public highways, railways, and waterways compared with all other receipts. The bifurcation is necessary to ensure proper distribution of revenue from the tax.

**PENALTIES**

- Only one license fee applies to each supplier, so in the event an applicant qualifies as both an importer and a distributor, the licensing fee is $1,000, total.
- The Department will work through the Joint Committee on Agency Rule Review (JCARR) to mandate the electronic filing and payment of the PAT.

**REFUNDS**

A refund may only be requested by a taxpayer for the amount of PAT that was overpaid, paid illegally or erroneously, or paid on any illegal or erroneous assessment. Since the PAT is imposed on the supplier and not the supplier’s customer, unlike the motor fuel tax, there is no provision for a non-taxpayer to request a refund of the tax paid.

**Example:** A supplier sold motor fuel to an Ohio-licensed motor fuel dealer at a terminal point in Northeast Ohio. The motor fuel dealer picked up the fuel and, pursuant to shipping documents, was going to transport the fuel to Youngstown, OH. However, once the fuel was picked up from the terminal, it was diverted to Sharon, PA. The supplier originally reported this amount as a gross receipt for purposes of the PAT. The supplier may request a refund of the amount of PAT paid on this sale.

However, the supplier must be able to document the diversion in order to request a refund.

**Example:** A supplier sold motor fuel to an Ohio-licensed motor fuel dealer for highway use. Ultimately, the retail dealer sells the fuel to a farmer for off-road usage. Since the same rate applies for both fuel used to propel vehicles on public highways, waterways, and railways as fuel that is not, there is no avenue for refund for receipts attributable to that sale of fuel.

Please contact the CAT Division at 1-888-722-8829 with questions regarding this release.
The WIC Program is required by USDA to contain costs wherever possible. This includes the requirement that vendors agree to maintain prices for WIC foods which are competitive as determined by the Department. As you know, the Michigan WIC program monitors prices being charged to the WIC program through the establishment and adjustment of maximum prices to be paid to vendors for each food item.

Based on a comprehensive state-wide price analysis, it has been determined that there are a number of food items where price levels are no longer considered competitive.

At this time, the focus is on infant formula. As part of a comprehensive review, the USDA looked at current wholesale prices charged to WIC authorized vendors throughout the state for each of the infant formulas listed below. Based on the average wholesale price of approximately $15.00 per can, USDA has determined that a maximum price adjustment for these products is required to return the prices of these products to competitive levels.

**THIS PRICE ADJUSTMENT WILL BE EFFECTIVE ON OR ABOUT MAY 1, 2014:**

- 12.5 oz can of Enfamil Premium powder
- 12.4 oz can of Enfamil Gentlease powder
- 12.9 oz can Prosobee powder

USDA will be sending notices to all WIC vendors statewide informing them of this action. In an effort to maintain all WIC Food items at competitive levels, and to ensure the WIC Program continues to meet its cost containment mandate, USDA may be adjusting the maximum price paid for other products in the future. Vendors will be notified well in advance of any future adjustments.

The USDA has released the new WIC Final Food Package Rule which includes a mandatory cash value benefit (CVB) increase for children, from $6 to $8 per month. This CVB increase will be implemented by the WIC Program on May 5, 2014, for children only.

On this date and thereafter, WIC vendors may notice the increase in available fresh produce CVB dollars when performing a WIC transaction. Other than this $2 increase, everything else should be business as usual. Vendors should process WIC fresh fruits and vegetables transactions as they normally would once the children’s CVB increase takes effect on May 5th.
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AFPD members receive a 10% quarterly rebate on all UniFirst orders

PRODUCTS & SERVICES:

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Be sure to let him know you are an AFPD Member!

Members with questions call the AFPD office at 1-800-666-6233
Most people in the food business don’t have 20/20 vision when it comes to predicting the future, but they can clearly see some marketing trends.

Even though experts made predictions about the future of the food industry, the focus of the Western Michigan University (WMU) 49th Annual Food Marketing Conference was on trends, fads and statistics.

The event, the largest annual university-sponsored gathering of food industry professionals — and one of the largest in the country of any kind — attracted more than 600 industry professionals, students and educators to the Radisson Plaza Hotel & Suites in Kalamazoo.

One thing that will continue to change our relationship with food is technology. Smartphones, laptops and other mobile devices will help create a seamless relationship between people and food.

According to Dan O’Connor, president and chief executive officer of the Retail Network Group, the type of device doesn’t matter. “What I simply mean by that is you’ll have it your way,” he said. “You can get it (products) online, offline or somewhere in between on that spectrum.”

Speaking in Kalamazoo, O’Connor provided insight on what the food industry will look like in 2020. “If you want to do it (shop) on your device and pick it up at the store, that’s fine,” he said. “If you want to do it on your device and have me deliver it to you, that’s fine.”

O’Connor’s Retail Network Group is a retail growth and strategy firm that works with large-scale retailers, suppliers and brand owners in North America, Europe and Latin America.

Although many AFPD grocery stores like Heartland Market, Hiller’s and Busch’s offer ethnic food sections
in the stores, O’Connor predicts a diverse marketplace in the future.

Citing data on consumer buying and future trends, O’Connor said, “They (consumers) will have much greater choice as we move out to 2020.”

He said it will be tough for stores to satisfy the changing tastes of longtime customers as they work to understand and cater to first- and second-generation immigrants who want not only foods from their homelands, but also the same brands they got at home. He referenced both Asian and Hispanic markets, where growth is expected.

“Retailers are going to have better insights about the consumer,” he said. “The consumer is going to have greater interaction with that retailer. And, in that context, I think they build an ecosystem where they build greater confidence in one another.”

To build those relationships, he said stores have to go from having zero or a handful of customers who order online, to those who they see all the time. He said large operations such as Meijer may see online orders grow to tens of thousands each day.

This will be a challenge for many supermarkets because they don’t yet have the technological infrastructure for ordering online.

“That’s what they’re working on and for most of them, once they get it built, it will be too hard for them to maintain it,” said O’Connor. “They will have to jump on with someone else.”

While O’Connor talked trends, Carlos Gutierrez told food industry professionals, “don’t bet the farm” on fads. The former head of Kellogg Company and the 35th U.S. Secretary of Commerce returned back to Michigan after a decade.

“The key thing is: What is a fad and what is a trend?” he said. “And recognizing which one is which makes all the difference when you’re in this game.”

Gutierrez focused more on food regulations affecting the industry, such as regulations on salt, sugar and fats. He encouraged food marketers to be aggressive in providing information to consumers and to be cautious when making incremental changes to ingredients.

“The good thing about your industry is I don’t
nothing refreshes like a diet pepsi™
see anything leapfrogging you,” said Gutierrez, who now is a co-chairman at the Washington, D.C.-based Albright Stonebridge Group. “People have to eat, and they will continue to eat. It’s a matter of what they eat and competition within, but this industry is not going to go away.

“And the threat is not from this radical new invention where people no longer have to eat. The threat that I see today for the food industry is regulation.”

Gutierrez criticized regulation by the U.S. Food and Drug Administration and other movements to lower amounts of salt and sugar in products. He defended the use of genetically modified organisms (GMOs), because, as he said, they have contributed tremendously to society and worldwide hunger relief, and he called a ban on GMOs “a tragedy for the world.”

The regulation is an attack on the food industry, he declared.

“I heard a comment the other day that I hadn’t heard in my whole career,” said Gutierrez. “Someone used the term ‘Big Food.’ You know, like they talk about Big Oil, or big multinational corporations or Big Tobacco. Big Food? It’s amazing. I mean, all of the sudden, it’s as though this incredible industry that has provided some of the most helpful innovations is under that kind of vicious attack.”

He said that the food industry has to fight government efforts here and abroad to ban foods that are part of our everyday diet and fight efforts to overregulate the industry.

“You need to defend your brands, your businesses, your company, what you do, and have pride in the fact that we have in the United States probably the safest and best food-value chain in the world,” said Gutierrez. “And don’t let anybody convince you of any different than that.”

Meijer Inc. president J.K. Symancyk also spoke at the conference, explaining that embracing new technology is essential in food marketing, but understanding people is the larger key to success.

“All technology without any psychology is not going to take you that far, so make sure you’re really taking the time to understand behavior,” he said.

Symancyk agrees that there is a great advantage to embracing technology, but the difference between success and failure in the world of food producers, brokers and retailers generally have little to do with technology, he said. It has been more about understanding human behavior. “Understanding people’s behavior is a heck of a lot more important than understanding what the latest and greatest technology is,” he said. “Take things that people actually do and figure out how to make them better through technology, and the sky’s the limit.”

In a presentation titled “Connecting with the Customer,” Symancyk closed out WMU’s two-day annual Food Marketing Conference by offering advice to food marketing students, as well as shared professional insights.

“I think that, at the end of the day, the thing I love about this business is it’s very democratic,” he said. “Taking care of customers [and] making good sound business decisions will take you a long way.”

Weaved in throughout the conference were WMU students in the food marketing program who introduced the speakers and panelists. Many attendees took notice. “What I like about the conference is how it’s interconnected with the school, unlike most other conferences that I go to,” said Steve Kluting, chief strategy officer for Natural Choice Foods. “There’s not quite the youth element. Questions are being asked by students. It’s nice to have an entirely fresh set of eyes and people who are eager.”

The conference also had many breakout sessions, including: creating a positive shopping experience; using real time marketing to drive real business results; how culture shifts and brands are driving evolution of food marketing; lessons from team work; future purchases of customers; marketing to the millennials; how America eats; economic recovery; e-commerce and “the why behind the buy.”

“We had solid content for every breakout, and our main four speakers were second to none,” said Frank Gambino, professor of marketing and director of Food & Consumer Package Goods at WMU. “When you go to industry conferences, I don’t think you always get the kind of content you’re getting here. It was a coup to get the Secretary of Commerce. That was an add-on and it kind of messed our schedule up a little bit, but it’s a nice problem to have — when you get the Secretary of Commerce and you can add that to a program that was already really strong. But I really think we have a very solid speaker program.”
How Are You Planning for 2020 and/or How Should People in the Food Industry Plan for 2020?

“I think the recognition for looking today forward is that people have to get comfortable with the old 80/20 rule; 80 percent of your revenue, on average, comes from a very finite group of category and/or brand purchasers. As a result of losing sight of that on a day-to-day basis, we don’t put our messaging or our creative or promotion efforts against that group because of the brand management behavior of, “I always want to do something better, faster, quicker, different; I want to conquer the world.” It dilutes the focus because we’re always trying to be a hero. If you put your focus on ... purchasers of your category and procure your brand, you’re going to get a much more definitive extra retail sales outcome.”

JOHN STERMER
EXECUTIVE VICE PRESIDENT
BUSINESS DEVELOPMENT
NIELSEN CATALINA SOLUTIONS

“There are a couple things that are big trends. One is the era of storytelling will evolve to an era of story living, which is going to be about what your brand does, not just what it says. We’re going to move from an era where creative excellence was dominant to an era where content excellence is dominant. That will drive what happens in a great way for the best brands of tomorrow.”

JEFF FROMM
AUTHOR AND EXECUTIVE VICE PRESIDENT
BARKLEY ADVERTISING

“2020 would be too far out for me to try to guess on. We’re basically in the commodity food business. Theoretically, we’d be doing the same thing we’re doing with changing containers, trying to get more customers. As far as Burnette Foods and profitability and overall growth, it would be going into new products when they were presented. That’s maybe not even in food business, but just taking the opportunities as they come along, and keeping our company in the position to be able to afford to do that.”

ERIC ROCKAFELLOW
BURNETTE FOODS, INC.

“I think we’re trying to do a number of things. First, build a number of stores. We’ve put our first retail store up in October. I don’t think we have a 2020 plan but by 2016, we expect to have five stores in west Michigan, probably most in the metro Grand Rapids area. That will drive our core business – which is the wholesale business, because it will allow us to achieve more margin, which will allow us to be more competitive when bidding for product, which will allow us to have better product, more product and more product variety. It will allow us to be more amenable to our vendors, which is a really big piece of our business – making sure we’ve got great vendors and a broad vendor base. Our vendors are awfully concerned about where their product goes, so if we have a strong retail chain that we control, they look very favorably on that because they want to make sure that their product doesn’t end up where it’s not supposed to. If we could tell them, “It’s going to end up in our five stores, or 10 stores, or 20 stores,” that goes a long way with them, and allows us to retain our vendors and attract new ones.”

STEVE KLUTING
CHIEF STRATEGY OFFICER
NATURAL CHOICE FOODS

“I’m not sure if we’ve started looking at 2020 yet. You know, we’re obviously always looking for how we [can] improve, and we’re always looking for feedback from the people who attend this conference. We want to make sure we’re delivering a quality program to them. Our advisory board is made up of some of the best minds in the industry; they’re the ones who help us drive the agenda for this conference going forward, so each year it’s taking a look at where we need to be [in order] to be on the cutting edge.”

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A Mini Mart’s Careful Crafting

BY OMAR BINNO

Basil Konja, 36, has owned the Easy Pick Mini Mart in Brownstown since 2004. A small convenience store, Easy Pick Mini Mart is unique in that it offers craft beer to its customers.

“I bought the store a few years ago,” said Konja. “It’s been around for about 20 years, though.”

What, exactly, is craft beer? Konja explains: “When trying to define craft beer, each beer lover has a unique interpretation and story of discovery to share. To make a true craft beer definition even more difficult, each individual beer brand is one of a kind.

“However, our parent organization, the Brewers Association, does define an American craft brewer. This definition allows the organization to provide statistics on the growing craft brewery segment, which makes up the majority of all breweries in the U.S.”

Although the store doesn’t carry groceries, it does provide the same goods as a party store, with one unique exception.

“We have over 500 different types of beer,” said Konja. “Not only is our beer selection diverse, but we also support many of the local breweries and wineries here in Michigan. I’m not shy about ordering new products, and we carry a full line of all kinds of beer.”

Despite a busy schedule, Konja stays heavily involved in the community of Brownstown. “I get involved in whatever I can here,” he said. “I support different events and fundraisers that are held here in the city.”

Aside from the large selection of beer the store carries, Easy Pick Mini Mart obtained its liquor license this year, as well. “We got the license in February,” said Konja. “We can now offer liquor to our customers, as well as our diverse beer selection.”

Konja is the sole owner of Easy Pick, but his brother-in-law and two other cashiers assist him with running the store.

“It’s the first business that I’ve owned,” explained Konja. “I’ve been in the store business since I was 14. Before I bought this store, I worked for my uncle for many years.”

After two years of owning Easy Pick, Konja decided to join AFPD. “I’d heard a lot of great things about them and decided that I wanted to get involved,” he said. “I’m glad I did, and I plan on continuing to support them.”

Konja says AFPD and its many programs have helped him out tremendously.

“I think the AFPD is an excellent organization,” he said. “They’ve not only helped me through their programs, but they’ve also helped me with some legal issues. These are just some of the reasons why I’ll continue supporting them.”

Omar Binno is a writer for Denha Media & Communications.
Years of planning and struggle are about to pay big dividends for the three African immigrants who own the Cleveland and Morse Shell station in Columbus, Ohio.

Brothers Eirmyas, Abraham and Dawit Tesfamariam, who came to the United States from Eritrea in 1995, battled through several challenges to keep their business operating through the Great Recession, but their efforts soon will bear fruits as they open a massively renovated 5,500-square-foot store.

The trio went into business together when they bought the service station from a Shell dealer in 2005. Almost immediately, the Tesfamariams faced a number of legal challenges that almost knocked them out of business. The problems, coupled with the sluggish economy, nearly forced them to abandon the business. However, their patience has paid off.

Eirmyas Tesfamariam credited People’s Bank and the law firm of Rinehart and Rishel for providing key assistance to the business in its times of troubles. He also lauded the AFPD for offering essential help.

“The AFPD was very helpful to us with everything going on with the city and bank. We benefited a lot from them,” Tesfamariam said.

“They have helped us out in a lot of ways. We use the coupons a lot, and we use the insurance, which is perfect. We had no problem recovering funds because of the insurance.”

Once Tesfamariam and his brothers received approval for the project, they quickly made plans to proceed with the renovations. The refurbished Shell station will have almost twice as many gas pumps as the original site, and Tesfamariam said the new facility also will boast more amenities to serve customers.

“Currently, we have an 850-square-foot store with six coolers in the kitchen,” he said. “With the renovation, we will increase to 5,500 square feet with 31 coolers. We’ll have a full-line tobacco shop, a cell phone store, a grocery area and a sit-down diner that will specialize in pizza.”

Cleveland and Morse Shell also will have a new name and identity when the work is completed: Blue Whale. Tesfamariam said the brothers chose the name as a metaphor for the struggles they’ve endured and the further expansions they plan for their business.

“We’ve been bumped and run by all kinds of sharks in business,” Tesfamariam said. “The blue whale is peaceful. I love their strength, and I love how big they are. We want to be big in business, staying very peaceful and true to ourselves and our business.”

Tommy Franz is a writer for Denha Media & Communications.
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He spent most of his life in the grocery business, but today Larry Harding is spending most of his time sorting through decades of memorabilia.

Harding started in the grocery business at 10 years old. In the mid-'70s, he retired from the business after putting in 20 years, but he didn't retire from the industry. “I still stay pretty close to the grocery business … I’m still on the board here at Western,” said Harding, from the 49th Annual Food Marketing Conference at Western Michigan University, held last month. In a traditional way, Harding learned about the grocery business from his father, who started with a single store, which he then grew into a chain. “My dad started in 1944, after 20 years with Kroger, with the first store,” he explained. “The stores came one or two a year for quite a while. Adding that many stores over the years can add up quickly and, in a blink of an eye, you realize the thumbprint you have on a region.

“As you fast forward to 1969, which was a watershed year in some ways, we had 46 stores in Michigan,” he continued. “Three were in Indiana, but the rest were all in seven counties in southwest Michigan. There were 35 different business entities, corporations and partnerships.”

Harding is still as active as he was all those years ago, as he once again attended the Food Marketing Conference. “I’ve been to a lot of the conferences,” he said. “We’ve had 49 of them and I’ve been to about 45.”

These days, Harding works for the banking industry in Kalamazoo, which helps him maintain an active lifestyle. “I’m working as a bank courier to keep busy,” he said. “I work every other day, five days a week — three days one week, two days the next. I just chase around between the bank branches with customer pick-up; mostly checks and paperwork that goes through title companies, mortgage companies, attorneys and appraisers.”

When not on the road, Harding is at work on a personal project. “I have a 1,500-square-foot office/warehouse full of stuff,” he explained. “I have about 400 boxes of things from a half-dozen businesses that I’ve been involved in.”

Collecting isn’t just a recent hobby for Harding; it’s something he’s done for most of his life dating back to when he was in college. “One box is all the 'The State News newspapers from my first year in college,'” he said. “Some year, I might give it to them (Michigan State).”

Like most collectors, when Harding goes through his collection, he finds things that he’s forgotten about. “I found six boxes full of old car brochures from the ‘40s and ‘50s — the ones that the dealers give out,” he said. A lot of the items Harding has collected are simply sentimental in value, while others have proven worthy of keeping all these years. “I have sold a few things, but most of it is not saleable stuff,” he noted.

Keeping busy isn’t a problem for Harding; it’s actually the direct opposite. Between his part-time work, staying on top of the grocery industry and his warehouse full of goods, he struggles to find time to engage in one of his true passions. “I’m a model railroad nut and I got all my stuff in boxes waiting for a day when I can get them out and work with them,” he said.

Harding has three sons and three grandchildren that keep him active, as well. He lost his wife of nearly 50 years last year, but has more than a lifetime of memories to remember her by. His wife was also a collector and the two of them kept each other going over the years. “We had two savers that lived together for 50 years; that’s why I have a lot of things,” he explained.

Kris Harris is a writer for Denha Media & Communications.
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For nearly 13 years, Tamar Lutz has become increasingly integral to creating the face of AFPD. Currently the multimedia and communications specialist for AFPD, Lutz is responsible for designing graphics and visual communications projects that make AFPD visible to the public.

Lutz began her career with AFPD as an 18-year-old while working for her aunt’s public relations firm, which had AFPD as a client. Quickly after beginning work with the association, Lutz was brought into AFPD’s offices to work directly with the association. When the contract between her aunt’s firm and the association ended in 2009, AFPD employed Lutz, who had just graduated from the University of Michigan-Flint, to expand her role within the association.

Lutz held several different positions in the association prior to her present one, including administrative assistant and event coordinator, and she is very proud of the work she has been able to accomplish recently in amplifying the association’s visibility.

“My designs and my artwork are what people see as part of the association,” she said. “All of our banners, event flyers, the magazine, our weekly newsletter and the website — I am the “go-to” person for creating all of those.

Sometimes, we have a need for a bigger publisher or creator from there, when the new logo was designed for example, but at least we have the ability and capability here on staff to put our design concepts on paper visually … so I am very proud of that, that I am able to provide that kind of service here.”

Although Lutz emphasized that consistency in her work is crucial to people recognizing the association, she has also enjoyed working on projects that change design annually.

“The biggest thing right now that I am especially proud of is the new resource guide,” she explained. “We went from a huge tabloid style design to a very small, spiral-bound, more pocket-sized booklet … we’ve had the best compliments about it, and it has made me feel really accomplished that I created and designed this.

“Our scholarship booklet, which is something we publish once a year for our scholarship event, has a new design every year; it includes the photos and biographies of all of our selected winners, so that’s new and unique every year, and it’s new and unique from the time we started doing it five years ago.”

Prior to initially working with the association, Lutz did not have any relationship with AFPD, so she has learned a wealth of information about local business owners and their work. Lutz has seen a lot change within the association in her 13 years and a large portion of that change is attributed to current AFPD President Auday Arabo. “I have to give credit to Auday. I have now worked under four different presidents and before Auday, every year we did the same events; we offered the same programs. Once Auday came in we offered new events, we offered so many more programs and I really have to give him credit for getting us out there and more involved in the community, and I am grateful to have been a part of that, to have been a part of witnessing the growth of this company,” Lutz explains.

Lutz also pointed to the close-knit atmosphere as another reason for the growth of the association.

“I feel like a family here. I have witnessed us grow immensely over the last 13 years, Lutz said. “With as many critiques as we get from our members I almost wish that I could show people how small we were back then and how much larger we are now, and how much we have really grown into a community and a family. We really are much more involved now with our members, and we really do work hard for our members.”

Tommy Franz is a writer for Denha Media & Communications.
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All liquor licenses expire on April 30th of each year and new licenses are to be displayed on the licensed premises by May 1st in order to continue to sell or serve alcoholic beverages and be in compliance with Section 501 of the Liquor Control Code and Rule 436.1107. The completed and signed original license renewal form and the required license fee should have been received by the MLCC before April 15th to ensure that the renewed license is received by May 1st. If the license is not renewed on time, it will be terminated.

CONSEQUENCES OF NOT RENEWING ON TIME CONSIST OF:

- the inability to purchase spirits;
- the inability to sell or serve alcohol;
- notification to MLCC enforcement staff and local law enforcement agencies of the non-renewed licensees will be sent;
- Selling alcohol without a license exposes you to significant legal liability, especially if you make an illegal sale, or if a sale results with a dram shop incident.

We have a great staff that is here to help and answer any questions. There’s no reason not to renew on time!

For more information about the MLCC, please visit www.michigan.gov/lcc. Follow us on Twitter at www.twitter.com/MILiquorControl or “Like” us on Facebook at www.facebook.com/mliquorcontrol.

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How do Michigan’s Current Food Establishment Fees Compare?

The Michigan Department of Agriculture and Rural Development’s (MDARD) three year plan to improve our food and dairy safety system focuses on adding 20 staff positions and improving technology to enhance customer service and increase the number of food establishments that have no significant violations during a routine evaluation. We are experiencing an increased demand for compliance assistance to start or expand food and dairy businesses as our economy is growing again; and MDARD has a lack of resources within the Food and Dairy Division to maintain adequate food safety evaluation levels.

To maintain our food safety resources for the retail and processing industry segments at an adequate level, MDARD is seeking increased state general funding and is also looking to adjust industry fees for licensing and other services. Most fees last had a small increase in 2000. MDARD’s philosophy is that the food safety benefits both the food industry and Michigan consumers, so we look for a fair contribution by all.

MDARD provides food safety services for less than $1 a year per Michigan resident.

Average food establishment fees in other states, and among Michigan’s 45 local health departments, are two to five times higher than MDARD’s current fees and generally cover at least 50 percent of total costs. Local health departments in Michigan are delegated the inspection of schools, hospitals and restaurants and their fees are set by their local governing boards.

MDARD plans to form a workgroup to develop a fee proposal that will include the industry and regulatory groups representing the various segments of the food industry, including AFPD.

**TABLE 1: STATE AND NATIONAL FEE COMPARISON**

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>MDARD Current</th>
<th>2009 Other States Average / Range</th>
<th>2013 Local Health Department Average / Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail or Small Food Service Estab.</td>
<td>$67</td>
<td>$190 (35-800)</td>
<td>$375 (180-760)</td>
</tr>
<tr>
<td>Processor or Large Food Service Estab.</td>
<td>$172</td>
<td>$462 (35-2,571)</td>
<td>$588 (275-1,224)</td>
</tr>
<tr>
<td>Temporary License</td>
<td>$25</td>
<td>Not Available</td>
<td>$108 (54-250)</td>
</tr>
<tr>
<td>Percent of program supported by fees</td>
<td>28%</td>
<td>54%</td>
<td>50%</td>
</tr>
</tbody>
</table>

MDARD currently collects approximately $2.8 million in fees and estimates another $1.9 million in fee revenue is needed, resulting in fees supporting 35 percent of program costs.

**TABLE 2: MDARD FOOD SAFETY LICENSES AND SERVICES FEES PROPOSED TO BE CHANGED**

<table>
<thead>
<tr>
<th>Fee / License Type</th>
<th>Number</th>
<th>Current Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Food Establishment</td>
<td>13,599</td>
<td>$67</td>
</tr>
<tr>
<td>Extended Retail (Grocery with deli and seating)</td>
<td>1,056</td>
<td>$172</td>
</tr>
<tr>
<td>Temporary Food (Fairs)</td>
<td>986</td>
<td>$25</td>
</tr>
<tr>
<td>Special Transitory Food Unit (Professional Retail Temporary)</td>
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<td>$172</td>
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<td>Mobile Commissary</td>
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<td>$25</td>
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<tr>
<td>Annual License Late Fee</td>
<td>App. 950</td>
<td>$10-100</td>
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Savorfull fills the role of “Nutritional Matchmaker” by connecting businesses and organizations with a network of healthy, appetizing food options that are sustainably processed, locally sourced, and hand-selected to fit a myriad of dietary lifestyles. We are food brokers specializing in healthy, allergen friendly foods with one stop-shopping. Savorfull is a proud partner of Sherwood Food Distributors and The Quicken Loans Family of Companies.

Paleo Myths De-bunked

BY STACY GOLDBERG // SAVORFULL

You’ve probably heard of the Paleo diet by now. Unfortunately, if your only exposure to it has been through the popular media, it’s likely that much of what you’ve heard is incorrect. In this article, we will set the record straight by debunking four of the most common myths about Paleo.

OUR PALEOLITHIC ANCESTORS ALL DIED BEFORE THEY WERE 30

Critics of Paleo often proclaim: “Why should we emulate the diet of our ancestors when they all died before they were 30?” While it’s true that the lifespans of our Paleolithic forebears were shorter on average than our lifespans today, those averages don’t consider significant challenges those ancestors faced that are largely absent from our modern lives. These include high rates of infant mortality, tribal warfare and violence, exposure to the elements, and lack of emergency medical care. Studies show that when these challenges are taken into account, our ancestors (as well as contemporary hunter-gatherers) lived lifespans roughly equivalent to our own. But more important, they reached these ages without developing any of the chronic, inflammatory diseases like obesity, diabetes, heart disease or autoimmune disease that plague us today.

PALEO IS AN ALL-MEAT DIET

The mainstream media loves to portray the Paleo diet as a cartoon version of itself, complete with cavemen in loincloths eating huge hunks of meat. But if you look at the plate of a typical Paleo meal, you’ll see mostly (two-thirds or more) plants: a large serving of non-starchy vegetables (like broccoli, winter greens, salad, etc.), a serving of a starchy tuber like a sweet potato, perhaps some fruit or nuts/seeds, and then a serving of meat, fish or poultry. It’s even possible to follow a Paleo approach without eating meat at all. Many paleos eat only fish, shellfish, nuts, seeds and eggs as their protein sources.

PALEO IS A “FAD DIET”

If Paleo is a fad, it has to be the longest-running fad in history. The fact is, humans ate a Paleo diet for the vast majority of our evolutionary history. If we imagine this history as a football field, and you started walking from one end of the field to the other, you could walk for a full 99.5 yards and that would represent the period of time that humans lived as hunter-gatherers and consumed a Paleo diet.

It’s only in the last half-yard of that 100-yard field that humans developed agriculture and started eating grains, legumes, dairy and alcohol in significant quantities. And it’s only in the last few inches of that last half-yard that the industrial revolution occurred, and consumption of highly processed and refined foods like sugar, flour and industrial seed oils became commonplace. Yet today, over 70% of calories consumed by the average American come from these agricultural and industrial foods. If anything is a fad, it’s our modern diet!

In truth, Paleo is a nutrient-dense, plant-based, scientifically valid, time-tested, and safe approach to nutrition. Perhaps most important, it delivers fantastic results to those looking to lose weight, feel better, prevent and even reverse disease. This may explain why it was the most Googled diet in 2013, despite persistent—but misinformed—criticisms by the media and medical establishment. The results speak for themselves.

PALEO IS DANGEROUS BECAUSE OF ITS HIGH PROTEIN CONTENT

This criticism is based on the idea that high protein diets increase the risk of kidney problems, but you might be surprised to learn that the scientific evidence doesn’t support it. A study published in 2005 found no evidence that high protein diets (defined as greater than 0.7 grams of protein per pound of bodyweight each day) increase the risk of kidney disease in people without pre-existing kidney problems.

Additionally, the Paleo diet is not necessarily “high-protein.” It can range from low protein (about 10% of calories) to high protein (25% of calories) depending on individual needs. (As a reference, the average protein intake in the U.S. is 15% of calories.)
Busy Month in Ohio as Primaries Approach

The Ohio General Assembly recessed until after the May 6th primary elections. All five statewide offices, Governor, Attorney General, Auditor, Secretary of State, and Treasurer, are up this year as well as all 16 Congressional seats, three Ohio Supreme Court Seats, all 99 Ohio House Seats and 17 Ohio Senate Seats. Tea party candidates are challenging several incumbent Republican candidates that they believe are too liberal but it’s unlikely they will win any of the contested primaries. It’s also very unlikely that there will be any significant change in the current make-up in Ohio after the November elections. The Congressional delegation will most likely remain 12-4 Republican, the Ohio Senate 23-10 Republican, the Ohio House 60-39 Republican and all five statewide offices will likely remain Republican.

INDEPENDENT RETAILERS WEEK

The Ohio General Assembly has declared the first week in July, as “Independent Retailers Week” to honor the job creators and risk takers in America. It has always been the person willing to take a risk and put his livelihood on the line that has made the United States the great country it is today. When you buy a Ford motor car, think of Henry Ford who started a small auto manufacturing company. Sears, Penny’s, Standard Oil, McDonalds and many other companies were started by men with a dream and lived to see the dream fulfilled. Thanks to AFPD we are honoring the next group of Independent Retailers this July, so be proud and display a sign saying you are a strong Independent Retailer.

GOVERNOR’S MID BUDGET REVIEW BILL

As expected the Ohio House passed the Governor’s Mid Budget Review Bill (MBR) after removing all tax language and separating the bill into 9 separate bills. Any increase in the CAT or Sales Tax or Cigarette tax won’t occur, if at all, until after the November elections in a “lame duck” session. The “sin tax” increase in Cuyahoga County on tobacco and liquor is still slated for the May primary but passage seems unlikely. AFPD has been working with a coalition group opposing this increase. The lottery language AFPD is promoting to increase commissions on sales got caught up in the House’s determination not to do any bills dealing with funding. There may be a “stand alone” bill introduced later this year. AFPD is working with Ohio Council of Retail Merchants on this issue.

REGULATIONS IN THE TOWING INDUSTRY

For any AFPD member who is also in the towing business, there are two bills pending in the General Assembly, SB 274, dealing with tides and HB 382, establishing regulations on the industry. There is a slight chance these bills will move prior to summer recess.
PETROLEUM ACTIVITIES TAX COLLECTION
Marathon Oil has introduced legislation that would change the way the new PAT, Petroleum Activities Tax, would be collected. The Ohio Department of Taxation is not likely to support this proposal but in talks with Taxation, the bill sponsor, Senator Seitz and Marathon; even if the change were to pass it would not change the effective date of the bill which passed last year doing away with CAT on fuel effective July 1. The proposal would not impact AFPD members as it would still level the playing field for all, with the PATax being paid only once, at the terminal rack.

PASS THROUGH ENTITIES TAX CUT
In last year’s state budget there was a small business tax cut included that allows “pass through entities” to deduct 50% of their net business income up to the first $250,000. The Ohio Department of Taxation said that fewer than one-third of the taxpayers eligible for this cut actually claimed it as of last week’s tax filing deadline, but officials say many companies will likely file in the months to come. About 237,000 taxpayers claimed the 50% deduction for small business net income as of April 15, according to the Department of Taxation. However, the agency estimates there are a total of 717,000 businesses and investors eligible for the tax cut included in last year’s biennial budget.

AFPD members should check with their accountants to make sure they are eligible for this cut and if yes they take full advantage. The Department of Taxation says you can still get an extension to work on this if needed.

CAT SALES FOR ALL NON-FUEL SALES
Finally another reminder that last year the General Assembly in the budget bill included language that tiered CAT sales for all non-fuel sales. You should check with your accountant or contact AFPD on how this works.
Ohio Authorized Alcohol Source Requirements

Having a license to sell alcohol in Ohio is a privilege that comes with many responsibilities. One of those is to understand and comply with the regulations that deal with the three-tier system and what is an authorized source for products.

Ohio’s three-tier system has proven over the years to be a fair and effective way of controlling and providing for the safe, legal and responsible sale of alcoholic beverages. Retail permit holders who think they might save a few dollars by purchasing from an unauthorized source and fail to comply with all of Ohio’s liquor laws risk much more than they could ever save. It’s important for all permit holders to remember that going to an unauthorized source to find a better price is never the best deal for your business.

It is important for retail permit holders to pay close attention to what products you purchase and from whom you purchase them. We continue to see instances where on-premises retail permit holders are purchasing beer, wine and low-proof mixed beverage products from the Contract Liquor Agencies that service their spirituous liquor accounts. This practice is a violation of administrative rule for both the seller and buyer. It is also a violation of the Agency’s contract with the Division.

This simply means that retail permit holders can purchase wine for resale only from a licensed wholesale distributor or the holder of a B2A permit, and beer only from a licensed wholesale distributor or an A-1 or A-1-C permit holder. Low-proof mixed beverages can only be purchased from a licensed wholesale distributor. In addition, no retail permit holder authorized to sell spirituous liquor for on-premises consumption can purchase those products for resale from any source other than an Ohio wholesale Contract Liquor Agency (see Ohio Administrative Code section 4301-3-01). It is important to note that retail permit holders receive a six percent discount on wholesale purchases of spirituous liquor from Ohio wholesale Contract Liquor Agencies.

Another issue to be aware of is that retail permit holders cannot purchase items that they are not authorized to sell. Low-proof mixed beverages require the appropriate class of permit to sell wine. Many times this gets confused with the class of permit to sell spirituous liquor assuming that class covers low proof too. It does not. Also, flavored malt beverage coolers can only be sold with a class that authorizes beer products. Many people confuse these with mixed beverages since many of them contain a name of a spirituous manufacturer. They are beer products. Another confusing item is cider. While cider products under 6% alcohol by weight do not have a minimum markup assigned, it is a wine product and you must have the appropriate class to sell wine in order to sell cider.

The Division of Liquor Control prides itself on providing excellent customer service and being a resource for permit holders by clarifying various issues that affect the alcohol beverage industry, and help be in compliance to have the best opportunity to grow and create jobs.
The right health plan can protect your employees’ health and everything else you’ve worked so hard to achieve.

Find out what thousands of Michigan businesses already know. Contact the Associated Food and Petroleum Dealers at 248-671-9600.

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Employer Shared Responsibility Requirements for 2015 and Beyond – Additional Information on Safe Harbors

On February 10, the final regulations for the Employer Shared Responsibility provisions (also referred to as the “employer mandate”) under the Affordable Care Act were released by the Internal Revenue Service and Department of the Treasury.

These final regulations provide different types of safe harbors to employers in 2015, depending on the type of employer or plan offered. The triggers for the tax penalties also vary depending on the type and timing of the safe harbor option an employer may qualify for (and chooses to implement).

Key safe harbors for 2015 are outlined below:

**APPLICABLE LARGE EMPLOYERS WITH 50 TO 99 FULL-TIME EMPLOYEES MAY NOT BE SUBJECT TO THE EMPLOYER MANDATE REQUIREMENTS UNTIL 2016**

An applicable large employer is not subject to tax penalties for any calendar month in 2015 (and for the portion of the 2015 plan year that falls in 2016 if it has a non-calendar plan year) if it meets all three major requirements and certifies that it qualifies for this safe harbor:

- An applicable large employer has at least 50 and no more than 99 full-time equivalent employees during 2014 so that it meets the workforce size requirements.
- There are no reductions to an employer’s workforce size or overall hours of service between February 9, 2014 and December 31, 2014. However, reductions made due to “bona fide” business reasons are allowed. The regulations provide examples of “bona fide” reasons that include changes in the economic marketplace, sales of business divisions or other similar reasons.
- An applicable large employer must maintain the health coverage it previously offered between February 9, 2014 through December 31, 2015 (or on the last day of the 2015 plan year).

An employer will certify its eligibility requirements on designated IRS forms (1095-C for self-funded large employers and 1094-C for fully insured large employers) by January 31, 2016. These forms have not yet been issued by the IRS.

Applicable large employers with calendar or non-calendar plan years and new employers may qualify for this safe harbor.

**PERCENTAGE THRESHOLD TO OFFER COVERAGE IS 70 PERCENT FOR ALL APPLICABLE LARGE EMPLOYERS**

For all applicable large employers in 2015, including employers with 50 to 99 full-time equivalent employees that do not qualify for the safe harbor described earlier, the employer will be liable for tax penalties only if:

- The applicable large employer does not offer coverage to at least 70 percent of full-time employees and their dependents (unless the employer qualifies for the 2015 safe harbor for dependent coverage described later in this alert), and at least one of the full-time employees receives a premium tax credit to help pay for coverage on a Marketplace (Exchange), or

- The applicable large employer offers coverage to at least 70 percent of full-time employees and their dependents (unless the employer qualifies for the 2015 safe harbor for dependent coverage), but at least one full-time employee still receives a premium tax credit to help pay for coverage on a marketplace. This may occur because the employer did not offer coverage to that employee or because the coverage that was offered to that employee was either unaffordable to the employee or did not provide minimum value.

This percentage threshold only applies for 2015. The percentage of employees that must be offered coverage to limit employer mandate liability increases from 70 to 95 percent in 2016.

**CHANGE IN 2015 TAX PENALTY CALCULATION FOR EMPLOYERS WITH 100 OR MORE FULL-TIME EQUIVALENT EMPLOYEES**

An employer with 100 or more full time equivalent employees during 2014 is still subject to the tax penalty in 2015 for not offering health coverage to at least 70 percent (will increase to 95 percent in 2016) of its full-time employees.

**HEALTH CARE HELP**

continued on next page
and their dependents. This means a tax penalty will be assessed if the employer (a) does not provide health coverage at all, or (b) the employer does not offer coverage to at least 70 percent of its full-time employees and at least one full-time employee receives a premium tax credit on the Marketplace.

For 2015, this tax penalty calculation is different. The tax penalty will be calculated by subtracting 80 full-time employees (instead of 30):

- **2015**: Annual penalty calculation is $2,000 \times (number of full-time employees minus 80)
- **2016**: Annual penalty calculation is $2,000 \times (number of full-time employees minus 30)

This safe harbor is only available for each calendar month in 2015 (and for any months that fall in 2016 for a 2015 plan year). For example, a group with a July 1 plan year would be able to use the tax penalty calculation above for July 2015 through June 2016.

**APPLICABLE LARGE EMPLOYERS WITH NON-CALENDAR YEAR PLANS**

An applicable large employer may receive relief from tax penalties for any month prior to the first day of the 2015 plan year if it meets the following requirements:

1. Maintained a non-calendar plan year as of December 27, 2012 and not changed its plan year after this date to begin later.
2. Meets one of the following three tests:
   - Offers affordable coverage meeting minimum value requirements to its eligible employees (under the terms of the non-calendar plan as of February 9, 2014) by the first day of the 2015 plan year
   - Covered at least 25 percent of all employees on any date between February 10, 2013 through February 9, 2014, or offered coverage to at least 33 percent of all employees during the most recent open enrollment period ending before February 9, 2014
   - Covered at least 33 percent of its full-time employees as of any date between February 10, 2013 through February 9, 2014, or offered coverage to at least 50 percent of full-time employees during the most recent open enrollment period ending before February 9, 2014
3. Offers coverage to at least 70 percent of full-time employees and their dependents (unless the employer qualifies for the 2015 safe harbor for dependent coverage) as of the first day of the 2015 plan year.

Note that the relief does not apply to employees also eligible for or covered under a calendar year plan offered by the applicable large employer.

**DEPENDENT COVERAGE SAFE HARBOR**

Another safe harbor is available for applicable large employers with 2015 plan years where dependent coverage:

- Is not offered,
- Does not meet minimal essential coverage requirements, or
- Is offered to some, but not all, dependents

This applies to employers that take steps during 2015 (or the 2015 plan year) to extend coverage to dependents that were previously not offered coverage during the 2013 and/or 2014 plan years. This is not an option for employers that offered, but then dropped, dependent coverage during the 2013 and/or 2014 plan years.

Under the employer mandate a dependent is a biological and/or adopted child of an employee who has not reached age 26. This excludes foster children and stepchildren (only for the employer mandate). It also excludes an employee’s spouse being considered as a dependent.

**POINTS FOR CLARIFICATION**

The employer shared responsibility provision does not apply to employers with less than 50 full-time equivalent employees.

Employers affected by the employer mandate are encouraged to seek their own legal counsel as each employer’s situation will be unique to the type of safe harbor that an employer may qualify for.

The information provided here is based on BCBSM’s review of the national health care reform legislation and is not intended to impart legal advice. Interpretations of the reform legislation vary, and efforts will be made to present and update accurate information. This overview is intended as an educational tool only and does not replace a more rigorous review of the law’s applicability to individual circumstances and attendant legal counsel and should not be relied upon as legal or compliance advice. Analysis is ongoing and additional guidance is also anticipated from the Department of Health and Human Services.
Listen Up! These Everyday Actions Could Harm Your Ears

BY A HEALTHIER MICHIGAN

You probably only think about your ears when something goes wrong—they don’t pop when you’re flying in an airplane, they start ringing after you see a concert or they begin to ache painfully one day. But they actually deserve a little more of your attention. That’s because the way you treat them on a daily basis can have a huge impact on how healthy they stay and how well you’ll be able to hear down the road. Read on for three mistakes you might be making:

USING COTTON SWABS FOR A DEEP CLEAN
They seem harmless, but close to 7,000 people have to go to the hospital every year due to cotton-swab-related injuries. If ear wax makes it all the way to the outside of your ear, you should obviously clean it up, but there’s no need to go digging deep for the stuff. Ear wax actually has antifungal and antibacterial properties, meaning it can protect your ear from infections. If it does get to be too much (causing pain or hearing loss), you should go see a doctor. The wax can get removed professionally, often by using gentle water to wash out the excess build-up.

POPPING IN EARBUDS
Ever since there’s been music, experts have warned that listening to tunes too loud can damage hearing. And these days they have even more reason to be concerned. Research has shown that the noise coming through your headphones can get as loud as a jet engine, damaging cells and harming your hearing permanently. And the most dangerous type of headphone are the in-ear earbuds. Experts suggest that you use ones that aren’t snug and that you don’t push them all the way into the ear canal.

LEAVING WATER IN YOUR EARS FOR TOO LONG
While swimming laps itself doesn’t do any damage to your ears, accidentally leaving water in your ear afterwards can lead to swimmer’s ear, an infection that can be pretty painful. That’s because the water makes your outer ear canal nice and moist—a perfect environment for bacteria to grow in. To treat swimmer’s ear, you’ll need to see your doctor and get prescription antibiotic eardrops. And in the future, make sure you dry your ears out thoroughly every time you swim (tip your head to each side to let the liquid drain out and wipe clean with a towel).

Drunk Driving Fatalities - National Statistics

According to the National Highway Traffic Safety Administration (NHTSA) 33,561 people died in traffic crashes in 2012 in the United States (latest figures available), including an estimated 10,322 people who died in drunk driving crashes, accounting for 31% of all traffic deaths that year.

Since NHTSA began recording alcohol-related statistics in 1982, drunk driving fatalities have decreased 51% from 21,113 in 1982. Since the inception of The Foundation for Advancing Alcohol Responsibility and their national efforts to fight drunk driving, drunk driving fatalities have declined 35% from 15,827 in 1991.

In 2012, more than three people were killed in drunk driving fatalities for every 100,000 Americans. Between 1991, when the Foundation for Advancing Alcohol Responsibility was founded, and 2012, the rate of drunk driving fatalities per 100,000 population decreased 48% nationally. (Source: NHTSA/FARS and US Census Bureau, 2013)
2014 CareWorks Consultants Workers’ Compensation and Safety Seminars

CareWorks Consultants seminars will take place from 8:00 a.m. – 4:00 p.m. We will address the BWC transition to a prospective premium payment system impacting all Ohio employers, timelines, lowering claim costs, hearings, incentive programs, unemployment cost control strategies and safety requirements. These seminars fulfill the BWC group two-hour safety training requirement for policy year 2013 group-rated and group retrospective employers with a claim in 2012. There is a $40 fee to attend. Continental breakfast and lunch will be provided. Claims administrators, safety coordinators, financial officers, payroll and human resource administrators, and supervisors are encouraged to attend.

Locations

June 23 – Cincinnati/Dayton
Elements Event Centre
11974 Lebanon Rd.
Cincinnati, OH 45241

June 24 – Cleveland
Holiday Inn Independence
6001 Rockside Rd.
Independence, OH 44131

June 25 – Canton
Courtyard Marriott
4375 Metro Circle NW
North Canton, OH 44720

June 26 – Toledo
Hilton Garden Inn
6165 Levis Commons Blvd.
Perrysburg, OH 43551

June 27 – Columbus
Quest Business Center
8405 Pulsar Place
Columbus, OH 43240

Registration

To register, please mail, fax or e-mail the following information to Sarah Crouthamel:
Fax: 614.210.5840  Office: 800.837.3200, ext. 7245  Email: sarah.crouthamel@ccitpa.com
Mail: 5500 Glendon Court, Dublin, OH 43016

Limited seating available. No refunds for cancellations without minimum seven-day notice. Please arrive 15 minutes early.

Attendees: ________________________________
Company Name: ____________________________ Email: ________________________________
BWC Policy Number: ________________________ Phone Number: __________________________
Date and Location of seminar attending: ________________________________

You may pay your CareWorks Consultants’ Seminar fee by check or completing the credit card portion of this form. We accept most major credit cards.
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AMR - Association Management Resources ........................................ (734) 971-0000
Food Marketing Institute ............... (202) 220-0600
Grocery Manufacturers Association .... (202) 639-5900
International Food Service Distributors Association ..................................... (703) 532-9400
Local Business Network ................. (248) 620-6320
National Association of Convenience Stores (NACS) .................................... (703) 684-3600
National Grocers Association ........... (202) 624-5300
Neighborhood Market Association ...... (619) 664-8485
Turkish Resource Center of North America .................................................... (248) 885-2277
Western Michigan University Food Marketing Program ................................ (269) 3887-2132

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Citizens Bank ...................... (248) 293-3036
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Eastown Distributors ................ (313) 867-6900
Frankenmuth Brewery ............... (989) 263-8300
Great Lakes Beverage Company ........ (313) 865-3900
Powers Distributing Company .... (248) 393-3700

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Marcon/EW Williams & Co. .......... (614) 837-7928
Old Bear & Associates ............... (513) 403-9911
Shimoun, Yaldo, Kashath & Associates, PC .............................................. (248) 851-7900
UHY-MI ................................ (248) 355-1040

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PUBLIC RELATIONS
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Denha Media Group .................... (248) 702-8687
Clear Rate Communications ........... (248) 556-4537
FirstMedia Group, Inc. ................. (248) 354-8705

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Metro Mobile Marketing LLC ....... (734) 697-6332
Mousetrap Group ..................... (248) 547-2800
SPI Innovation ........................ (810) 733-7460

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Taylor Freezer ........................ (734) 525-2535

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Frito-Lay, Inc. ......................... 1-800-359-5914
Kar’s Nut Products Company ....... (248) 588-1903
Motown Snacks ....................... (614) 931-3205
Nicks Chips ........................... (586) 619-7023
Snyder’s-Lance, Inc. ................ (614) 401-0258
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H.T. Hackney-Grand Rapids ........ (1-800) 874-5550
Martin Snyder Product Sales Company ........... (313) 272-4900
S. Abraham & Sons ................ (616) 453-6358
United Custom Distribution .......... (248) 356-7300

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Lipari Foods .......................... (586) 447-3500
Natural Choice Foods ................ (616) 822-4613
Weeks Food Corp. .............. (586) 727-3535
Wolverine Packing Company ....... (313) 259-7500

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Better Cost Savings ................. (914) 937-7171
Dillon Energy Services ............... (586) 541-0055
DTE Energy ........................ 1-800-477-4747
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Vantauera Energy Services ........... (616) 366-8535
Volunteer Energy .................... (734) 355-5350

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Detroit Store Fixtures ............... (313) 341-3255
Sitto Signs ......................... (248) 399-0111
Store Fixure Supercenter .......... (248) 399-2050

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Gleaners Community Food Bank ...... (313) 923-3535
Greater Lansing Food Bank .......... (517) 908-3690

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Kasapis Brothers/ Ram’s Horn Restaurants ........................................... (248) 350-3430
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Oscar W Larson Co. .............. (248) 620-0070

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Central Ohio Petroleum Marketers ........ (614) 889-1860
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Countwide Petroleum.. Citgo Petroleum ............................................ (440) 237-4448
G & T Sales & Service, Inc ........ (248) 701-6455
Gilligan Oil Co. of Columbus, Inc. ...... 1-800-355-9342
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Jerusalem Foods .................. (313) 846-1701
Kehe Distributors .................. 1-800-886-0700
Savowfull, LLC ..................... (313) 875-3733
SpartanNash ........................ (616) 878-2248
SuperValu ......................... (937) 374-7609
Value Wholesale Distributors .......... (248) 967-2900

support these AFPD supplier members

// AFPOnline.org // MAY 2014

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MAY 20-22, 2014
NCA SWEETS & SNACKS EXPO
The National Confectioners Association Sweets & Snacks Expo is the largest confectionery, cookie, and snack show in the Americas. The Expo features more than 550 companies showcasing thousands of confectionery and snack products in one place.
McCormick Place // Chicago, IL

JUNE 10-13, 2014
FMI CONNECT 2014 EVENT
FMI Connect is the new FMI show, redesigned to connect the industry and inspire the future of food retail like never before. FMI Connect will bring together 15,000 participants and 900 exhibitors from every channel of food retail to uncover solutions for the entire store and every aspect of the business.
McCormick Place South Hall // Chicago, IL

JUNE 23, 2014
AFPD FOUNDATION JOSEPH D. SARADA 6TH ANNUAL SCHOLARSHIP LUNCHEON
Each year the AFPD Foundation awards academic scholarships in the amount of $1,500 each to extraordinary and deserving students throughout the state of Michigan who are attending an accredited public college, private college, or university. Michigan scholarship recipients have an opportunity to meet and network with donors and contributors at this luncheon. Tickets and sponsorship opportunities available.
Detroit Institute of Arts // Detroit, MI

JULY 15-17, 2014
AFPD'S 38TH ANNUAL GOLF OPEN
Three dates to choose from! A day on the course includes breakfast, lunch, 18 holes of golf and samples at each stop along the way. Last year we sold out! Sponsorship opportunities are available.
Shenandoah Country Club // West Bloomfield, MI

JULY 24, 2014
AFPD/LIBERTY USA 9TH ANNUAL GOLF OUTING & SCHOLARSHIP DINNER
This outing is a social event where retailers, wholesalers, manufacturers and service providers all come together to have a little competitive fun. Our Ohio Golf Outing allows AFPD to provide scholarships to deserving students. Scholarship recipients have an opportunity to meet and network with sponsors and contributors at the dinner reception following the day on the course.
Weymouth Golf Club // Medina, OH
AFPD members receive a 10% discount!* (not including Workers’ Compensation)

The Conifer Insurance program offers AFPD members:
- Liquor Liability
- General Liability
- Commercial Package
- Michigan Workers Compensation

To sign up for this program, call AFPD at (800) 666-6233 or complete this form and fax or email back to (866) 601-9610 or info@AFPDonline.org

AFPD MEMBER ID#: __________
CONTACT NAME: __________________________ PHONE: __________________________
NAME OF STORE: ____________________________________________________________
STORE LOCATION: (If Multiple Locations attach Store List)
ADDRESS: __________________________ STATE: __________ ZIP: __________
CITY: __________________________ STATE: __________ ZIP: __________

* 10% discount subject to minimum premiums. Members with questions call the AFPD office at 1-800-666-6233
CONIFER INSURANCE COMPANY | 26300 NORTHWESTERN HWY, STE. 410 | SOUTHFIELD, MI 48076 | (866) 412-2424
Proud to Support Independent Grocers

The partnerships we’ve developed with our retail customers is the foundation of SpartanNash. Join our family of successful independent operators!

Our People
- Our highly experienced field sales teams become an extension of your team.
- Category managers stay on top of the ever-changing consumer tastes and emerging trends and share this information with you.
- Our 100+ support services help accelerate your sales.

Our Product
- We’re a one-source supplier for everything from fresh picked, local produce to the heat-and-eat family dinner.
- As one of the nation’s largest buyers, we pass along savings to you.
- Our thousands of quality private label products will help you increase sales.

Our Process
- Enjoy lower distribution costs due to the relative proximity of our door to yours.
- State-of-the-art technology improves efficiency and reduces errors providing faster and more affordable delivery.
- Our rigorous, protective processes focus on regulatory compliance and freshness.

Visit SpartanNash.com for more information or call our Great Lakes Region business development team:

Nick Wedberg 616-878-2197
Ed Callihan 330-440-5743
Roger Delemeester 989-245-0337