

BottomLine



THE VOICE OF INDEPENDENT RETAILERS // VOL. 26, NO. 6 // JUNE 2015

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BottomLine



THE VOICE OF INDEPENDENT RETAILERS
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features



SUPERMARKETS: STAYING COMPETITIVE

Every industry of business consistently changes as the years pass. Competition grows as customer retention and pricing becomes a big factor. Pertaining to the retail industry, this is the toughest feat for retailers to overcome. In the service industry (CPA, Attorney, Marketer, etc.), your success is dependent on how well you perform within your daily work life. With the manufacturing industry, your success relies on how well your product is created.



YEARS OF DEDICATED SERVICE IS HONORED WITH BELLANCA BOARDROOM DEDICATION

There are very few other ways to honor someone more than to name something after them; buildings, streets and landmarks help us remember those that have had an impact on our lives and our community. For AFD, it was the work and dedication of Peter and James "Jim" Bellanca Jr., general counsels, that made the decision easy when the association decided to name the boardroom in their honor.



COVER STORY //

KEEPING YOUR EYES ON THE COMPETITION

In 1997, Whole Foods Market Inc. set out to acquire the closely held Merchant of Vino for \$41.2 million in stock, expanding its natural-foods supermarkets into the Detroit area.



chairman's message

JOHN DENHA // AFPD CHAIRMAN

We Need to Hear From You

May was a great month for AFPD. We celebrated the Chairmanship of Pat LaVecchia with a dinner in Cleveland, Ohio with his family and friends. We brought back our Ohio events and they did well. The AFPD staff continues to do a great job for our members, but one thing we need from you is more communication. We need to hear from you!

There is no such thing as an issue too large or too small for AFPD. The staff will immediately let you know if they can help you or not. They deal with issues from SNAP benefits to WIC to vendor complaints and much more. I personally want to hear from you and that is why we have created a Chairman's email address: johndenha@AFPDonline.org. We want you to utilize it write to me; both good and bad, whatever you would like because we need to hear from you.

As good as the AFPD staff is in what they do, they are not mind readers. They do not always hear about everything that happens in your neighborhood, so fill them in and they may be able to help. We are also making plans to take our show on the road to hold town-hall meetings throughout Michigan and Ohio so we can hear from you in person. Will we always be able to solve an issue or satisfy your expectations? Probably not. But one thing I know for sure is the AFPD staff will do all they can to help, so it will not be due to a lack of effort.

On another note, as a multi-store SpartanNash grocer, I feel the competition around me from every corner, but AFPD has helped me see the new trends and opened my eyes to some opportunities. One thing I am closely looking into at my locations is the placement of a gas station so I can incentivize my grocery shoppers with gas. Everyone views their competition through different colored lenses. Some see dollar stores while other see big box stores and chains, while others see gas stations. One thing is clear and that is consolidation is occurring and will continue to expand, so you either need to get with the program or find your own special niche and excel in that area.

Case in point is one of our long time members, Hiller's Markets, was just purchased by Kroger. Sid Hiller, the founder, served on the AFD Board in the 1950's. About ten years ago, AFD merged with Great Lakes Petroleum & Allied Trades Association which put the "P" into AFPD, and gas stations at supermarkets under one umbrella became an interesting trend.

One thing is for sure, retailers of all shapes and sizes should never blame AFPD for picking sides between liquor stores or gas stations or supermarkets, because we do not pick winners and losers. We support ALL retailers in our industry and allow competition to drive innovation and market share. We continue to find more ways to service our members and are even looking into providing liquor tags to the members at a reduced price. If you have an idea, complaint, concern or compliment, please email me at johndenha@AFPDonline.org. God Bless! ■

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petroleum news & views

EDWARD WEGLARZ // AFPD DIRECTOR, PETROLEUM

Petroleum Retailing Issues can bog you Down

All businesses have compliance and legal issues that must be addressed, but the retail gasoline business comes with its own set of challenges. In addition to local health department and occupancy permit requirements, there are Federal and State regulations that must be in compliance.

The most visible issue and the issue that causes the most customer complaints is “weights and measures” compliance. Motorists often think if they “report” a retailer for “shorting” a gas sale, somehow that complaint will lower the price of gas. While the governing body will test retail gasoline dispensers for accuracy, it's important that you regularly have the dispensers tested by a certified calibration contractor to be sure you are in compliance. Pumps are mechanical, and they are just as likely to over-pump as under-pump. No retailer wants to shortchange the customer, but semi-annual calibrations of dispensers will keep you in compliance, and costly over-pumping issues will also be avoided.

Underground Storage Tanks (UST's), Tank Monitoring systems and leak detectors are other areas that could cost you money and unwittingly result in legal action against your business. You need to have a system and procedure in place that monitors inventory on a daily basis, and use it! A small leak in a tank or piping can cost you significant dollars, and pollute the ground, resulting in fines and legal action against your business.

Federally mandated Owner/Operator training requirements have been implemented in all states and are being vigorously enforced across the country as a result of the Energy Act of 2009. If you are properly maintaining your dispensers, UST's, and tank monitoring systems you are likely to be in compliance,

without additional expenditures. If you are deficient in any of these areas, now's the time to get up-to-date. Make sure you are in compliance with your Class “A”, “B”, & “C” training, testing, and certification. AFPD offers the UST training to help you pass the exam, and stay compliant. If you hired a contractor to perform the Class “A” and/or “B” responsibilities, verify that they are doing the job they agreed to perform.

Another obstacle facing many retailers, but a bigger issue for gasoline retailers, are “automatically renewing service contracts”. In the petroleum business we have more services than the average retail store, and more exposure to this challenge. DO NOT SIGN any contract that automatically renews and/or has a restrictive cancellation window. Many service contracts automatically renew at expiration for another defined period of time, unless you notify the supplier of your desire to terminate within a certain time frame window. Most of us are way too busy to remember to cancel unwanted or unneeded services within the cancellation window, and then the encounter with the supplier becomes messy. The solution is to delete any reference to automatic renewal, limited cancellation opportunities, and right of first refusal clauses in any contracts that you feel obligated to sign. Review any clause that locks you into a price but allows the provider to increase the price of the service. This is a one-way street to the advantage of the provider. A few of the services that you should be wary of when considering contract provisions are: phone providers, trash pickup, fuel suppliers, maintenance agreements, credit card processing agreements, landscaping, snow removal, alarm systems, equipment leases, employee uniform agreements, and “help desk” agreements.

In today's business climate every dollar is important. Every dollar you save goes right to your bottom line. And suppliers eager for your business are much more willing to negotiate terms and conditions of any agreement.

Now is the time to review your present contracts and agreements to determine the cancellation window and automatic renewal provisions so you don't get caught in an unfavorable renewal spiral. ■



Supermarkets: Staying Competitive

Every industry of business consistently changes as the years pass. Competition grows as customer retention and pricing becomes a big factor. Pertaining to the retail industry, this is the toughest feat for retailers to overcome. In the service industry (CPA, Attorney, Marketer, etc.), your success is dependent on how well you perform within your daily work life. With the manufacturing industry, your success relies on how well your product is created.

Unlike the service and manufacturing industry, retail depends on customer retention and how many door swings you get per day. The mindset of retailers is to get as many door swings and to sell as much product as possible. This mindset needs to change. Retailers need to adapt the success strategies of the services and manufacturers and roll that into their operations. Retailers need to revamp themselves and their stores to stay competitive. The mindset needs to be a combination of customer retention and staying up to date with the current market. The big name supermarkets are out-doing the independents in terms of capital, revenue, locations, etc. This is expected due to the power they have over vendors, ability to keep prices low, and substantial capital to build and customize their stores to their every want and need. Independent retailers in the supermarket industry need to look closely at what these big names are doing and copy their model for success. Some areas that big names excel in are:

CUSTOMER SERVICE

Retailers with exceptional customer service from the buggy boy to the deli counter are taking over the game by allowing their customers to feel comfortable while they shop with greetings and smiles that always keep them coming back.

LOYALTY PROGRAMS

Loyalty programs are a key to success in a lot of industries now. Kroger is a great example of this venture; the Kroger Plus Card keeps my family shopping at Kroger time and time again with automatic savings at the register and even the gas pump. Independent retailers need to start developing loyalty cards and programs and integrating those programs into their advertisements, price tags, and POS systems to retain the most amount of customers as possible.

CUSTOMER DATA

Along with loyalty programs comes customer data. Emails, addresses, and phone numbers allow the retailers to reach out to customers at any time in any fashion. With new advertisements and coupons, supermarkets will increase customer traffic and in turn create more revenue and profit. Data and analytics is a hot industry for the Millennial generation, as the older generations, such as Generation X and the Baby Boomer's, don't grasp the value of this kind of asset.

FOLLOWING THE TRENDS

Supermarket retailers need to adapt to the trends that grasp certain customers and retain their business. Items like organic selections, gluten free and non-GMO are specialty trends that portions of customers travel to specific locations for. Whole Foods, Plum Market, and Better Health Markets took that niche and created entire sub-companies with multiple locations out of these trends. The independent retailers should have adapted to the times and followed that trend with sections in their stores dedicated to those products and not allowing these sub-companies to survive.

It is time for independents to take charge and create a change within themselves and their locations to stay competitive, especially when competing against big box retailers within their area. ■

2015 OHIO EVENTS

AFPD's 2015 Ohio Events Recap

Executive Caterers at Landerhaven in Cleveland, Ohio was the first stop at AFPD's Ohio Events this year. Great food, vendors, and our AFPD members in Ohio were the key elements that made it a successful endeavor. Networking between our vendors and members is the best way to establish relationships, create more business opportunity for vendors, and pass along show special deals to the retailers. Our Ohio Buying Show took place on Tuesday May 19th, 2015 from 12:00 p.m. to 6:00 p.m. With exhibitors stepping it up a notch with displays, offers, and products, they were able to entice our members and create a great atmosphere. We also had some new comers to the event. Olmsted Ice and Caruso's Coffee were some of the new vendors that showed off their products and saw a great response from our members.

After the Ohio buying show was the AFPD Scholarship & Chairman's Dinner. It was held at Taza Lebanese Grill in downtown Cleveland. Great atmosphere and food allowed for all of the patrons to have a great time. The three Ohio scholarship winners were Jillian Meyer, Rutva Patel, and Thaddeus Woodard. These outstanding students and their families were recognized for their exceptional scholarly work. They were also a part of something special that happened that night, our toast to our past chairman Pat LaVecchia. Great speeches from past and current board members, Pat's friends and family left everyone smiling, laughing, and proud of Pat's accomplishments and service to the industry and our organization.

Morning dew, birds chirping, and balls flying off the tee were the highlights of the last Ohio event. AFPD's 11th Annual Ohio Golf Open, held at Manakiki Country Club, was the place for a great round of golf, networking, and great prize giveaways. Congratulations to the Ohio PepsiCo team, with a score of 60, taking home the prize for the winning foursome. Nothing like a round of golf mixed with our great members, vendors, and staff.

Don't miss out on our 2016 Ohio events! If you have any questions or want to participate in our 2016 Ohio events, please call Maegan Hesano at (800) 666-6233 or email mhesano@AFPDonline.org. ■





CONGRATULATIONS TO PEPSICO, THE WINNING TEAM AT OUR 11TH ANNUAL OHIO GOLF OPEN!



A SPECIAL THANK YOU TO EVERYONE WHO CAME OUT TO HONOR AFPD'S FORMER CHAIRMAN, PAT LAVECCHIA



2015 Ohio Scholarship Winners

The AFPD Foundation awarded academic scholarships in the amount of \$1,000 to these extraordinary and deserving students. A special & heartfelt thank you to our sponsors. You have truly made a difference in the lives of these students!



JIM GREEN, LIBERTY USA

JILLIAN MEYER

Jillian is a freshman at Kent State University studying business management and pre-law. She graduated from Perry High School in Perry, Ohio, where she was Captain of the varsity cheerleading team, a senior representative on homecoming court, project leader for HPAC, and a senior representative on prom court. Jillian was also a member of the Spirit Girls Club and National Honor Society. She has volunteered at Lake Health, the Perry Preschool, the Salvation Army, the Perry Fall Festival and the Perry Women's League.



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JIM EVANS, DAIRYMENS

RUTVA PATEL

Rutva is a sophomore at Ohio State University studying chemical engineering. She graduated first in her class at Riverside High School in Painesville, Ohio, where she was a member of National Honor Society, Mock Trial, and Student Council. Rutva also did volunteer work through her school, focusing mainly on peer tutoring. She is currently a member of the Humanitarian Engineering Scholars program and plans on taking a service trip to Guatemala where she will work with the group Mayan Families and put her Humanitarian Engineering skills to good use.



SPONSORED BY: Dairymens

SUBMITTED THROUGH: Convenient Food Mart



ERIK ROOT, PEPSI BOTTLING CO.

THADDEUS WOODARD

Thaddeus is a sophomore majoring in molecular and cellular biology and mathematics at Johns Hopkins University. A graduate of Maumee Valley Country Day School in Toledo, Ohio, Thad was captain of the soccer, basketball, and quiz bowl teams. Currently, Thad is involved with club soccer, volunteers as a basketball coach for underprivileged youth, and the Sigma Phi Epsilon fraternity. Outside of classes, he spends his time in Dr. Beverly Wendland's laboratory, where he uses yeast genomics to model and study ALS in humans.



SPONSORED BY: Pepsi Beverages

SUBMITTED THROUGH: FoodTown Supermarket



Years of Dedicated Service is Honored With Bellanca Boardroom Dedication

■ BY KRIS HARRIS

There are very few other ways to honor someone more than to name something after them; buildings, streets and landmarks help us remember those that have had an impact on our lives and our community. For AFPD, it was the work and dedication of Peter and James "Jim" Bellanca Jr., general counsels, that made the decision easy when the association decided to name the boardroom in their honor.

For decades, both Peter and Jim Bellanca, Jr. not only were AFPD's general counsel, but they were also like board members during a time of transition for the association. Over the years they served the board, they saw and helped assist in many of the changes and improvements that have benefited both the association and its members.

During Peter's time, the organization began to expand beyond its traditional focuses and became more diverse. The association had their own credit union, started a worker's compensation program and began to include suppliers as well.

Early on, the association's executive director had nearly total authority, which limited the board's ability to make changes.



JIM BELLANCA, JR. WITH AFPD PRESIDENT & CEO, AUDAY ARABO



(L TO R) JOE BELLINO, JR., CHRIS ZEBARI, RONNIE JAMIL, BILL VIVIANO, JERRY YONO AND JIM BELLANCA, JR.

However, the industry was beginning to change and AFPD began to see an influx of younger members who were becoming leaders and these new board members began to ask questions and wanted a greater say in the association's direction.

During Jim's tenure, AFPD worked to make major changes in the health code, WIC regulations, food stamp regulations and lottery rules. Another significant change was AFPD's merger with the Great Lakes Petroleum Retailers and Allied Trades Association, a petroleum trade group.

"It's not typical to spend as much time as we did or remain with an organization in the capacity and involvement we had, for more than three decades," Jim Bellanca, Jr. said. "The only way that happens, I think, is to become part of the organization and share in its ups and downs.

The years of service the Bellanca's have provided will be forever remembered when new board members enter the boardroom named after them. It's an honor fitting for two influential members in AFPD's long history. Together, they dedicated themselves to helping shape AFPD during its transitional years and left it stronger for present and future members.

"To have the board acknowledge our active involvement with the dedication of the boardroom is one of the best things professionally that's ever happened in my life. To remember my brother and myself in the fashion that they have is an achievement that my entire family will look at, for years to come, as an endorsement of our commitment. It's overwhelming," Jim Bellanca, Jr. said. ■

Kris Harris is a writer for Denha Media & Communications.

TESTIMONIALS

"Smart, intelligent, and well versed in culture and politics, James Bellanca, Jr. played a prominent role in AFPD's success. He always listened to the issues and explained things in a way so everybody understood what he meant. He says what he means, and he means what he says and spent his life in the service of others."

– JIM GARMO // KUZANA ENTERPRISES

"Jim Bellanca, Jr. provided such a valuable service to the association for so many years so honoring him with the dedication of the boardroom is well deserved. I will miss his jokes and sense of humor."

– JERRY YONO // FORMER AFPD CHAIRMAN

"Jim's time and contribution with the AFPD is priceless. There are not too many people in this organization, past or present, that have had the impact on the organization as Jim has."

– BOBBY HESANO // D&B GROCERS WHOLESALE & DISTRIBUTORS

"Jim was very passionate about the AFPD and its growth and strength. He always looked out for the benefit of the organization and the members. I'm going to miss his sense of humor and I am proud to have our boardroom named in his honor."

– JOHN DENHA / 8 MILE FOODLAND, AFPD CHAIRMAN

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AFPD Members Continue Partnerships with Fair Food Network and Double Up Food Bucks, as the U.S. Department of Agriculture (USDA) Gives \$5.1 Million to Expand the Program

■ BY KRIS HARRIS

Fair Food Network's is expanding their Double Up Food Bucks program, which was piloted in Detroit with three AFPD members in 2013. This statewide initiative is designed to help low-income Americans by increasing access to healthy foods, while supporting family farmers.

This year there will be 21 stores statewide, all of which AFPD members.

"We are proud to continue to partner with Fair Food Network on this very important program," said Auday Arabo, president and CEO of AFPD. "We believe these incentive programs are the best ways to increase healthy food consumption while simultaneously supporting local farmers. Our foundation also helps fund this program."

The Food Insecurity Nutrition Incentive (FINI) grant will be matched with other private funds, which will increase the total investment to more than \$10 million.

The grant will allow for expansion of the Supplemental Nutrition Assistance Program (SNAP) to more grocery stores and farmers markets across the state. It will also help fund new technology and other innovations in order to better serve participants of the program.

The program will have a direct impact on the state by helping promote healthy eating habits of residents, increasing the need for

goods produced by regional farmers and ensuring the revenue generated will stay in the local economy.

The Double Up Food Bucks program has seen tremendous growth over the last six years, which included expansion to more than 150 market sites across the state. These locations not only help serve more than 300,000 low income families, but also connects customers to the over 1,000 participating farmers.

Fair Food Network will also use funds to pilot year-round programming, instead of seasonal, at various markets and grocery store locations.

"We've proven that Double Up Food Bucks successfully boosts family nutrition and farmer earnings," said Oran Hesterman, president and CEO of Fair Food Network and a former farmer, agronomist, and leader in philanthropy. "With this funding, we'll reach even more people, supporting healthy food environments and resilient rural and urban communities."

SNAP customers have purchased over three-million pounds of fresh vegetables and fruits over the last five years with the SNAP and Double Up Food Bucks programs, and over 90% of those customers reported eating more of these healthy varieties because of the program. Moreover, over 80% of the customers also said they bought fewer lower-nutrition snacks as well.



Over the same five-year period, Michigan farmers have earned over five million dollars as a result of SNAP and Double Up Food Bucks with over 80% of those farmers reporting to having made more money.

Even though less than 4% of all SNAP participants live in the state, SNAP sales at Michigan farmers markets are among the top five states in the nation and have grown to \$1.7 million.

Each dollar spent at a farmers market can generate over \$2.50 for the community's economy, which shows SNAP's impact and potential for generating local opportunities. ■

Kris Harris is a writer for Denha Media & Communications.



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A Closer Look at E-Cigarettes

■ BY THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

Electronic cigarettes, e-hookah, vape pens... no matter what you or your customers call them, they are items whose popularity only seems to grow each day. In Michigan, that growth comes with rising concerns. National studies indicate that e-cigarettes are not only popular among adults, but are increasingly popular with young people. Indeed, a University of Michigan study released in December 2014 indicated that for the first time, e-cigarettes are

more popular than conventional cigarettes among middle and high school students. Poison control center reports across the nation have highlighted the need to treat e-cigarettes and their refills as you would any other household hazardous product. In December 2014, a toddler in New York died from ingesting the contents of an e-cigarette cartridge raising concerns among health officials that if steps aren't taken to protect children, they could see more fatal accidents similar to this one.

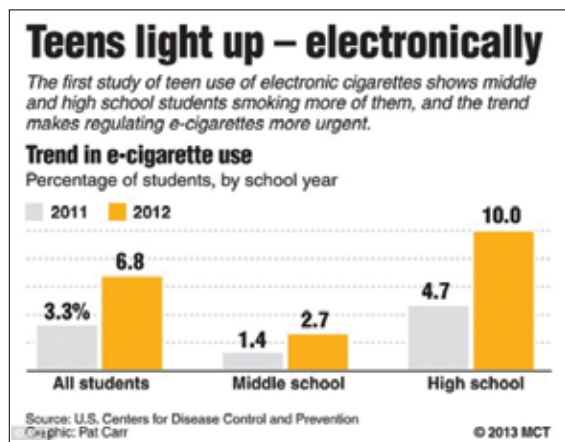
According to the Centers for Disease Control and Prevention, in 2013 more than a quarter million middle and high school students, who never smoked regular cigarettes, had used e-cigarettes. Retailers, Governor Snyder, and the Michigan Legislature have shown interest in keeping e-cigarettes and refills out of the hands of youth. Though Michigan does not yet have a law prohibiting e-cigarette sales to youth, recognizing that

e-cigarettes and their refills are tobacco products, most distributors are not selling e-cigarettes and their refills to minors. Steps retailers can take to curb youth access include:

- Establish a store policy refusing sales to minors.
- Treat e-cigarettes and their refills like other tobacco products by requiring ID for every customer that appears younger than 30 years old.
- To strengthen inventory controls, keep e-cigarettes and their refills behind the counter, or use displays that are only accessible by store staff.
- Clearly mark hookah pens and other "lookalike" products as e-cigarettes to avoid accidental sales to adults unaware of the true purpose of the sparkly items.
- Choose to sell e-cigarette refill fluid in childproof containers, when available, to prevent child poisoning.

For responsible sales to adults, remember that e-cigarettes – both the device itself and its contents and refills – are not yet regulated by the FDA. Though many adults are using e-cigarettes as a means to quit tobacco use, they are not a scientifically proven cessation method and, are not FDA approved for that use.

For more information about e-cigarettes call the Tobacco Section at (517) 335-8376. You may also visit the Michigan Department of Health and Human Services at www.michigan.gov/bhrecovery for an e-cigarette infographic. ■



OHIO //

Employers can get 8 Free Months of Workers' Compensation

The Ohio BWC is reminding employers that they must take action now to ensure that they get their share of a \$1.2 billion credit that the bureau will issue this summer as it switches how it bills employers for coverage.

Beginning July 1, 2015, businesses will be billed upfront, as is common throughout the insurance industry, instead of after a coverage period as the bureau

traditionally has done. As part of that switch, private employers that are up to date with their coverage from the bureau will receive eight months of workers' compensation at no cost.

Those out of compliance aren't eligible for the credit. The bureau said it will establish payment plans for companies wishing to come into compliance by July 1, 2015.

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MICHIGAN //

AFPD, Law Enforcement, Health Advocates, Businesses Call on Michigan Legislature to Ban Powdered Alcohol

Law enforcement leaders, health care professionals and businesses joined forces with legislators to support proposals banning powdered alcohol in Michigan and called on the entire state Legislature to act without delay.

“Powdered alcohol equals big trouble in a small packet,” said Dr. Brad Uren of the Michigan College of Emergency Physicians. “We should be very concerned that powdered alcohol will open the door to more underage drinking, more over-consumption and more drunken driving on Michigan roads. Because of the risks of this new form of highly concentrated, highly concealable alcohol, we’re calling on the Legislature to act immediately and ban this dangerous product.”

“Powdered alcohol products make it easier for teens and underage minors to access and abuse alcohol, and the prospect of children illegally using an alcoholic substance with potentially dangerous consequences is frightening,” said Dr. Ekram Smith of the Michigan Academy of Family Physicians. “We encourage Michigan lawmakers to ban powdered alcohol and help keep families and children safe.”

Senator Rick Jones (R-Grand Ledge), a former Eaton County sheriff, and Representative Scott Dianda, (D-Calumet), who owned a family retail store, have introduced proposals to ban powdered alcohol. Dozens of senators and representatives from

both parties have co-signed the proposed ban. Major statewide health, law enforcement and business organizations formally support a ban.

The show of support was announced at a news conference in Lansing that included: the Michigan College of Emergency Physicians; the Michigan Academy of Family Physicians; Police Chief Brian Peacock of Pottersville; Police Chief Bob Delmarter of Leslie; Police Chief Bruce Ferguson of DeWitt; Police Chief Lisa Sherman of Charlotte; the Michigan Licensed Beverage Association; Michigan Alcohol Policy Promoting Health and Safety; and others. A ban on powdered alcohol is also supported by the Michigan State Medical Society; the Michigan Chapter of the American Pediatric Society; AFPD, representing independent retailers; and the Michigan Pharmacists Association.

“Powdered alcohol is a problem we don’t need in Michigan. There is no upside to this product,” said Rep. Dianda. “If it comes to our area, minors will abuse it and adults will get super-drunk, intentionally or not intentionally. Why wait until kids have hurt themselves trying to snort it, or somebody has gotten seriously ill by mixing powdered alcohol with liquid alcohol? Letting it enter our communities would be a serious mistake that would endanger the health of our children and families.”

“Makers of powdered alcohol are making flavors that appeal to kids, like ‘lemon drop,’ and young children might not be able to distinguish between a powdered alcohol packet and one for Kool-Aid,” Sen. Jones said. “We should be very concerned that someone could be victimized by a predator who slips this product into another person’s drink, greatly increasing its alcohol content without their knowledge. The public health and public safety risks are simply too great and that’s why we’re going to close the door on this irresponsible product.”

The potency of a drink made with powdered alcohol varies with how much water is added, so consumers may easily over-consume. Health experts fear some people may mix the powdered alcohol with alcoholic beverages – not water – to create a super-alcoholic drink. Some may try to spike other’s beverages without their knowledge, or even snort it for what they think may be a more immediate buzz. A *Vice News* report in 2014 said powdered alcohol burns like napalm.

The *New York Times* reported that the maker of powdered alcohol product Palcohol had bragged about unorthodox and potentially risky uses for his product: “In 2012, Mark Phillips needed a way to market his new invention: a powdered form of alcohol that could be mixed with water. You could sprinkle it on guacamole, although snorting it would get you drunk quickly



and was probably not a good idea, Mr. Phillips wrote online in those earlier days.” Though Phillips has removed the statements from his Website, Facebook users did not forget, posting that he reminded people to add Palcohol after a dish was cooked so the alcohol would not burn off “and that defeats the whole purpose.” One news site called the product, made by an Arizona company, “the sneakiest and most efficient way to get drunk.”

“Michigan’s family owned beer and wine distributors applaud the Michigan Legislature’s proposal to ban powdered alcohol and keep this irresponsible product out of the hands of minors and people who might abuse it or use it to harm others,” said Mike Lashbrook, president of the Michigan Beer and Wine Wholesalers Association,

which represents 50 independent distributors in the state. “A product like powdered alcohol puts public health and safety at risk, and that’s why so many people are rightfully concerned about the potential for this product to be misused and abused.”

Scott Ellis, executive director of the Michigan Licensed Beverage Association, said: “Responsible adults who want to enjoy an alcoholic beverage or two at the end of the day with friends and family are not likely to reach for a packet of freeze-dried Palcohol. Palcohol is just another danger recklessly exposing minors to alcohol. As a former police officer, I know law enforcement, educators and parents work very hard to keep alcohol in conventional liquid form out of the hands of teenagers, and tiny grains of alcohol in small packets will only

make things worse.”

Auday Arabo, president and CEO of AFPD representing large and small retailers, grocery stores and gas stations, said: “Our members in every channel of the retail business work very hard keeping alcohol away from minors and teenagers. Businesses in communities across Michigan are committed to doing the right thing as the first point of access. Powdered alcohol is one dangerous product that will make this effort harder, and we don’t need it on our shelves, in our stores and in our communities!”

At least six states have banned powdered alcohol, according to the National Conference of State Legislatures, and 30 others are considering bans. ■

NATIONAL //

OSHA Enforcement Update

■ BY DR. ROY LITTLEFIELD, III

Recently, SSDA-AT participated in a Small Business Labor Safety Roundtable for OSHA/MSHA. In attendance was Patrick Kapust, Deputy Director of Enforcement Programs, Directorate of Enforcement, Occupational Safety and Health Administration to give an update on enforcement data and trends involving small businesses around the country.

As you should know by now, a new severe injury reporting rule went into effect on January 1, 2015. The rule says that employers must report all hospitalizations, amputations, and loss of an eye within 24 hours. OSHA is reporting

that since January 1st it has been receiving between 200 and 250 reports a week. (This will result in approximately 12,000 reports annually.) Of those reports, about 40% have resulted in inspections. (This will add approximately 5,000 inspections annually.)

In 2012, OSHA conducted 40,691 inspections. In 2013, they conducted a comparable 39,228. The trend appears to decline as in 2014, OSHA reported only 36,163 inspections were conducted, but as Directorate of Enforcement Patrick Kapust explained, “Low inspection numbers in 2014 were a result of the government shutdown; if not for the shutdown inspections would have neared 40,000.” With the new

severe injury reporting rule in effect, inspections are expected to hit record numbers in 2015.

Here are the list of the most cited standards from 2014 OSHA inspections:

- Fall Protections
- Hazard Communication
- Scaffolding
- Respiratory Protection
- Powered Industrial Trucks
- Lockout/Tagout
- Ladders
- Electrical, Wiring Methods
- Machine Guarding
- Electrical, General Requirements

For more information on OSHA inspections please visit www.osha.gov/dep. ■



Regulate Marijuana Like Alcohol? Not Possible at this Time

■ BY PAMELA S. ERICKSON // HEALTHY ALCOHOL MARKET

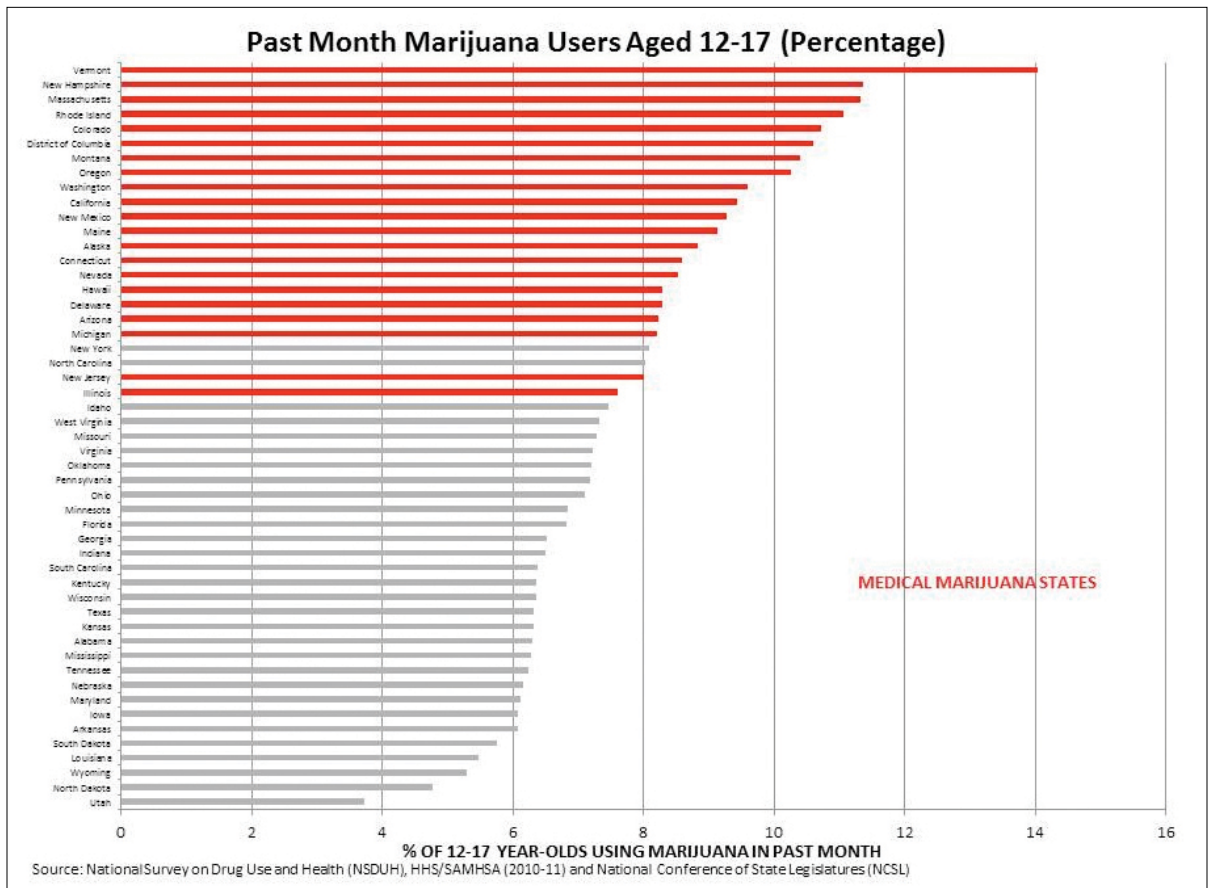
In the debate about legalization of marijuana, we need some clarity about the idea that we should "regulate marijuana like alcohol." For example, one advocate declared that the only way to "win the war on drugs" is to license and tax them like alcohol. Speaking as a former regulator, let me assure you, we have not "won the war" on alcohol abuse. We have made progress, particularly on underage drinking and drunk driving. However, we will never eliminate all problems with alcohol, but with sensible, well-enforced regulation, we can minimize them. We

must not forget that alcohol still contributes to an estimated 88,000 deaths per year, according to the Centers for Disease Control.

One should not expect that regulation/taxation will eliminate problems with marijuana. Such problems may actually increase if the product becomes legal and more available. Research on alcohol indicates that increased availability is associated with more problems. One only needs to note that the highest rates of youth marijuana use are in medical marijuana states (*see graph below*).

An additional concern is

mixing alcohol and marijuana. Rand Corporation did a study showing that "marijuana users are much more likely than nonusers to drink and abuse alcohol." In fact, researchers from the Rand Corporation, using national data, estimated that one in four current users of marijuana are problem drinkers. The national survey used by the Rand researchers also indicates that "simultaneous use is common." Of those who used both alcohol and marijuana in the past 30 days, 54% used it along with alcohol; and, with daily or near daily users of marijuana,





83% engage in simultaneous use. Another study by Alcohol Research Group compared those who used marijuana at the same time versus those who used both substances, but separately. They found that simultaneous use was twice as common as separate use; and, was quite harmful. When the researchers compared simultaneous use to alcohol use only, they found that simultaneous use "approximately doubled the odds of drunk driving, social consequences, and harms to self." This information should be of great concern to law enforcement, parents, community members and treatment providers.

Taken literally, regulating marijuana like alcohol is simply impossible at this point in time because federal law still prohibits the production, distribution, sale and possession of marijuana. Despite the current administration's policy to ignore state activities, the impact of federal law is extensive and profound. People in the marijuana business have difficulty getting banking and credit services (banks have federal charters); they are treated as criminal enterprises by IRS regulations (since marijuana is an illegal drug); and, lawyers may decide not to represent them (fearing sanction from the federal or state bar). These are just a few examples. This situation puts anyone in the marijuana business on notice that their short term economic gain is technically subject to criminal penalty. Also, with an election coming in 2016, a simple change in presidential policy could completely alter the landscape

shutting down businesses.

One should remember that alcohol regulation evolved slowly over time. Public support was high enough to pass Prohibition, but eroded during its thirteen years. By 1933, support for repeal was very high as evidenced by how fast the 21st Amendment was ratified. Congress passed the ratification proposal in February, 1933 and by December the necessary 36 states had passed it. For marijuana, we have a much higher degree of consensus on allowing medical use than for recreational use. Here is what a reporter found in a recent article, "If you examine opinion polls on marijuana, inclusive of recreation, legalization respondents are just slightly in favor of its approval. Exclude recreational use from the equation and just focus on legalizing medical marijuana and the approval rate jumps to north of 70% or even 80% based on a handful of recent polls."

After the 21st Amendment was ratified, each state had to establish its own regulations. Generally, regulation started with tight control. Some states even retained Prohibition and to this day there are counties and cities that do not allow alcohol sales. Since those early days, there has been a great deal of experimentation with new regulatory tools as well as with both loosening and tightening particular regulations. Jumping to a full-scale commercial licensing model for marijuana without the proper constitutional, historical, legal and overwhelming public support seems hasty and unwise.

The existence of federal law

precludes or makes it difficult to consider less extreme options than a standard commercial model. The Rand Corporation report, referenced earlier, listed eight policy options "that find a middle ground between those commonly discussed", i.e. reduce marijuana sanctions only or a commercial model:

- Allow adults to grow their own
- Allow distribution only within small co-ops or buyers' clubs
- Permit locally controlled retail sales (the Dutch coffee-shop model)
- Have the government operate the supply chain (government monopoly)
- Have a public authority operate the supply chain
- Permit only nonprofit organizations to sell
- Permit only for-benefit companies to sell
- Have very few closely monitored for-profit licensees

The report discusses these alternatives at length, but the authors admit that some of these options may not be currently available because of federal illegality.

A lot of the rhetoric is getting in the way of communities' ability to develop well-conceived, common sense policies. This is America where democracy will only prevail when we can work with others for the common good despite our disagreements. We should seek to bring people together who have different opinions on this issue, review as much information as possible, seek common ground and propose measures that will benefit our communities. ■



In Rich Nations, Risky Drinking Rises Even as Total Drinking Declines

■ BY LODI NEWS-CENTRAL

In most of the world's richest nations, 20 percent of the people are doing 50 percent to 75 percent of the drinking, according to a new report on alcohol consumption in 34 countries.

Overall, residents of these countries are drinking slightly less now than they were 20 years ago, the report says. But despite a 2.5 percent drop in alcohol consumption, risky drinking is on the rise among certain groups — especially young people and women.

The new report assesses drinking behaviors in countries that belong to the Organization for Economic Cooperation and Development. Many European nations are members of the OECD, as are the United States, Canada, Australia, New Zealand, Japan, South Korea, Chile and Israel.

On average, each adult resident of an OECD country drinks the equivalent of 2.4 gallons of pure alcohol per year, sales data show. But the new report estimates that “unrecorded” alcohol consumption raises that figure to a little more than 2.7 gallons per year. (Americans are slightly below the OECD average, with per capita consumption of nearly 2.3 gallons per year.)

For comparison, average consumption for the entire globe is only about 1.6 gallons of alcohol per year.

About one-third of the alcohol consumed in OECD countries is in the form of beer, and another 25 percent is contained in wine. The rest is served up in spirits and other alcoholic drinks, the report says. In the U.S., people have been drinking

less beer and more spirits over the last 20 years.

In general, people with more years of education and more money in the bank are more likely to drink, according to the study. Among women, these attributes also increase the odds of risky drinking. But for men, having less education and lower socioeconomic status means that risky drinking is more likely.

It's not clear why income and education are linked with hazardous drinking in women but not men. The report speculated that these women “may have better-paid jobs involving higher degrees of responsibility and thus may drink more heavily because they have more stress.” (No word on why men with high-stakes jobs don't need to unwind with a drink.) Another possibility, according to the study, is that these women don't actually drink more than their less-educated counterparts — they're just more honest about it.

In most countries, rates of binge drinking (downing five to seven drinks in a single session) and hazardous drinking (consuming at least 140 grams of alcohol per week for women or at least 210 grams per week for men) have remained basically flat over the last 20 years. But both types of risky drinking have become more common among teens and young adults through the age of 35, according to the study. This increase has been fueled in part by the introduction of “alcohol products” designed specifically for younger drinkers. Lower prices have

also helped make drinking more accessible to younger people, the study says.

Indeed, more people in OECD countries are taking their first drinks at earlier ages. In 2000, 56 percent of boys and 50 percent of girls had tried alcohol by the time they were 15. A decade later, the comparable figures were 70 percent and 57 percent — including 43 percent of boys and 41 percent of girls who had gotten drunk.

Drinking at any age tends to do more harm than good, but it's especially hazardous for young people, according to the report. Younger drinkers are more likely to commit violent crimes, drive drunk or endanger their children by drinking while pregnant. They're also more likely to derail their fledgling careers.

Considering that alcohol use contributes to more than 200 different diseases and types of injuries, there is “a strong rationale for governments to take action against harmful alcohol use,” the report says. Among the suggestions: Policymakers should enact a tax that would raise the total price of alcohol by 10 percent and consider regulations that would place limits on marketing.

Policies that succeed in getting people to cut back on their drinking could have a big effect on public health. The OECD estimates that reducing consumption by just one unit (the equivalent of 8 grams of pure alcohol) per week would reduce the risk of premature death for 80 percent of drinkers. ■




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Keeping Your
Eyes on the
Competition



In 1997, Whole Foods Market Inc. set out to acquire the closely held Merchant of Vinos for \$41.2 million in stock, expanding its natural-foods supermarkets into the Detroit area.

One way to deal with competition is to buy them out.

That was exactly what Whole Foods did when they bought Merchant of Vinos for 1.03 million shares of Whole Foods stock. Merchant of Vinos owned four natural-foods supermarkets and two wine and gourmet stores in the Detroit area at the time.

Nearly 20 years later, Kroger is buying out family-owned grocery chain Hiller's.

Sid Hiller opened the downtown Detroit butcher shop that started it all in 1941. Ten years later, he opened the family's first grocery store in Berkley. It was first called Shopping Center Markets, which later was renamed Hiller's by his son Jim.

As reported last month, Kroger of Michigan has agreed to buy all seven Hiller's Market locations in a deal that will close the Commerce Township store in July but keep the remaining stores open.

The other six stores will operate under the Hiller's banner until the sale is finalized in early July, said Ken McClure, consumer communications manager for Kroger of Michigan. The locations then will switch to the Kroger brand.

For decades now, Big Box stores and national chains have challenged the independent retailers to stay competitive and have changed the landscape of the food, beverage and petroleum industry. Many of those same companies have added gas stations to their stores.

"We were risk takers," said John Jonna, co-founder of Merchant of Vinos. "We were always looking ahead and willing to buy products many people never heard of."

Jonna often would spend hours reading thousands of products on the market and would often inquire about ones that he never heard of let alone tasted. "I one time bought a pasta called Con Sarda from Sicily. It sat on the shelf for 12 months until one day a lady came in asking if we had it and she bought every can we had on the shelf."

Jonna credits his brother Eddie for his marketing genius. "Eddie always was a step ahead and knew how to buy and market products," said John. "He was a

master when it came to dealing with new items and it was a big reason for our success."

The Merchant of Vinos were also known for launching new businesses within their stores. They helped many small entrepreneurs such as Marty's Cookies and Gayle's chocolates not only introduce products to market but also helped expand their business.

The profit margins in the food industry are slim making it more difficult to succeed and you can't always win the price war. "You can't always be the cheapest guy on the block," said Thomas A. Baumann, V.P of Operations for Ric's Food Center in Mt. Pleasant. "You have to show value with your customer service, a clean store and unique products."

Kevin Bahnam from USA 2 Go would agree. "I would try to balance between revenues and volume. Both are important to maintain traffic and happy customers," he said. "Price is critical but it's not the only thing consumers look for. People are willing to overpay on an item if they are getting something else that others don't have. After all, we are in the convenience business and time is equal to money."

Baumann also notes that competition has expanded over years to include dollar stores.

"We are competing with a bunch of retailers in our industry, as well as, businesses outside our industry. We compete with drug stores, hardware stores (such as Home Depot, ACE or Lowe's), gas stations," said Phil Kassa, co-owner of Heartland Markets. "Some of these retailers bring down the price of groceries to draw customers to their stores. For example, most drug stores use soda pop, water or beer (highly consumable products at cost or below) to entice customers to shop their stores for prescriptions and other items. Hardware stores have been using items, such as, charcoal, paper towels or bath tissue, way below our cost to drive people to the locations. Gas stations and convenient stores are now selling food to go, which cuts into our deli and bakery sales."

In the petroleum industry, gas is a loss leader that many businesses are offering to lure customers. "We have to perfect what we have and look for new avenues to make up for what we lost due to new challenges like the low margins on gasoline," said Bahnam. "We separate ourselves from the competition by focusing on what others don't have or don't pay attention to, this could



be as simple as cleanliness, selections, pricing products and staying consistent.”

For some, the competition is constantly changing. So is our own competitive nature, said John Abbo from Hartland Mobil in Fenton. “It’s all about how many profit centers you can take advantage of at your current location and how you serve your customer.”

Many of the independent retailers look at the Big Box and chain stores as businesses with an unlimited amount of resources that are able to make demands on vendors that other stores cannot so many are forced to find a niche in the industry.

“We separate ourselves from our competition by stressing our perishable departments,” said Kassa. “We advertise more fresh meats, produce, deli and bakery at more aggressive retailers. We’ve realized we cannot win the battle of price on dry groceries on an everyday basis.”

With internet sales and companies like Amazon, the competition is fierce for large chains like Meijer and Kroger too. Independent retailers have other concerns.

“Worrying solves nothing,” said Bauman. “Spending your time doing your best and work every day to make your establishment better is key. Market what you do best and focus on selling what the customer wants and what is in high demand and work aggressively to market it.”

Customer service for Bauman is all about the employees he hires. “We hire happy people regardless their knowledge,” he said. “You cannot train someone to be a happy person so we hire happy people. We train them to work. We have been quite successful at it.”

“Keeping a successful business today means winning and preserving one customer at a time,” said Bahnam. “Every complaint needs to be addressed seriously and changes need to be made.” ■

ask the member



Who do you see as Your Biggest Competition?

“Competition is out there in every form of business. In our business it’s Kroger, Meijer, Walmart, Save a Lot, Aldi, Amazon, and they all pose a big threat to the independents. People have so many choices to shop whether they come in to our stores or shop online.”

TERRY FARIDA
VALUE CENTER MARKET // LIVONIA, MI

“It’s everywhere. We separate ourselves from the competition by focusing on what others don’t have or don’t pay attention to, this could be as simple as cleanliness, selections, pricing products and staying consistent.”

KEVIN BAHNAM
USA 2 GO // NEW HUDSON, MI

“Complacency...If we become complacent, we become obsolete. Hard work and the willingness to make mistakes and learn from them is the key to our survival.”

JOE BELLINO JR.
BROADWAY MARKET // MONROE, MI

“Our competition is constantly changing as well as our own competitive nature. I would have to say some of the biggest threats are coming from our big box stores like Costco and Kroger who are adding gasoline as a lost leader, their strategy is bringing down margins and taking volume not just from the location across the street but affecting larger areas of town, and literally changing the buying habits of customers.”

JOHN ABBO
HARTLAND MOBIL // FENTON, MI

“We compete with drug stores, hardware stores and gas stations. We have competition with retailers in our industry and businesses outside our industry.”

PHIL KASSA
HEARTLAND MARKETS, MI

“For us, our biggest competition comes from gas stations.”

JOE ABRO
PRINCESS SUPERETTE // DETROIT, MI



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The Lucky Liquor Store

■ BY KRIS HARRIS

Michael “Mike” Delly has been working in the retail industry since 1994, when he was only 14 years old. He spent his high school years working at Mitch’s Liquor in Wayne; a store he now half owns with his father. “At the time, my Uncle and some of my relatives had just acquired the store from the original owner, who opened it in 1981,” Delly said.

Delly spent his early years juggling both school and work, which made for long days. “I was basically working four to five days a week. I would go to work right after high school and I’d get home at one in the morning,” said Delly.

After graduating high school in 1996, Delly attended Wayne State University where he received a degree in hospitality management and a degree in sales marketing and advertising. However, he never took a break working at Mitch’s Liquor.

Over the years, Delly found a successful recipe to keep customer’s coming back. Quick and good customer service was a sure-fire way to keep customers happy and coming back. “The store is very unique and not your typical liquor store. We serve the Ford plant across the street, so we always have an extra person on hand who can help them get in and out,” Delly said. “Our goal is to get them in and out in less than four minutes,” Delly explains.

There is an old saying, “better to be lucky than good,” but what if you have the opportunity to be both? For Delly, being lucky has come as a welcomed surprise. Delly has had multiple Powerball winners at



his store. The first million dollar winning ticket was sold two-and-a-half years ago, which was followed by a \$250,000 winner about two to three months afterward. In the last four months, luck struck once again and Delly had yet another million dollar winner. “Just recently, we sold another million dollar ticket, which is insane because we never thought we’d sell another million dollar ticket,” Delly said.

Luck is one thing, but certainty is another and the certainty that comes from having an association working for you with its programs, discounts and purchasing power is invaluable. Delly learned about the value of what AFPD offers from attending the shows. “When we attended the liquor shows, we saw what could help us grow our business and it really opened my eyes,” Delly said. AFPD has also provided help in other areas too. “They enter into contracts with bigger companies that allow us to get discounts and savings, from health care to office supplies and anything in between,” explained Delly.

There is another old saying, “you make your own luck,” and in Delly’s case that’s exactly what he’s done. Learning the business at a young age, seeing how the industry has changed over the years, providing a good selection of products and exceptional customer service, have made Delly and Mitch’s Liquor a success.

“This is something I love to do. “You will never walk into the store without being greeted by one of the employees and I guarantee when you leave, someone will say ‘have a great day’ to you,” Delly said.

Whether it’s a good day or your lucky day, Delly has made Mitch’s Liquor a place you’ll drive out of your way to visit and his service will keep you coming back. ■

Kris Harris is a writer for Denha Media & Communications.

RETAILER: MITCH’S LIQUOR

Locations: Wayne, Michigan

Founded: 1994

Employees: 7

AFPD member since: 2007

Quote: “Customer service is the key to our success”



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CONTACT NAME: _____ PHONE: _____

NAME OF STORE: _____

STORE LOCATION: *(If Multiple Locations attach Store List)*

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____



Serving Customers and Each Other

■ BY VANESSA RYCHLINSKI

Tilton's Automotive Service has serviced the suburbs of Cleveland and the surrounding areas in Ohio for two decades. Owned and operated by Andy Tilton, the shops are a large presence in the community, run with pride in the service and the customer's wishes held as first priority.

The son of a minister and a teacher, Tilton comes from a background of service. From beginning his first job at an automotive service station at 15 years old, he has now been in business for 25 years, since 1989. He originally was a Sunoco dealer until 1999 and all throughout that time participated in the Central Ohio Gasoline Dealers Association (COGDA), the Southern Ohio Gasoline Dealers Association (SOGDA) and the Northern Ohio Petroleum Retailers Association (NOPRA) until they later merged with AFPD.

Tilton has served on the board of the changing organization and has seen legislation affect the industry. "We as a group tried to find a way that it would best help our membership survive the times," he said. These times included taxes on gasoline (such as the CAT tax) and on inventory, on gasoline tank wagons, predatory pricing, and many other issues affecting the industries and brought to the attention of lobbyists and members of the board.

Of the benefits to membership Tilton says he believes that there's strength in numbers for getting things done. Tilton feels that the combination of the membership working towards a unified goal has been what's made the organization so successful over the years. AFPD has been able to achieve great practices



with respect to discounts, especially on perishable items, lottery tickets, and cigarettes, to name a few.

Tilton served on the board of the petroleum organizations over the years, and was a part of the equation bringing the worker's compensation program to the organization. "Ron [Milburn, AFPD Director of Ohio Operations], myself and several other members were instrumental in bringing [the worker's compensation program] to fruition." It was necessary to figure out what the needs of the membership were and what the group needed to do to get the best rates and coverage possible. To Tilton, the goal is to serve the majority of its members. "It's much like government!" he says. "We have people working toward the good will of the members, and that's why it works."

Tilton believes small businesses like his own have great opportunity as long as they equate operation with the service of clients. "When we got into business 25 years ago, my wife and I said we're going to make a difference in this industry." At Tilton's Automotive, the focus is on the relationship with the client. When it comes to fixing vehicles, it's necessary for Tilton and his associates to get the order right. "If you're not serving your clients, you're serving yourself," Tilton says, and his efforts are directed to the former. In the same vein, Tilton feels his livelihood is "in many ways serviced by [his] membership to AFPD," which puts the focus on its members for the good of the industry as a whole. ■

Vanessa Rychlinski is a writer for Denha Media & Communications.

RETAILER: TILTON'S AUTOMOTIVE SERVICE

Locations: Gahanna, Ohio; Worthington, Ohio; Grandview, Ohio

Founded: 1979

Employees: 19

AFPD Member Since: 2007

Slogan: "Take it to Tilton's"



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In the Spirit of Food & Wine

Today John Jonna is a Merchant of Vino in the restaurant business

Sitting at the Bird and the Basket in Birmingham between taking client calls, John Jonna said he will never officially retire, he has just moved onto to something else. The co-founder of the Merchant of Vinos ventured into the restaurant business with two of his three children – daughter Kristen and son Vinnie.

He handles the public relations, marketing and speaking end of the three restaurants, which also includes Bastone Brewery/Vinoteca Wine Bar in Royal Oak and Vinology in Ann Arbor.

“We had a premonition that the retail wine business was going to get tougher and tougher and the competition would grow and the profit margins would be crushed.”

So 10 years ago, the Jonnas looked at the restaurant business as a different approach to selling wine.

Jonna is a former AFPD member who, before moving on to the restaurant business, was very involved in helping members compete and separate themselves from other retailers. He shared his knowledge of pairing select wines with certain foods in order to help other AFPD members develop their own niche. “I’m a liberal, open minded, share your knowledge, kind of businessman,” Jonna explains. “Anyone in our business that does better, helps improves the entire industry.”

Although maintaining the same work ethic he had when operating his successful gourmet wine shops that earned a notable reputation around town, Jonna said the restaurant business is a bit different as it has busy times in the day, such as lunch and dinner, while in the retail business, he worked non-stop throughout the day.

“I love the hospitality part of the business,” said Jonna. “I enjoy showing people how to enjoy wine and food. It should be an experience. Most people don’t do their homework first and learn about the food or wine before they taste it. For instance, I learned to taste olive oil by steaming broccoli, adding a few grains of salt and then drizzling it on top. It is the best way to taste olive oil.”

He recommends people become amateurs in food and wine. If you don’t love something, you can never like it.

Some might say that John is in the consulting business but he would disagree. “I am in the nice business,” said Jonna. “No one wants to reveal their secrets but I am the opposite.”

With a chuckle and a smile, Jonna nonchalantly credits who he endearingly refers to as the “pistachio thief” for his willingness to help others with no strings attached. “I struggled in calculus in college and my roommate was a math genius,” said Jonna. “He cut a deal with me. For every math problem he helped me solve, I had to give him a handful of my Germack pistachios that my mother would send me. One day I desperately needed help with a tough problem, but I ran out of pistachios and my roommate would not help me.”



Since then, Jonna has freely given out advice to hundreds of retailers others would view as competitors. In addition to offering free advice from his expertise in the wine industry, there is a free component to his Concierge Wine Services business. “I first talk to people and recommend the best wines for certain foods,” said Jonna. “If a client wants to have a party, I recommend the wine for the party and where to purchase the wine. I don’t charge anything for that.”

Jonna has built solid relationships with Wine Merchants around town including Plum market and knows the expertise of all. Meanwhile, Jonna is building relationships and a reputation in the industry. While consulting a client, someone asked him to help him sell wine he owned. Jonna immediately began to research and realized he had a niche business. He now evaluates and sells wine collections for various people around the country including some celebrities for a fee.

He also hosts wine tasting for clients and is often hired to speak to groups of people about wine.

As a semi-retired entrepreneur, Jonna has time to spend with his three grandchildren with another one on the way. He and his wife Nancy spend most of their time traveling back and forth from their Florida home to their Michigan home.

Unlike many family members and friends in his position, he does not spend his spare time on the golf course. “I garden,” said Jonna. “It burns just as much, if not more, calories as you could going to the gym. So I plant everything, flowers, vegetables, anything and everything I feel like planting.”

Over the years, Jonna has always taken the time to help others and also appreciates the help he received from AFPD. “Being a part of AFPD allows you to communicate with your fellow members, have a relationship with them and know that you have a single voice. It’s all about having a single a voice,” said Jonna. “Solving general big problems with insurance, the local authorities, those are areas where AFPD really helped me.” ■

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Strong communities are the foundation of a healthy, thriving environment for all people. That's why DTE Energy helps power communities through supporting projects and programs that enhance life. We take pride in our efforts to provide positive youth development. We partner with local leaders to promote community initiatives from environmental education to economic development, including community outreach services. We're using our energy to serve.



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michigan lottery

M. SCOTT BOWEN // MICHIGAN LOTTERY COMMISSIONER

Popular Daily 4 Promotion Straight Back Bonus Returns

Summer is on the horizon and Michiganders across the state are making plans to get outside and enjoy time with family and friends.

To help maintain Lottery player traffic to our retail partners this summer, the popular Straight Back Bonus Daily 4 promotion is returning in June. This promotion doubles the chances to win for all straight bet wagers and at no extra cost to players. The Straight Back Bonus promotion is a favorite among Lottery players, and is designed to attract players and offer them more chances to win. In 2014, Daily 4 sales increased by \$1.5 million during this promotion.

Beginning June 1st, the Straight Back Bonus returns and gives Daily 4 players the chance to win \$1,000 if their straight bet numbers are drawn in reverse order.

For example, if a player plays a straight bet for 8-6-4-2 and the numbers drawn are 2-4-6-8, they win \$1,000. Best of all, the Straight Back Bonus automatically is applied to all Daily 4 straight bets so there are no extra steps needed from retailer personnel.

This exciting promotion gives players more chances to win prizes in our popular Daily 4 game, without adding any cost to their wager.

MICHIGAN LOTTERY INTRODUCES REPLAY FEATURE

The Lottery team is always looking for ways to make selling its products easier and more efficient for our retail partners. With that in mind, the Lottery is proud to introduce a new terminal feature called “Replay” that will make selling Lottery draw games faster and easier.

Beginning June 7th, the new Replay feature will be available on the terminal home screen. Replay allows a retailer to scan the barcode on an existing draw game ticket so players can replay their favorite wagers. The replay feature will be available on all Daily 3, Daily 4, Club Keno, Fantasy 5, Lotto 47, KENO!, Powerball, Mega Millions, and Lucky For Life tickets purchased on June 7th and afterward. The Replay feature is not available on Poker Lotto tickets.

Replay is a convenient playslip alternative for retailers and player. Replay reprints all the selections from a draw game ticket including: numbers wagered, the number of draws, panels, bet type, wager amount and add-on game options. Easy pick tickets will be printed with the same numbers as the original ticket, and EZmatch numbers on Lotto 47 and Fantasy 5 tickets will be generated randomly.

Replay wagers automatically include the next available draw and continue for as many draws as on the replayed ticket. Tickets must be replayed within 31 days of original ticket creation.

We expect the new Replay feature to help ease congestion at retailers’ Lottery terminals and improve the ticket buying experience for players. ■

“The Michigan Lottery. All across the state good things happen.”

INSTANT TICKETS / PULL TAB TICKETS

NEW INSTANT TICKETS:

On sale June 2nd

- 2 For \$1 \$1 (IG # 719)
- Bonus Jackpot \$3 (IG # 735)
- Monopoly Millionaires’ Club \$5 (IG # 740)

INSTANT GAMES SET TO EXPIRE:

Expiring June 1st

- Bonus Cashword \$2 (IG # 655)

Expiring July 6th

- Snow Me The Money \$2 (IG # 670)

NEW PULL TABS TICKETS:

On sale June 2nd

- Diamond Deal \$1 (MI # 555)
- Criss Cross Cash \$2 (MI # 551)

PULL TABS GAMES SET TO EXPIRE:

Expiring June 1st

- \$25,000 Bankroll 50¢ (MI # 509)

Expiring June 8th

- Hot Cherries \$1 (MI # 518)
- Power Slots 50¢ (MI # 585)

TICKET ACTIVATION: Retailers are reminded to activate all game tickets before putting them on sale to ensure winning tickets may be redeemed by players.

Daily 4™ **STRAIGHT** **BACK** **BONUS**™

Match your straight bet
IN REVERSE
and WIN!

EXAMPLE

You Play
1-2-3-4

Lottery Draws
4-3-2-1

You WIN!
\$1,000

Doubles players' chance to win!

It's that simple! When a Daily 4 player matches their number to the drawn number in "straight back" reverse order, that player wins a \$1,000 payout.

With an extra chance to win on a straight bet, Daily 4 players will be coming "straight back" for more!



June 1-30

2-WAY, BOXED AND 1-OFF BETS NOT ELIGIBLE. WHEEL BET WINNERS WILL BE PAID THE STRAIGHT PRIZE ONLY AND ARE NOT ELIGIBLE FOR THE REVERSE PRIZE. Daily 4 odds: Straight Back Bonus: 1 in 10,101; Straight: 1 in 10,000; 4-Way Box: 1 in 2,500; 6-Way Box: 1 in 1,666; 12-Way Box: 1 in 833; 24-Way Box: 1 in 416; 1-Off Straight: 1 in 10,000; 1-Off One Digit: 1 in 1,250. If you bet more than you can afford to lose, you've got a problem. Call 1-800-270-7117 for confidential help.



michigan lobby

JOSEPH A. GARCIA // HONIGMAN MILLER SCHWARTZ & COHN LLP

Michigan Voters Resoundingly Reject Prop 1

PROPOSAL 1 DEFEATED

The Special Election held on Tuesday, May 5, 2015, to raise the sales tax from 6% to 7% in order to fund road improvements was resoundingly turned down by voters: 80% No; 20% Yes. The vote was variously viewed by analysts as having been rejected because:

- The proposal contained too many other funding mechanisms for matters unrelated to roads and was too complex;
- Repudiation of the Legislature for failing to do their job;
- A tax increase rejection;
- Voter distrust of the legislature; and
- A mandate and acknowledgment to the Legislature that roads need to be fixed, but find another way.

The election result was a clear and devastating blow to Governor Snyder who was the only real public voice supporting the proposal. The task again reverts to this Legislature to either find new revenue, or re-direct existing funds for a new road initiative.



HB 4074: SDM'S FOR GAS STATIONS

This bill, as originally introduced, would have created and opened a hornet's nest by essentially allowing any gas station to be eligible for a beer and wine/off-premises (SDM) liquor license. The good work and effort by AFPD President & CEO, Auday Arabo, caused the original bill to be significantly altered and changed such that a substitute for HB 4074 was adopted which will only apply to rural areas of the Upper Peninsula. Significant credit also goes to bill sponsor, Representative Scott Dianda (D-Calumet), who listened to Auday, kept his word, and changed the bill.

The amended bill passed the House on Wednesday, May 12, 2015, on a vote of 106 to 4.

RE-APPOINTMENT OF LIQUOR COMMISSIONERS

Governor Snyder re-appointed Liquor Commission Chairman Andy Deloney and Commissioner Terri Quimby to new four-year terms on Thursday, May 7, 2015. Their terms of office will end on June 12, 2019. The Governor had earlier re-appointed Democratic Commissioner Dennis Olshove for another four years in 2014.

LEGISLATIVE PRIORITIES & SCHEDULE

The Legislature will continue to meet from now through the end of June to complete the 2015-16 budget. The Michigan Senate added meeting dates through the summer months, in contemplation of an extended session to deal with road funding. The House intends to announce their funding proposal soon, and hopes to vote on it immediately. ■

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Ohio Budget Stalemate Delays Other Legislation

The Ohio General Assembly continues to debate budget issues as the Ohio Senate holds hearings on HB 64, the General Revenue Budget Bill. The House passed the bill in May and removed all of the tax increases proposed by the Governor, this included a tobacco tax, CAT, Sales and expanded the sales tax to other goods and services not subject to the sales tax. The Governor desperately wants to eliminate the Income Tax in Ohio, and he would do this by raising other taxes. The most contentious of the Governor's proposal is an increase in severance tax, which he has proposed three times previously and has been rejected three times by the Republican legislature. The House did decrease the Income tax by over a billion dollars, paying for it by what they say will be better economic environment. The Governor's Director of the Office of Budget and Management was sharply critical of the House action and has urged the Senate to adopt the original proposal. It will be very unlikely for the Senate to go with the original proposal but it seems likely they will increase some taxes, with tobacco products being at top of the list. The Governor proposed a \$1 per pack tax increase with a like tax on smokeless tobacco but the Senate will probably go with either a 25 or 50 cent increase, which the House won't support. The Senate will also have their own severance tax plan which won't please industry, the Governor or the House. The bottom line here is when the Senate finishes their version of the budget it will go to conference committee and some are predicting that interim budgets may be used after the June 30th deadline as the two bodies argue the differences and come to some agreement. The

Governor does have line item veto authority which he has used sparingly but that may change with this budget. AFPD continues to work with a broad coalition to oppose tax increases.

As usual during a budget year all other bills take a back seat and move slowly until the budget is passed, which has to be by June 30th, even if the Assembly passes interim budgets. AFPD continues to push for changes in Ohio's Lottery rules, including an increase in agent fees. Working with State Representative Gary Sherer we hope to have a meeting soon with the Ohio Lottery Commission to discuss changes. In May, HB 186 was introduced and is supported by AFPD. The bill would relieve station owners from liability if people put the wrong fuel in their cars, like E-15 or E-85. The bill is being carried by Representative Tony Burkley, a Republican from Paulding and AFPD has been in conversations with his office to offer our support. There are a number of amendments floating in the General Assembly dealing with tow trucks and AFPD will continue to monitor these bills.

On the political front Governor John Kasich is moving closer to announcing whether he will run for President next year. While the election isn't until 2016, a number of debates will occur this year and time is of the essence if he truly wants to run. It appears from all he's said recently that he will run but he is hard to predict. Ohio Republican State Treasurer, Josh Mandel, did not do himself any favors with Governor Kasich when in the past week he endorsed Florida Senator Marco Rubio. Mandel can expect that he will not receive support from the Governor in any future races he may enter. He was an unsuccessful U.S. Senate Candidate in 2012. If Kasich were to run and win then Lt. Governor Mary Taylor would become the second woman Governor of Ohio, and she'd have a leg up on the 2018 nomination for Governor, which could be a crowded field with Attorney General Mike DeWine and Secretary of State Jon Husted already expressing interest in running. Lastly, as always, please keep the AFPD PAC in mind so that we can continue to be a strong voice for the independent retailers. ■



Tasting & Sampling

The opportunity for alcohol manufacturers to put their products in front of customers for tasting has been very beneficial to the industry and customers alike. Offering tasting samples is a great way of introducing customers to new brands, products, flavors, or just something different than their usual purchase. Whether it is beer, wine, low-proof mixed beverages or spirits, Ohio consumers are not necessarily drinking more but want to try new and unique items and are trading up to more premium products. The opportunity to taste new products helps inform and educate customers, and provides a vehicle for business growth in Ohio.

Spirituos liquor tasting samples have become very popular at contract liquor agencies. In 2014, there were 3,158 spirits tasting events throughout the state. So far this year, there have been more than 700 events with many more scheduled in the coming months. The procedure by which tasting samples of spirituous liquor can be sold at contract liquor agency stores was changed last year to require the trade marketing professional, broker, or solicitor to provide written notice to the Division of Liquor Control of the tasting event not less than 10 business days prior to the event. The trade marketing professional, broker, or solicitor is also required to directly purchase the bottles of spirituous liquor that will be used to provide tasting samples at the current retail price from the contract liquor agency.

The 467 private Contract Liquor Agencies can host 10 tasting events each month offering the sale of limited tasting samples of spirituous liquor products so long as no more than two tasting events take place during the same day and there is no less than one hour between the end of one event and the beginning of another event. This provides a venue for manufacturers to introduce new products and an enhanced shopping experience for customers. A sample size is .25 ounces, and no more than four samples (totaling one ounce), can be provided per person. They are limited to the spirituous liquor sales area of the store and are conducted by marketing professionals representing the spirits supplier or

manufacturer who have received alcohol server training to ensure compliance with Ohio's liquor laws.

Beer, wine and low-proof mixed beverage samples have been offered for several years at approximately 660 wine shops, carryouts, grocery and convenient stores that hold a permit for tasting samples (D-8 permit). Changes in Ohio law that went into effect last July have made conducting product tastings even easier. More establishments are now eligible to obtain the D-8 tasting permit to sell samples of beer, wine, or low-proof mixed beverages than ever before. The D-8 permit can be issued to a carryout permit holder that is a retail store and that has all of the following characteristics:

- It is located in a municipal corporation or township with a population of 5,000 or less;
- It has at least 4,500 square feet of floor area; and
- It generates more than 60% of its sales in general merchandise items and food consumption off the premises where sold.

In addition, a manufacturer, supplier, or broker, or its agent, solicitor, or salesperson can provide sample servings of beer, wine and low-proof mixed beverages to the customer at no charge and conduct consumer product instruction about the products. The wholesale distributor is prohibited from providing sample servings to the customer in addition to providing the product to be used for the sampling at no cost to the retailer. The wholesale distributor is also prohibited from providing any financial support for the tasting including paying for a third party to conduct the event. The wholesale distributor may provide consumer product instruction about the product. The instruction and sampling must take place on the premises of a D-8 permit. The person providing the sample servings must purchase the beer, wine, or low-proof mixed beverages from the D-8 permit holder at the ordinary retail price. Additionally, the sample servings must be limited to the amount and frequency authorized under the D-8 permit (serving size may not exceed two ounces and not more than four sample servings may be provided per person per day).

Business friendly regulations, coupled with our commitment to excellent customer service, will enable businesses to create new jobs and keep Ohio moving in the right direction. Anyone with questions regarding these changes, or in need of assistance expanding or starting a business, please contact the Division at (614) 644-2360. More information is also available on our website at www.com.ohio.gov/liqr. ■



michigan food safety report

KEVIN BESEY // MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT DIRECTOR

Research Shows MDARD Inspectors Play Crucial Role in Helping Businesses to Thrive and Improve Food Safety

Michigan has seen a tremendous amount of growth in the number of licensed food establishments over the past several years, especially in the food processing segment of the industry. Since 2000, the number of licensed food processors in our state has increased by 50 percent.

MDARD inspectors pride themselves on being a resource for new and expanding businesses, providing advice and compliance assistance to help businesses thrive and survive during a time when they are implementing changes and improvements. We often wonder, though, how we are doing in that arena – if the business support and development services we

provide make a difference. The regulatory part of an inspector's responsibilities is fairly easy to measure, but it's a little more difficult to evaluate whether the advice given to a food business on things like labeling or suggested design plans to help maximize food safety actually make a difference to your business.

In 2013, when Dr. Jenifer Buckley, at that time a PhD candidate at MSU, approached me about focusing her PhD research on food safety inspections of small-scale processors in Michigan, I jumped on the idea and made MDARD food inspectors available to her for the study. I hoped her study would provide us with valuable insight as to how our consultative business and food safety services help food businesses grow.

Dr. Buckley was interested in how the small-scale processing sector could grow and what some of the barriers were to that growth. She wanted to learn more about regulation and specifically food safety inspections. During her research, Dr. Buckley spoke at length, with 27 small-scale bread, cheese, and jam processors across the state and 19 MDARD Food and Dairy Division inspectors, and observed 12 food safety inspections.

According to Dr. Buckley, she went into the study believing the conventional wisdom – regulations and inspectors get in the way of business development. She said, though, it became clear very early in the study that many inspectors actually play an important and positive business development role for small food processors. A lot of small processors rely on inspectors for technical assistance, quality assurance, and other matters directly and indirectly related to regulations. Dr. Buckley observed inspectors who had been trained to provide assistance and who spent a great deal of time speaking with the processors, learning about their operations, and explaining the rationales for specific requirements.

In Dr. Buckley's private conversations with small food processors, they credited their inspectors with helping them make sound operational decisions to

MDARD CONSULTANT-PROVIDED SERVICES

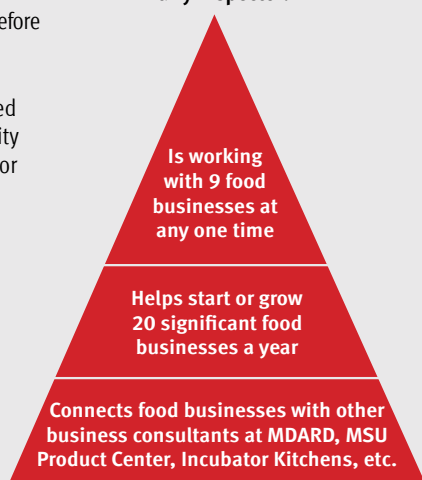
Locally Stationed Food Safety Consultant

- Compliance reviews - find small problems and eliminate them before they grow.
- Business growth consulting.
- Opening evaluations scheduled to expedite licensing and ability to obtain bridge card and liquor license approvals.
- Plan reviews.
- Product label reviews.
- Sampling and testing.

24/7/365 Emergency Response

- Customer illnesses
- Disasters
- Food Recalls
- Contamination incidents

Each MDARD Food and Dairy Inspector:



MDARD INSPECTORS

continued on next page



MDARD INSPECTORS

continued from previous page

improve food safety and product quality. Even processors who did not want the government “in their business” told her they had come to respect and trust their inspectors. Processors value inspectors as “a fresh set of eyes” who notice risks that they might have otherwise missed.

For example, one baker told Dr. Buckley about an episode in which his inspector required him to

replace the bakery’s ceiling lights with shatter resistant bulbs by a certain date. And he told her just how expensive the new bulbs were. Yet, he said, “That was the best thing ever...I think it was three months later that I hit a light bulb [with a long handle], and it didn’t shatter in a million pieces and go into all our dough and all our products. It stayed contained.”

The results of Dr. Buckley’s research project have shown that MDARD Food and Dairy Division inspectors play a critical

role in encouraging small-scale food entrepreneurship. Our inspectors take their jobs and their dual role of regulator and consultant very seriously. We plan to continue to do our part in protecting the safety and integrity of Michigan’s food supply and in working as your partners in food protection. If you are considering making changes in your food operation, or plan to expand or start a new operation, please talk to your inspector first, or contact MDARD at (800) 292-3939. ■



safety sense

BWC Offers Free Prospective Billing and Safety Seminars for Private Employers

Ohio BWC is switching to the industry standard of prospective billing for employer premiums and is offering seminars to provide answers and details about prospective billing. This includes:

- The reason for the transition and its benefits to employers;
- How BWC will cover the costs of this change with a transition credit;
- Transition timelines and important dates to remember;
- Essential information and new requirements for payroll reporting;
- Changes to deadlines for rating plans and BWC programs.

Limited availability for seating! Please RSVP by calling or emailing the information provided with the seminar you wish to attend. Please include your name, job title, policy number, email and phone number. ■

LOCATIONS:

JUNE 16TH – CLEVELAND

9:00 a.m. to 11:00 a.m.
BWC Customer Service Office
4800 E. 131st St., Suite A
Garfield Heights, OH 44105
P: (216) 584-0355
E: Sandra.T.14@bwc.state.oh.us

JUNE 17TH – CINCINNATI

1:30 p.m. to 3:30 p.m.
BWC Customer Service Office
8650 Governor’s Hill Dr., Suite 400
Cincinnati, OH 45249
P: (513) 583-4403
E: Shannon.M.1@bwc.state.oh.us

JUNE 19TH – CINCINNATI

8:30 a.m. to 10:30 a.m.
BWC Customer Service Office
8650 Governor’s Hill Dr., Suite 400
Cincinnati, OH 45249
P: (513) 583-4403
E: Shannon.M.1@bwc.state.oh.us

JUNE 23RD – CANTON

9:00 a.m. to 11:00 a.m.
BWC Customer Service Office
339 E. Maple St., Suite 200
North Canton, OH 44720
P: (330) 430-3609
E: David.B.12@bwc.state.oh.us

JUNE 23RD – DAYTON

8:30 a.m. to 10:30 a.m.
BWC Customer Service Office
3401 Park Center Dr., Suite 100
Dayton, OH 45414
P: (937) 264-5230
E: Kathaleen.C.1@bwc.state.oh.us

JUNE 24TH – YOUNGSTOWN

10:00 a.m. to noon
BWC Customer Service Office
242 Federal Plaza W., Suite 200
Youngstown, OH 44503
P: (330) 797-5506
E: Heidi.F.1@bwc.state.oh.us

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ASSOCIATIONS

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) 464-8485
Western Michigan University Food Marketing Program (269) 3887-2132

ATM

Edge One (608) 873-3311

BAKED GOODS DISTRIBUTORS

Cateraid, Inc. (517) 546-8217
Great Lakes Baking Company (313) 865-6360
Metropolitan Baking Co./Hearth Oven Bakers (313) 875-7246

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American Capital & Money Center (Credit Union) (310) 550-9494
Bank of America (734) 437-5951
Bank of Michigan (248) 865-1300
Huntington Bank (248) 626-3970
Lincoln Financial Advisors (248) 948-5124
Rice & Diggs, LLC (248) 973-7057

BEER MANUFACTURERS

Anheuser-Busch, Inc. (614) 781-0508
Frankenmuth Brewery (989) 262-8300

BEER DISTRIBUTORS

Eastown Distributors (313) 867-6900
Great Lakes Beverage Company (313) 865-3900
Powers Distributing Company (248) 393-3700

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Alkamano & Associates (248) 865-8500
Karla Atchoo & Associates (248) 851-1662
Marcoin/EK Williams & Company (614) 837-7928
UHY Advisors-MI (248) 355-1040

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Denha Media Group (248) 702-8687

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Capital Sales Company (248) 542-4400
H.T. Hackney-Grand Rapids 1-800-874-5550
S. Abraham & Sons, Inc. (616) 453-6358
Seaway Cash N' Carry (216) 361-5757
Select Distributors (844) 208-8097
Team Sledd (304) 243-1820
United Custom Distribution (248) 356-7300

CHECK CASHING SYSTEMS

Secure Check Cashing, Inc. 1-800-344-9915

CHICKEN SUPPLIERS

Taylor Freezer/Broaster Chicken (734) 525-2535

CHIPS, SNACKS & CANDY



Better Made Snack Foods (313) 925-4774
Frito-Lay, Inc. 1-800-359-5914
Great Lakes Potato Chip Co. (231) 421-8040
Kar's Nut Products Company (248) 588-1903
Motown Snacks (Jays, Cape Cod, Tom's, Archway, Stella D'oro) (313) 931-3205
Nicks Chips (586) 619-7023
Snyder's-Lance, Inc. (616) 401-0258
Uncle Ray's Potato Chips & Snacks ... 1-800-800-3286

COFFEE DISTRIBUTORS

Folgers (717) 468-2515

COUPON REDEMPTION/MONEY ORDERS/MONEY TRANSFER/BILL PAYMENT



AFPD Coupon Redemption 1-800-666-6233
..... (405) 525-9419



MoneyGram International (517) 292-1434
..... (614) 306-1375

GFPS (405) 278-8800
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Western Union (734) 206-2605

CREDIT CARD PROCESSING



WorldPay (773) 571-6327
First Class Payment Systems 1-888-255-2211
Petroleum Card Services 1-866-427-7297

DELI & MEAT MANUFACTURERS & DISTRIBUTORS



Sherwood Food Distributors (313) 659-7300
Alexander & Hornung, Inc. (586) 771-9880
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Lipari Foods, Inc. (586) 447-3500
Natural Choice Foods (616) 822-4613
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Gleaners Community Food Bank (313) 923-3535
Greater Lansing Food Bank (517) 908-3690

GAS STATION MAINTENANCE



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RW Mercer Co. (517) 787-2960

GASOLINE WHOLESALERS

Atlas Oil Company 1-800-878-2000
Central Ohio Petroleum Marketers (614) 889-1860
Countywide Petroleum (440) 237-4448
Gilligan Oil Co. of Columbus, Inc. 1-800-355-9342
High Pointe Oil Company (248) 474-0900
Obie Oil, Inc. (937) 275-9966
R&R Takhar Operations, Inc. (937) 665-0881

GREETING CARDS



Leanin' Tree 1-800-556-7819 ext. 4183

GROCERY WHOLESALERS & DISTRIBUTORS



D&B Grocers Wholesale (734) 513-1715
Central Grocers, Inc. (815) 553-8856
George Enterprises, LLC (248) 851-6990
Great North Foods (989) 356-2281
International Wholesale (248) 353-8800
Jerusalem Foods (313) 846-1701
Kehe Distributors 1-800-886-0700
Savorfull, LLC (313) 875-3733
SpartanNash (616) 878-2248
SUPERVALU Midwest Region (262) 942-3387
T.I. Spices Inc./Amal Distributing (586) 790-7100
Value Wholesale Distributors (248) 967-2900

HOSPITALITY INDUSTRY CONSULTING

Lippitt O'Keefe Advisors, LLC. (248) 646-8292

HOTELS, CONVENTION CENTERS & BANQUET HALLS

Petruzello's (248) 879-1000
Shenandoah Country Club (248) 683-6363
Suburban Collection Showplace (248) 348-5600

ICE CREAM SUPPLIERS



Hershey's Ice Cream (734) 449-0301



Arctic Express (Nestle Ice Cream-Small format only) 1-866-347-3657



Nestle DSD (Small format only) ... (616) 291-8999



Prairie Farms Ice Cream Program 1-800-399-6970 ext. 200
Country Fresh 1-800-748-0480
Velvet Ice Cream Co. (740) 892-3921

ICE PRODUCTS



U.S. Ice Corp. (313) 862-3344
Arctic Glacier Premium Ice 1-800-327-2920
Home City Ice 1-800-759-4411
Taylor Ice Co. (313) 295-8576



INSURANCE SERVICES: COMMERCIAL

-  **Accident Fund Insurance Company**
of America  (517) 281-9813
-  **Conifer Insurance Company**... (248) 262-5988
-  **Cox Specialty Markets** (Conifer)  1-800-648-0357
-  **CareWorks**  ... 1-800-837-3200 ext. 7188
- Allstate Insurance (248) 377-1717
- Bassam & Associates/Village Insurance
Group (Conifer) (330) 342-0347
- Business Benefits Resource, LLC (248) 381-5045
- Globe Midwest/Adjusters
International 1-800-445-1554
- Insurance Advisors, Inc. (248) 694-9006
- Insurance Providers of Michigan, Inc. . (248) 325-9469
- Mackinaw Administrators, LLC (810) 220-9960
- USTI/Lyndall Insurance (440) 247-3750

INSURANCE SERVICES: HEALTH & LIFE

-  **BCBS of Michigan**  1-800-666-6233
-  **LifeSecure Insurance Company** (810) 220-7703
- Midwest Medical Center (313) 581-2600
- National Benefit Plans (Don Jorgensen) . . 1-800-947-3271
- Rocky Husaynu & Associates. (248) 851-2227

INVENTORY SERVICES

- Target Inventory (586) 718-4695


LEGAL SERVICES

-  **Willingham & Cote, PC**  (Alcohol Issues) (517) 351-6200
- 1-800-Law-Firm (248) 565-2067
- At Law Group, PLLC (313) 406-7606
- Bellanca & LaBarge (313) 882-1100
- Bufalino and Palazzolo, PC (586) 415-1200
- Cummings, McClorey, Davis & Acho, PLC . (734) 261-2400
- Denha & Associates, PLLC (248) 265-4100
- Jappaya Law, PLC (248) 626-6800
- Kitch Attorneys & Counselors (586) 493-4427
- Kullen & Kassab, PC (258) 538-2200
- Lumpe & Raber Law Offices (614) 221-5212
- Mekani, Orow, Mekani, Shallal &
Hindo, PC (248) 223-9830
- Pepple & Waggoner, Ltd. (216) 520-0088
- Porritt, Kecskes, Silver & Gadd, PC (734) 354-8600

LOTTERY

- GTech Corporation (517) 272-3302
- Michigan Lottery (517) 335-5648
- Ohio Lottery 1-800-589-6446

MILK, DAIRY & CHEESE PRODUCTS

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

MISCELLANEOUS

- Bright Accessories (832) 779-1246
- Elite Valet & Transportation. 1-888-488-1115
- Grocery Heros (online shopping program) . . (419) 764-8564
- Lynco Products (309) 787-2300
- Saroki Vehicles LLC (248) 258-3900
- Socks Galore Wholesale (248) 545-7625
- W3R Consulting (Business & IT consulting) . . (248) 358-1002
- XO Furniture & Mattress Outlet (248) 830-2365

MOBILE MARKETING

- Mousetrap Group, LLC (248) 547-2800

OFFICE SUPPLIES & PRODUCTS

-  **Office Depot** (248) 231-7198

PAPER PRODUCTS & PACKAGING SUPPLIES

- AJM Packaging Corporation (Paper Products) . . (248) 901-0040
- American Paper & Supply (248) 787-8393

PAYROLL SERVICES & MORE

- GMS-Group Management Services (614) 754-5276

PEST CONTROL

-  **ORKIN** (614) 620-0566

PIZZA SUPPLIERS

- Hunt Brothers Pizza (615) 259-2629

POINT OF SALE

- BMC-Business Machines Company. (517) 485-1732
- Great Lakes Data Systems... (248) 356-4100 ext. 107

PRINTING, PUBLISHING & SIGNAGE

-  **Fisher Printing** (708) 598-1500
- Huron Web Offset Printing. (519) 845-0821
- Michigan Logos (517) 337-2267
- Pace Custom Printing. (248) 563-7702
- Walsworth Publishing Company (616) 419-3305

PRODUCE DISTRIBUTORS

-  **Heeren Brothers Produce** ... (616) 452-2101


PROPANE

-  **Pinnacle Propane Express**... (847) 406-2021

REAL ESTATE

- American Business Brokers (614) 500-8500
- Signature Associates (248) 359-3838

REFRIGERATION SOLUTIONS (COMMERCIAL)

-  **SRC Refrigeration** 1-800-521-0398
- Arneg USA (336) 596-1494
- Phoenix Refrigeration (248) 344-2980

REVERSE VENDING MACHINES & SERVICE

- Kansmacker (517) 374-8807
- TOMRA (248) 529-2371
- UBCR, LLC (248) 529-2605

SECURITY, SURVEILLANCE & MORE

- Advanced Satellite Communications/
ASC Security Systems (734) 793-1423
- Caretek Total Business Concepts 1-866-593-6100
- Central Alarm Signal (313) 864-8900
- Jarbcom 1-800-369-0374

SHELF TAGS/LABELS/MARKETING

- iScanZone (248) 470-3717
- JAYD Tags (248) 730-2403

SHIPPING: FREIGHT & CARGO SERVICES

- Eagle Expedited Services, LLC (248) 722-9696

SODA POP, WATER, JUICES & OTHER BEVERAGES

-  **Monster Energy Company**... (586) 566-6460
- Absopure Water Co. 1-800-334-1064
- Coca-Cola Refreshments
..... Belleville  (734) 397-2700
..... Metro Detroit  (313) 868-2008
..... Port Huron  (810) 982-8501
..... Cleveland  (216) 690-2653
- Faygo Beverages, Inc. (313) 925-1600
- iDrink Products, Inc. (734) 531-6324
- Intrastate Distributors (313) 892-3000
- NYSW Beverage Brands (845) 254-5400
- Pepsi Beverages Company ... Detroit  1-800-368-9945
..... Howell  1-800-878-8239
..... Pontiac  (248) 334-3512
..... Cleveland  (216) 252-7377
..... Twinsburg  (330) 963-5300
- Tropicana Chilled DSD (Naked Juice) (816) 509-7853

SUPPLEMENTS

- InstaBoost (248) 281-0065
- LXR Biotech, LLC (Eternal Energy Shot) (248) 836-4373

TIRE & VACUUM EQUIPMENT/SERVICE

-  **Air Resource Vending** (507) 263-2962

TOBACCO COMPANIES & PRODUCTS

- 8 Mile Smoke (844) 678-6453
- Altria Client Services (513) 831-5510
- R J Reynolds Tobacco Comapny (336) 741-0727
- Westside Vapor (e-cigarettes) (614) 402-0754

UNIFORMS, LINENS, WORK WEAR & SUPPLIES

-  **UniFirst** (888) 256-5255 ext. 232

WASTE DISPOSAL & RECYCLING

-  **National Management Systems** (586) 771-0700
- Midwest Recycling (American Red Cross boxes) (313) 304-9099
- Schupan Recycling (269) 207-5448

WINE & SPIRITS COMPANIES




- Bacardi Martini U.S.A. (734) 459-2764
- Beam Suntory, Inc. (248) 471-2280
- Black Heath Beverage Group. (734) 417-5774
- Brown-Forman Beverage Company (248) 393-1340
- Cornerstone Wine Distributors (586) 839-2552
- Diageo 1-800-462-6504
- Five O'Clock Brands (248) 549-0054
- Heaven Hill Distilleries 1-800-348-1783
- Luxco (313) 333-4637
- North American Spirits & Wine (248) 535-0707
- Remy Cointreau USA (248) 347-3731
- Southern Wine & Spirits of America ... (248) 698-1660
- Veritas Distributors (586) 977-5799

WINE & SPIRITS DISTRIBUTORS

- Great Lakes Wine & Spirits (313) 867-0521
- RNDC of Michigan 1-888-697-6424



Indicates a supplier program that
has been endorsed by AFPD

 Indicates supplier only available in MI
 Indicates supplier only available in OH
 Indicates supplier only available in PA

**JUNE 25, 2015****7TH ANNUAL AFPD FOUNDATION / JOSEPH D. SARAFI SCHOLARSHIP LUNCHEON**

Every year the AFPD Foundation awards academic scholarships in the amount of \$1,500 each to extraordinary and deserving students in Michigan. Help the AFPD Foundation invest in the leaders of tomorrow. Tickets and sponsorship opportunities available.

Detroit Athletic Club // Detroit, MI

JULY 14-16, 2015**AFPD'S 39TH ANNUAL GOLF OPEN & MICHIGAN POLITICAL ACTION COMMITTEE GOLF OUTING**

Three days to choose from! A day on the course includes breakfast, lunch, 18 holes of golf and samples at every hole! Last year we sold out! Sponsorship opportunities are available. All proceeds from July 16th will go to support the AFPD Michigan PAC.

Shenandoah Country Club // West Bloomfield, MI

SEPTEMBER 24, 2015**AFPD'S 17TH ANNUAL HOLIDAY FOOD & BEVERAGE BUYING SHOW**

As Michigan's premiere holiday show, retailers and on- and off-premise licensees come from miles to see, sample and buy a wide variety of new products. Admission for AFPD members is free. Must be 21 years or older to attend this show.

Shenandoah Country Club // West Bloomfield, MI

OCTOBER 1, 2015**AFPD'S 6TH ANNUAL WEST MICHIGAN HOLIDAY FOOD & BEVERAGE SHOW**

Back by popular demand! Connect with buyers and have some fun at the 2015 West Michigan Holiday Food & Beverage Show. Let AFPD work hard to help you sell your holiday products and promotions.

DeVos Place // Grand Rapids, MI

NOVEMBER 19 & 20, 2015**AFPD "HIGH FIVE" TURKEY DRIVE**

As the holiday season approaches, the AFPD turkey drive committee has AFPD has pledged to put a turkey on the thanksgiving table of over 6,000 needy families throughout Michigan and Ohio that may not otherwise enjoy this special meal.

Detroit & Lansing, MI // Cleveland & Columbus, OH

publishers statement

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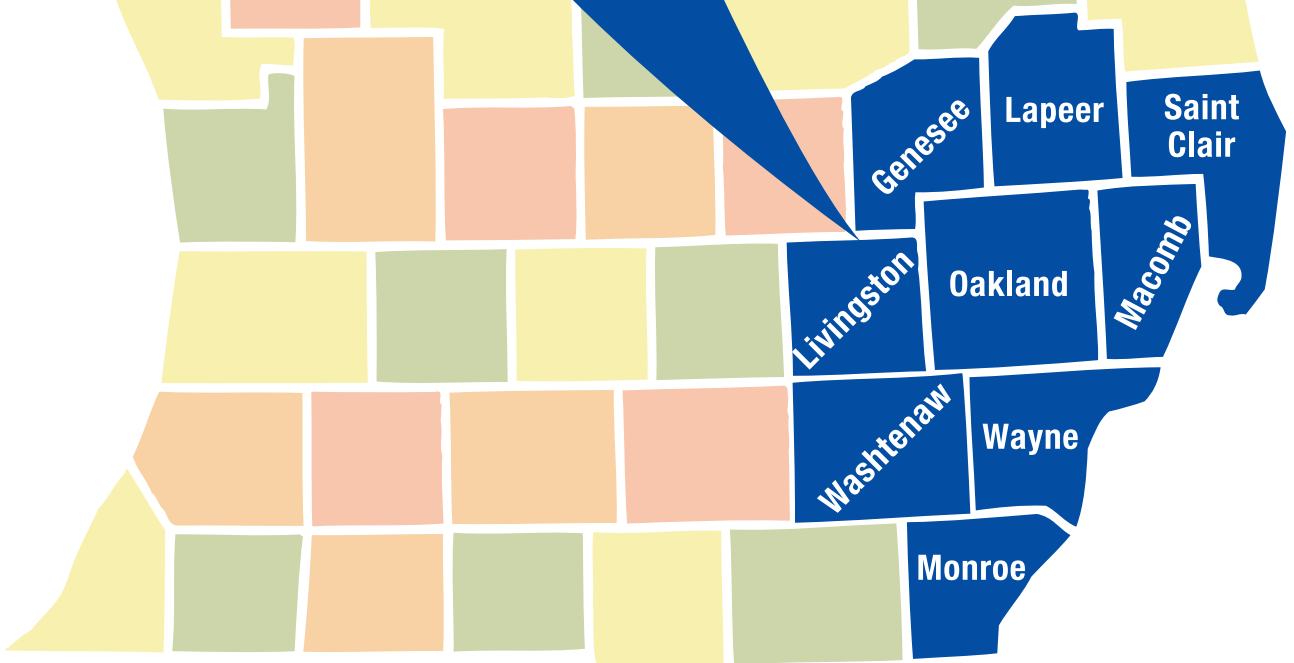
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- Provide several extensive lines of quality Private Label brands
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