

Legislative Issues Making Real-life Impact in the Industry

AFPD's Own Joe Bellino, Jr. Heads to Lansing
// PAGE 26

St. Patrick's Day is Fast Approaching: Are you Really in the Holiday Spirit? // PAGE 32

## Eby-Brown

Delivering Solutions Daily for more than 125 years



## AFPD'S GROUP PURCHASING POWNER!

This program provides a customized marketing plan and competitive retail pricing that is sure to help you increase sales and build a better bottom line.

## **TOTAL VALUE TO YOU**

\$2,080	2% Rebate*	(annual total	paid quarterly)
---------	------------	---------------	-----------------

\$500 AFPD Membership Dues (paid by Eby-Brown)

**\$1,500** Chain Buying Book Average Savings

**\$2,500** Est. AFPD Member Program Savings

\$6,580 Total Member Benefits Per Location

#### **GENERAL REQUIREMENTS**

- \$3,500 minimum delivery required (including tobacco).
- Must purchase from Eby-Brown weekly to qualify.

Subject to pre-qualification by a Eby-Brown sales representative, quarterly sales to be evaluated.

#### **NEW EBY-BROWN CUSTOMERS**

- Receive a 2% rebate on all purchases (excluding tobacco). Rebate checks are sent quarterly by AFPD.
- AFPD membership fees paid by Eby-Brown.
- Access to AFPD/Eby-Brown Chain Buying Book.
- Access to AFPD approved national and local programs (where applicable).

#### **CURRENT EBY-BROWN CUSTOMERS**

- Must qualify for the 2% rebate (excluding tobacco) and paid membership fees at the discretion of the Eby-Brown sales management team. Rebate checks are sent quarterly by AFPD.
- Access to AFPD/Eby-Brown Chain Buying Book.
- Access to AFPD approved national and local programs (where applicable).

1415 W. Diehl Road Naperville, IL 60563 (800) 553-8249 www.eby-brown.com

<sup>\*</sup> Based on \$2,000 non-tobacco purchases weekly

#### columns

**02** CHAIRMAN'S MESSAGE Honor and Privilege to Serve

#### **08** GOVERNMENT RELATIONS UPDATE

Update on Growlers, Wine Shipping, and Product Delivery

10 PETROLEUM NEWS & VIEWS Legislative Issues, Dues, and PAC Fund

#### **14** MICHIGAN LOTTERY REPORT

Bonus Draws Coming to Daily 3 and Daily 4 Game in March

**16** OHIO LOBBYIST REPORT Starting Strong in 2017

18 OHIO LIQUOR REPORT Supporting Ohio Business Growth

#### departments

**04** EVENT RECAP

A Sweet Event

#### **06** ASK THE MEMBER

What Do You Like about the Annual AFPD Trade Dinner & Ball?

#### 12 ALERT

Michigan Underground Storage Tank Fund (MUSTA) – Important Update

#### **24** RETAILER SPOTLIGHT

From Grab-N-Go to Gourmet: Chef Carl Serves Signature Dishes

#### **28** SAFETY SENSE

- BWC's New Method for Determining Successorship
- Employee Assistance Program
  Now Offered to Group Customers

#### **34** EXPRESS LINES

Industry-Wide Items of Interest

#### **41** SUPPLIER DIRECTORY

Your Resource for Products and Services

#### **44** AFPD CALENDAR

Upcoming Industry Events



#### features



## COVER STORY // LEGISLATIVE ISSUES MAKING REAL-LIFE IMPACT IN THE INDUSTRY

AFPD entered 2017 looking at the real-life impacts the 2016 legislative victories will have on the association and its members.



## SPOTLIGHT PROFILE // AFPD'S OWN JOE BELLINO, JR. HEADS TO LANSING

It is the first time in AFPD history that one of its own will serve in the State Legislature. Joe Bellino Jr., 58, owner of Broadway Market and former AFPD Chairman was officially sworn into office mid-December at the State's Capitol and then again in January in front of about 150 people in his hometown of Monroe.



## SPECIAL FEATURE // ST. PATRICK'S DAY IS FAST APPROACHING: ARE YOU REALLY IN THE HOLIDAY SPIRIT?

Retailers know the power and influence of branding products. Some products sell themselves with years and money put into advertising. However, when a new product enters the market, it provides the retailer an opportunity to take ownership of its success, while branding the business and increasing sales.



## chairman's message

PHIL KASSA // AFPD CHAIRMAN

### Honor and Privilege to Serve

cannot tell you what an honor it is to be elected as the new Chairman of the Board at AFPD. As a third generation grocer, this industry means a lot to me and my family; and has allowed me to provide a better life for my kids and my entire family while always making sure to take care of our employees and the communities we have served over the years.

My grandfather opened his first store in 1931 on Jefferson and St. Clare in Detroit. I was born into the business and owe everything I have to this business and want to do whatever I can to protect our industry! I really want to thank the AFPD Board of Directors for having faith in me and I look forward to working with the amazing AFPD staff in the coming years. I have been serving on the AFPD Board of Directors for close to nine years now and we have come a long way as an organization. Many people don't know the long hours of volunteer-work all the AFPD Board members take part in annually to help protect our industry.

We are always looking for dedicated board members and we know everyone is busy, but life would be much tougher for all of us if it was not for AFPD. Before I was elected to the Board of Directors, I really did not know everything AFPD did, but now I really can't believe how much work our staff does and how large we have become as an organization. Just nine years ago AFPD was faltering just like the rest of the economy, but now under the leadership of Auday Arabo, our President and CEO, we are one of the largest groups in the country! We own our building free and clear, we are growing all throughout the Midwest, we are thinking outside the box with new ventures like Benchmark Beverage Company, our investments are doing great and we have been able to subsidize your dues and continue to provide even more services to you every year!

During my two-year term I plan on challenging our board of directors and our staff to do EVEN MORE! Competition remains fierce more than ever and every little bit helps. The new laws that we drafted and were passed by in the Michigan legislature have been a big hit already in 2017. We need even more vendor programs to help support all levels of our members across the states we cover. Members for the first time in 107 years are making money off of AFPD rebates and programs. If you are not one of those members, please call the office and ask why...You must not be using the programs.

I would like to merge with another organization if it makes sense for us because there is always strength in numbers. With Auday Arabo's leadership, we are more member-oriented than ever. A number of chains are members because of the work we do in government affairs and compliance work. We have independents that are making money from the AFPD rebates and services and best of all, we are only a phone call away! It is so inexpensive to be an AFPD member if you figure out your cost on a daily basis. It is less than a cup of coffee in many cases. I really want to thank the former Chairman John Denha for supporting me in this transition and I am so very happy for Joe Bellino, Jr. another former Chairman who was elected to the Michigan House of Representatives and who is now the Vice Chairman of the Regulatory Reform Committee. That is a BIG DEAL!

My number one priority the next two years will be to make sure we sign Auday Arabo to a new contract to ensure he stays with AFPD into the future. With all his great work, he has become a hot commodity and people have been making him offers. How many trade associations like AFPD have a licensed attorney as their President & CEO? Not many, plus his heart is centered on helping our industry which has been such a big part of his life. Please contact me with anything you may need. We are here to serve you, the AFPD member! God Bless.

#### **EXECUTIVE COMMITTEE**

Phil Kassa	Chairman, Heartland Marketplace/ Saturn Food Center
Tom Baumann	Supermarket Vice Chair, Ric's Food Center
Jerry Crete	Convenience/Liquor Store Vice Chair, Ideal Party Stores
Michael Mitchell	Petroleum/Auto Retail Vice Chair, Markham Oil
Al Chittaro	Supplier Vice Chair, Faygo Beverages, Inc.
Paul Elhindi	Treasurer, Corner Market
Clifton Denha	Secretary, Wine Palace
Bobby Hesano	Vice Chair of Membership, D&B Grocers Wholesale
Jim Garmo	Vice Chair of Vendor Programs Development, Kuzana Enterprises

#### SUPERMARKET RETAIL DIRECTORS

Najib Atisha	Indian Village Market
Jacob Garmo	Village Food Market/Fresh Food Depot

#### **CONVENIENCE / LIQUOR STORE DIRECTORS**

Joe Abro	Princess Superette
Frank Ayar	Walter's Shopping Place
Al Jonna	Picnic Basket/Wine Merchants
Brian Yaldoo	Hills Fine Wine & Spirits

#### PETROLEUM/AUTO RETAIL DIRECTORS

Ziad Koza High Pointe Oil

#### SUPPLIER DIRECTORS

Saad Abbo	U.S. Ice Corp.
Ken Hebert	Coca-Cola Refreshments
Jason Ishbia	Sherwood Foods
Marsha Keenoy	Diageo
Gary McGuirk, Jr.	Liberty USA/Eby Brown
Brad Miller	SUPERVALU Midwest Region
Brian Pizzuti	RNDC of Michigan
Mike Quinn	Pensi Beverages Company

#### ASSOCIATE DIRECTOR

Tiffany Otis-Albert Blue Care Network

#### **EMERITUS DIRECTOR**

**John Denha** 8 Mile Foodland/Huron Foods

#### **STAFF & CONSULTANTS**

Auday P. Arabo, Esq.	President & CEO
Ed Weglarz	Director, Petroleum
Dan Papineau	Director, Government Relations
Judith Will Fleming	Director, Ohio Operations
Ila Konja	Bookkeeper/Insurance
Maegan Hesano	Event Coordinator
Angie Kassab	Office Manager
Lisa Denha	Publication Sales
Ken Schulte	Business Development
Ron Milburn	Business Development
Mary Ann Yono	Business Development
Andrea Meram	Receptionist
Terry Fleming	Ohio Lobbyist,
•••••	TC Fleming & Associates
Tamar Lutz	Graphic Designer,
Vanessa Denha	Tamar Designs, LLC Public Relations.
vallessa Dellila	Denha Media and Communications
UHY-MI	Certified Public Accountant
Karla Atchoo	Accounting Consultant,
	Karla Atchoo & Associates, Inc.
Fred Hatty	Benchmark Beverage Company
Andrew Wheaton	Benchmark Beverage Company
Amy Kotrych	Benchmark Beverage Company
Bill Brooks	Benchmark Beverage Company
Fernando Zrynyi	Benchmark Beverage Company
Steven Schmitt	Benchmark Beverage Company
Jay Konja	Benchmark Beverage Company
Charlene Wallace	Benchmark Beverage Company
Bob Brydgres	Benchmark Beverage Company

## JOIN OUR CARNIVAL OF SAVINGS! ON ORDERS PLACED AT OUR FOOD SHOW



DELI • BAKERY • DAIRY • FOODSERVICE • CONFECTIONS • MEAT & SEAFOOD PACKAGING • SPECIALTY GROCERY • CONVENIENCE STORE



FOR MORE INFORMATION PLEASE CALL: 800.729.3354



NEW CUSTOMERS CONTACT
joe\_calo@liparifoods.com
OR CONTACT YOUR
LIPARI SALES REPRESENTATIVE

#### **A Sweet Event**

FPD has been celebrating the industry at their Annual Trade Dinner and Ball for 101 years. It may be an annual event that the more than 1,000 attendees look forward to every year, but no two galas have ever been the same. "AFPD is always looking for ways to improve the event from years prior," said Mark Kassa, lead singer of Slight Return.

AFPD also added freshly-made specialty donuts from the Donut Bar and flew in the Johnny Walker Trunk, especialty for the night. With the Lions in the playoffs, AFPD streamed live the game on two large screen TVs. Whether it was a new addition or old favorites, the event kept the crowd fed and entertained.

The evening started with a strolling cocktail hour with guests getting their pictures taken at two photo displays and recording their favorite songs at the Boogie Head booth.

"It has evolved into a great party," said Lamia Arcori who was instrumental in revamping the annual event into a celebration. "When I attended my first AFPD dinner in the mid to late 80s, there were 300 people there. My husband and I knew it could attract so many more people."

Arcori, whose late husband Frank was a past Chairman, along with Fran Monaco took over the annual gala and within five years attendence doubled. "Fran, who was 60 years old at the time, said we needed to breathe new life into this party. Also, Frank was considered one of the younger members at the time. I think, because of his age, he was able to attract younger members to the association and ultimately to the dinner."

A few years back, the board decided to make another major change – no more speakers. "This event is about you," said Auday Arabo, President and CEO, as he addressed the crowd from the stage. "This is not a night about listening to speeches; it is about thanking everyone in the industry for all that they do."

Although he did not deliver a speech, newly elected State Representative, and past AFPD Chairman, Joe Bellino Jr. joined Arabo on stage to acknowledge other elected leaders and to offer a prayer before dinner.

Also, recent past Chairman, John Denha, handed the gavel to incoming chairman, Phil Kassa. Denha thanked the board for their

support. "Please give Phil your support," said Denha. "I know he will do a great job."

This year, guests participated in the silent auction and enjoyed a night of games at the casino tables. After dining on filet, guests nibbled on late-night snacks; Little Caesars Pizza, National Coney Island Coney Dogs, Prairie Farms Ice Cream, Party Café Cappuccino Station, candy from Lipari, enjoyed cigars and enjoyed high-end drinks.

The theme of the night was Willy Wonka and the Chocolate Factory. A Golden Ticket was given out to one lucky winner at each table who took home the centerpiece of specialty brand liquors from AFPD's Benchmark Beverage Company. In line with the Willy Wonka theme, inside the gift basket was peanut butter and chocolate liquors perfect to make a dessert martini.

After a night of dinner, dancing, gaming, socializing and good, old fashion fun, guests left the night with a handful of snacks including Deep River potato chips for the ride home and a carton of Just Water to wash it down.

"It's one of the best nights of the year," said Jerry Yono who may no longer be involved in the industry, but still looks forward to the gala every year. "AFPD has been part of my life for most of my life. I will never give up being part of this event."

Yono was among several people who made note of how much they enjoy the annual celebration and commented as why they love to attend. Their comments can be read in the ATM section on page 6. ■





Candy Spoons or er a provided 85:

2017 AFPD BOARD OF DIRECTORS



**BRIAN PIZZUTI AT THE RNDC TABLE** 



PHIL KASSA & JOHN DENHA





DR. JACOB MANSOUR, WAYNE COUNTY SHERIFF BENNY NAPOLEAN, FOUAD ASHKAR OF DTE ENERGY & GUESTS

## ask the member

#### What Do You Like about the Annual AFPD Trade Dinner & Ball?



FERIAL & JERRY YONO

"This was such a big part of my life and even though I am not in the business, I will not miss this gala. It was part of my life for 37 years. I was elected chairman three times, but I gave up the last time for another board member. Even after I got out of the business, I stayed with AFPD for seven more years." – JERRY YONO // SOUTHFIELD FUNERAL HOME

"This is a big party. They support us and we support them. It is a great event." – FERIAL YONO // SOUTHFIELD FUNERAL HOME



FLORENCE ATTO & LAMIA ARCORI

"It's nice to know that people in the same industry get together. It is so important. This function is amazing. It brings together people from different areas of the industry and they learn from each other."

- LAMIA ARCORI // FORMER ORGANIZER OF THE AFPD TRADE DINNER & BALL

"I like seeing everybody. You are going to a party that you know you will know half the population and I don't always get to see these people. It's a fun party." – FLORENCE ATTO // GUEST OF THE EVENT



KAREN & DENNIS WRIGHT, INAM & KELLY DENHA, CLIFF & LISA DENHA

"It's a great way to get together with people. You see old friends and make new ones." – KELLY DENHA // WINE PALACE

"It's nice to talk to friends in the industry outside of the store. It's a great function for networking. The gala is a fun event."

- CLIFF DENHA // WINE PALACE



AI HAMMOUD, BRENDA FENBERT & ABE HACHEM

"The mixture of the people; it is very diverse. The event is so much fun. The food is excellent. The wine is excellent and the entertainment is the best."

- ABE HACHEM // OWNER OF MIDWEST RECYCLING // SPONSOR OF THE AFPD
TRADE DINNER & BALL



**HEATHER & HAITHAM THOMAS** 

"You get to see people in the industry you don't get to see all the time. It is a fun way to meet people, and network and learn about the industry."

- HAITHAM THOMAS // OWNER HEATHER'S LIQUOR LAND



**KLINT & DALENA KESTO** 

"They put on a great event. They make it fun and informal even though we're formally dressed. AFPD does a fabulous job for its members. This annual gala is just one way they give back and thank everyone for their efforts and they do it in such a fun way. This event is a great place to build relationships. They think of everything that is entertaining and they don't bore people with a bunch of speeches. The food at Penna's is also top notch."

- KLINT KESTO // MICHIGAN STATE REPRESENTATIVE (R)

Crystal pure U.S. ICE, made in Michigan since 1984. Independent los Largest Nanufacturer o 10625 W.S. Ice Corp. Usicecorp. Com
Detroit. Michigan 48227 Grab an extra bag 313.862.3344

PURE VERIOR MICHIGOR

ICHIGAN so you don't U CO U.S. ICE is made from crystal pure Michigan water, delivered in cubed, block or dry ice. We can also provide coolers for stores, festivals, reunions, events, picnics or any party needs. Call 313-862-3344 or visit us online at usicecorp.com.



## government relations update

DAN PAPINEAU // AFPD DIRECTOR, GOVERNMENT RELATIONS

## Update on Growlers, Wine Shipping, and Product Delivery

The Governor signed two pieces of legislation on January 5th that will open up new sales opportunities for alcohol retailers across Michigan. As discussed in greater detail in previous editions of this publication, off-premise retailers will now be able to sell growlers, ship wine, and deliver products. This article is meant to provide more specifics on these new sales opportunities.

#### **GROWLERS**

Any retailer with both an SDM and an SDD license will be allowed to sell beer in growlers beginning April 9, 2017. There is no additional license, registration, or special approval needed to sell this new product however, there are some specific procedures you must follow. To fill and sell growlers a retailer must comply with the following:

- The growler is sealed and has a label affixed to it that includes at least the brand name of the beer, the class of the beer, the net contents of the container, and the name of the retailer filling the growler.
- The merchant or his or her agent or employee shall not fill a growler in advance of the sale.
- The eligible merchant or his or her agent or employee shall only use containers that have a capacity of 5 gallons or more to fill a growler.
- The beer to be dispensed has received a registration number from the commission and has been approved for sale by the commission.
- The eligible merchant complies with all applicable rules promulgated by the commission.

#### **WINE SHIPPING**

Beginning March 29, 2017, retailers holding an SDM license will be able to ship wine via a common carrier. A common carrier includes shippers like UPS and FedEx. The benefits of being able to easily ship product to a customer are plentiful however, if a retailer chooses to utilize this new law they should be aware of

many requirements they must comply with to do so. These requirements are as follows:

- Pay any applicable taxes on the product.
- Comply with all laws of this state including, but not limiting to, the prohibition on sales to minors.
- Verify the age of the individual placing the order by obtaining from him or her a copy of a photo identification issued by a governmental entity.
- Record the name, address, date of birth, and telephone number of the individual placing the order
- Stamp, print, or label on the outside of the shipping container "Contains alcohol. Must be delivered to a person 21 years of age or older".
- Place a label on the top panel of the shipping container containing the name and address of the individual who placed the order and the name of the designated recipient if different from the name of the individual placing the order.

It is also expected the MLCC will come out with a standard ordering form for sales that include shipping as part of the sale retailers will need to fill out. While this is not certain, it is definitely being discussed.

While some of these requirements may seem like common sense and others may seem tedious they are in place to ensure out of state retailers do not infringe on your business. This information is being gathered so retailers from outside of Michigan can be caught and punished for illegally selling into our state.

#### **PRODUCT DELIVERY**

Beginning March 29, 2017, retailers holding and SDM license will be able to deliver beer and wine directly to a customer's home or other designated location and a retailer holding and SDD will be able to deliver spirits directly to a customer's home or other designated location. In both cases the delivery must be done by the owner or employee of the licensed business. Additionally, the retailer or their employee will need to verify the recipient is 21 years of age upon delivery. If the retailer or their employee offers serving services to consumers the retailer or employee must be TIPS trained.

Additionally, a retailer can work with a third party facilitator service by means of the internet or mobile application to facilitate the sale of beer, wine, or spirits.

I hope this provides greater detail on these newly enacted laws. If further questions exist please feel free to contact me at dpapineau@AFPDonline.org. ■





## Future Focused for Future Growth for Independent Grocers.

Today we proudly provide over 2,200 successful Independent Retailers with on-time delivery of the best products at competitive rates!

Superior service is engrained in our culture and sets us apart from the competition. SUPERVALU's experienced category merchandisers and marketing staff administer hundreds of sales and profit opportunities on a daily basis. We tailor new items, promotions and special programs to the specific market needs of our independent retail customers.



For More Information Please Contact SUPERVALU Midwest Region:

BILL TAGGART, MARKET DEVELOPMENT MANAGER, Fort Wayne, IN 937-608-3837

SUPERVALU | MIDWEST REGION OFFICE | 8401 WEST 102nd STREET, PLEASANT PRAIRIE, WI 53158



## petroleum news & views

EDWARD WEGLARZ // AFPD DIRECTOR, PETROLEUM

## Legislative Issues, Dues, and PAC Fund

n the last two issues of the *AFPD Bottom Line* you read a lot of information about favorable legislation that was passed in Michigan towards the very end of the legislative cycle that will help petroleum retailers.

AFPD always strives to establish a level playing field so retailers can compete based upon hours of service, appearance, service, and price and reduce or eliminate unfair or illegal competitive practices. Our slogan is to tell the truth and operate legally.

Legislation allowing gas stations to sell beer and wine is a huge victory for independent gas station retailers who have been shut-out of this offering in the past. There will be a limit of one (1) SDM (Beer and Wine) license per 1,000 population applicable per municipality (city, township, village). That restriction has been lifted through March 4th, 2017 for applications from gas stations. If you want to sell beer and wine you should consider applying before March 4th when the limitation goes back into effect. After March 4th any business applying for a SDM License will be subject to the population formula limitation.

The cover story on this edition of the *AFPD Bottom Line* covers changes in the collection level for the Refined Petroleum Fund, along with information regarding the elimination of fees for the annual Motor Fuel Retailer License, and the elimination of the annual fees to register your underground storage tanks. Keep in mind that you'll still need to obtain a Motor Fuel Retailer License and register your

underground storage tanks, but the fees will be eliminated.

We helped get legislation passed that prevents local municipalities from imposing regulations and/or taxing the use of paper or plastic bags for customers to use when leaving your store.

Furthermore, AFPD worked with other affected organizations to get the deductibles lowered on the pollution coverage for your underground storage tanks offered by MUSTA and financed by the collection you pay into the Refined Petroleum Fund. You may want to consider dropping your commercially obtained pollution insurance policy since coverage satisfying the Federal requirements can now be met by the MUSTA program with a \$2,000 deductible for those businesses with 7 or fewer USTs and a \$10,000 deductible for owners of 8 or more USTs.

These were great success stories for Michigan in 2016, on the heels of our success with the replacing the CATax with the PATax for petroleum sales in Ohio in 2015.

AFPD spent political and financial capital to achieve these ends; and, our members benefited from these efforts. We also opposed a number of proposals that never saw the light of day in either state because of AFPD's efforts. So, we need your help to continue the battles.

Renew your membership when the first renewal invoice arrives. If you haven't regularly done so, please contribute to the AFPD PAC Fund. The easier, painless way of contributing is by setting up a small monthly, repeating contribution to the PAC Fund on a credit card or from your personal checking account. You've gotten more than your monies worth over the last two years just with the favorable legislation, not to mention the rebate and discount programs that AFPD offers. I'm not at all bashful about asking each of you to "pony-up" your dues and PAC Fund dollars ASAP so we can continue to battle on your behalf.

#### MICHIGAN SALES TAX ON FUEL CHANGES 01/01/2017

Since the Michigan Road Tax on gasoline and diesel fuel increased to 26.3 cents per gallon effective January 1st, 2017, the sales tax on those fuels changes because the Michigan Road Tax is NOT subject to the 6% sales tax.

To the right is a chart that can be used to determine the new sales tax amount in centsper-gallon at various retail prices. This should aid when calculating the "cost" of the fuel you are selling.

If you have any queries please contact Ed Weglarz at AFPD at (800) 666-6233 or eweglarz@AFPDonline.org. ■

Selling Price	Sales Tax		Selling Price	Sales Tax	Selling Price	Sales Tax						
\$	¢	\$	¢	\$	¢	\$	¢		\$	¢	\$	¢
3.299	17.2	3.529	18.5	3.759	19.8	3.989	21.1		4.219	22.4	4.449	23.7
3.309	17.2	3.539	18.5	3.769	19.8	3.999	21.1		4.229	22.4	4.459	23.7
3.319	17.3	3.549	18.6	3.779	19.9	4.009	21.2		4.239	22.5	4.469	23.8
3.329	17.4	3.559	18.7	3.789	20.0	4.019	21.3		4.249	22.6	4.479	23.9
3.339	17.4	3.569	18.7	3.799	20.0	4.029	21.3		4.259	22.6	4.489	23.9
3.349	17.5	3.579	18.8	3.809	20.1	4.039	21.4		4.269	22.7	4.499	24.0
3.359	17.5	3.589	18.8	3.819	20.1	4.049	21.4		4.279	22.7	4.509	24.0
3.369	17.6	3.599	18.9	3.829	20.2	4.059	21.5		4.289	22.8	4.519	24.1
3.379	17.6	3.609	18.9	3.839	20.2	4.069	21.5		4.299	22.8	4.529	24.1
3.389	17.7	3.619	19.0	3.849	20.3	4.079	21.6		4.309	22.9	4.539	24.2
3.399	17.7	3.629	19.0	3.859	20.4	4.089	21.7		4.319	23.0	4.549	24.3
3.409	17.8	3.639	19.1	3.869	20.4	4.099	21.7		4.329	23.0	4.559	24.3
3.419	17.9	3.649	19.2	3.879	20.5	4.109	21.8		4.339	23.1	4.569	24.4
3.429	17.9	3.659	19.2	3.889	20.5	4.119	21.8		4.349	23.1	4.579	24.4
3.439	18.0	3.669	19.3	3.899	20.6	4.129	21.9		4.359	23.2	4.589	24.5
3.449	18.0	3.679	19.3	3.909	20.6	4.139	21.9	L	4.369	23.2	4.599	24.5
3.459	18.1	3.689	19.4	3.919	20.7	4.149	22.0		4.379	23.3	4.609	24.6
3.469	18.1	3.699	19.4	3.929	20.7	4.159	22.0		4.389	23.4	4.619	24.7
3.479	18.2	3.709	19.5	3.939	20.8	4.169	22.1		4.399	23.4	4.629	24.7
3.489	18.3	3.719	19.6	3.949	20.9	4.179	22.2		4.409	23.5	4.639	24.8
3.499	18.3	3.729	19.6	3.959	20.9	4.189	22.2		4.419	23.5		
3.509	18.4	3.739	19.7	3.969	21.0	4.199	22.3		4.429	23.6		
3.519	18.4	3.749	19.7	3.979	21.0	4.209	22.3		4.439	23.6		

## training alerts

MICHIGAN //

#### Compliance Training Dates for First Half of 2017

AFPD continues to offer compliance training for: 1) the Michigan Underground Storage Tank Class "A" & "B" certification, 2) TiPS Alcohol serving, and 3) Serv-Safe Food Safety training. Our classes are conducted at our AFPD training center at 5779 West Maple Road, West Bloomfield, MI. If ten (10) or more students can be gathered at one location AFPD will come to you to do the training! Here's our schedule and details for the first half of 2017.

#### MICHIGAN CLASS "A" & "B" UNDERGROUND STORAGE TANK TRAINING FOR THE **CERTIFICATION EXAM**

Classes are held from 10:00 am until 2:00 pm. Tuition is \$70. for AFPD members and their employees, and \$140 for non-members. This fee includes the 275 page manual that has been approved to be brought into the examination facility and used as reference during the exam. AFPD does not administer the exam. That can only be done by the International Code Council (ICC). There is a separate exam for the "A" & "B" certification. Registration must be paid five (5) days before the class begins.

#### TIPS ALCOHOL COMPLIANCE TRAINING

Classes are conducted from 10:00 am 'til 2:00 pm. Tuition for the training class and administration of the exam is \$35. for AFPD members and their employees, and \$70. for non-members. This fee includes the training, administration of the exam, and the training manual/workbook that the students can take home and use for future reference. Registration must be made with AFPD five (5) days before the class.

#### **SERV-SAFE FOOD MANAGER** SAFETY TRAINING

The Food Managers Food Safety Managers Training program is an intense two-day training course conducted from 9:00 am 'til 5:00 pm on two consecutive days ending in the administration of the food safety exam. Many municipalities are requiring that at least one employee

on the staff at food-serving/selling establishments must be certified. Tuition for this comprehensive training is \$125. for AFPD members and their employees and \$250, for non-members. This fee includes the training, administration of the exam, and the 200 pages Food Manager's Training manual and guide. Registration must be paid for fifteen (15) days before the class begins.

SCHEDULE OF CLASSES  AFPD TRAINING CENTER – WEST BLOOMFIELD, MI							
Month	UST "A"&"B" TiPS Food Safety						
January	19th	18th	25th & 26th				
February	14th	15th	7th & 8th				
March	16th	15th	8th & 9th				
April	25th	4th	12th & 13th				
May	17th	11th	9th & 10th				
June	21st	8th	13th & 14th				
July	20th	6th	12th & 13th				

Register by calling AFPD at (800) 666-6233. Please direct any queries to Ed Weglarz at AFPD by calling (800) 666-6233 or by email at eweglarz@afpdonline.org.

#### Repair Facility and Mechanic Training Bulletin

The Business Compliance and Regulation Division offers training to help repair facilities and their employees with the basic requirements of the Motor Vehicle Service and Repair Act and to answer their questions. There are no course registration fees.

- Registration is first come, first served.
- Class size is limited register early!
- Picture ID is required for entry into the buildings where training is held.
- Who should attend?
  - Repair facility owners, managers, service advisers and technicians.

- What will be covered?
  - Michigan.gov/sos Web site
  - Repair Facility Manual
  - Proper written estimates and final invoices
  - Record keeping requirements
  - Repair facility and mechanic responsibilities
  - Common mistakes to avoid
  - Other basic requirements
  - Your questions

To register, email BLRD@Michigan.gov. Please include your full name, address, telephone number, email address, mechanic number or facility registration number, class date of choice and two alternate dates. You will be contacted upon placement.

TRAINING DATES, TIMES AND LOCATIONS:					
Date:	Hours:	Location:			
2/1/2017	9am to 12pm	Operations Center, Lansing 1			
3/1/2017	1pm to 4pm	Operations Center, Lansing 1			
4/12/2017	1pm to 4pm	Operations Center, Lansing 1			
5/3/2017	1pm to 4pm	Operations Center, Lansing 1			
6/15/2017	1pm to 4pm	m to 4pm Operations Center, Lansing 1			
8/9/2017	9am to 12pm	Operations Center, Lansing 1			
9/14/2017	1pm to 4pm	Operations Center, Lansing 1			
10/3/2017	1pm to 4pm	Operations Center, Lansing 1			

## Michigan Underground Storage Tank Fund (MUSTA) – Important Update

■ BY BLDI ENVIRONMENTAL ENGINEERING (BLDI)

ichigan's UST's Cleanup Fund has been up and running for over a year now, accepting claims for those releases documented from December 31, 2014 forward. We (BLDI) have kept very close tabs on the details surrounding the program and attend all the monthly MUSTA Board of Director's meetings. Below is a summary of the Fund's purpose:

#### **EXECUTIVE SUMMARY**

"The Michigan Underground Storage Tank Authority (MUSTA) and the Underground Storage Tank Cleanup Fund (Fund) were created on December 30, 2014. The Fund was created to assist owners and operators (O/Os) of petroleum underground storage tank systems (USTs) in meeting their financial responsibility (FR) requirements, to fund corrective actions to address releases from USTs, and to help O/Os in achieving compliance with Part 213, Leaking Underground Storage Tanks, of Act 451.

Use of the Fund to satisfy FR requirements is optional and there are steps that an O/O must take if they intend to use the Fund to meet their FR requirements and replace their commercial tank insurance.

The Fund may also be used to reimburse for costs related to cleaning up a site. Upon the discovery and reporting of certain releases from USTs, an O/O may file a claim and submit work invoices to reimburse them for costs that they have incurred while cleaning up the site of the release."

Understandably, because the program was in its infancy, applications for eligibility and claims were slow to come in. For several months, this was attributed to lack of knowledge about the Fund, and the fact that the O/Os still had their commercial tank insurance and were waiting for their policies to expire. As of November 1st of this year only 9% of O/Os were using the Fund as their means of Financial Responsibility and only 29 claims had been filed. These statistics were quite concerning to Bob Reisner, who head up the MUSTA program. Not only could the Legislature try to divert some of the money into other areas as they have done in the past, but the EPA could rescind their

approval of the program if the Fund is not used for the purpose it was set up for. Reisner and his staff and the MUSTA Board of Directors sought to uncover the underlying reason for the apparent lack of interest in using the Fund, aside from the lack of knowledge and existing commercial policies.

After surveying and lengthy discussions with O/Os, Mark Griffin (Michigan Petroleum Association), Ed Weglarz (Associated Food and Petroleum Dealers) among others, it was determined that the most problematic aspect of using the Fund stems from the high deductible (i.e. \$50,000) and the difficulty in showing proof of FR for the deductible amount.

The primary focus of the last few board meetings was getting the deductible amounts lowered. It was unanimously agreed that the deductible for both O/Os with fewer than 8 tanks (compartments) and those with 8 or more needed to come down substantially. While the exact numbers were not voted on, the numbers \$2000 (7 or less) and \$10,000 (more than 7) seemed to be the most agreed upon deductible amounts. One thing that was voted unanimously is the elimination of the "buy-down" option for the smaller O/Os.

Things had to move quickly to get this through the legislature and signed by the governor by the end of the year (2016). We are happy to report that the bill (HB5599) got through in time and Governor Snyder signed the bill on December 27, 2016.

Here is a summary of the MUSTA revisions:

- The elimination of the confusing deductible "buy-down" option for O/Os with fewer that 8 tanks (compartments) from \$50,000 to \$15,000. the deductible amount is now \$2000 for this group.
- For the O/Os with 8 or more tanks (compartments) the deductible amount has been reduced from \$50,000 to \$10,000.

Having followed the MUSTA program since its inception, we are confident that all parties, especially the DEQ want this program to work and are doing their best to help the Owner/Operators while cleaning Michigan up. If you have documented a release after December 31, 2014 and have not submitted a claim to MUSTA, this may be your best option now by far. If you might be considering getting out of retail fuel sales or replacing older tanks, you may be able to use this program as a financial resource. As you know, the older the UST system, the more likely a new release could be documented requiring investigation and cleanup likely covered by the state Fund.

Please feel free to contact Joseph Berlin, PE, EP, CP (jberlin@bldi.com) or Marty Janowiak (mjanowiak@bldi.com) at (616)459-3737 with any questions. ■







## michigan lottery report

M. SCOTT BOWEN // MICHIGAN LOTTERY COMMISSIONER

## Bonus Draws Coming to Daily 3 and Daily 4 Game in March

he Daily 3 and Daily 4 games are among the most popular games offered by the Michigan Lottery, comprising about 25% of total sales. We often hear from players who have a special story or reason they have played their numbers for years. That personal link, along with the chance to win cash, keeps players regularly playing the Daily 3 and Daily 4 games.

To build on this popularity, the Lottery will conduct Bonus Draws for the Daily 3 and Daily 4 games in March. The promotion is scheduled to start on March 1st, and will offer Daily 3 and Daily 4 players the chance to win larger cash prizes.

For a limited time in March, Daily 3 and Daily 4 Bonus Draws will be announced during select midday and evening broadcasts of the winning numbers. Every time there is a Bonus Draw, all eligible Daily 3 and Daily 4 prizes will be increased by 20%. Daily 4 straight and wheeled bets are not eligible for the Bonus Draws promotion.

The promotion is easy for retailers because it requires no additional action during the sale. Additionally, retailers will earn higher redemption commissions on all Bonus Draw prizes paid. We expect it to be popular among players because there is no additional cost required for a player to take part in the Bonus Draw promotion.

Historically, Daily 3 and Daily 4 promotions have been very successful. They have proven to boost player awareness and interest in daily games, leading to increased sales and commissions for retailers. We expect player interest in the Bonus Draw promotion to be very high.

Retailer will receive more information on the Bonus Draws promotion in the coming days. Closer to March 1st, more information will be available online at www.michiganlottery.com.

<b>Daily</b> 3	\$1 BET (\$.50 BETS ALSO ELIGIBLE)	REGULAR PRIZE	BONUS PRIZE
ST	FRAIGHT	\$500	\$600
BOX	3-way	\$166	\$200
	6-way	\$83	\$100
2-WAY	3-way Straight + Box	\$333	\$400
	6-way Straight + Box	\$291	\$350
	3-way Box	\$83	\$100
	6-way Box	\$41	\$50
1-OFF	Straight	\$284	\$341
	1-Off	\$36	\$44
1	WHEEL	\$500	\$600

Daily4	\$1 BET	REGULAR PRIZE	BONUS PRIZE
BOX	4-way	\$1,250	\$1,500
	6-way	\$833	\$999
	12-way	\$416	\$500
	24-way	\$208	\$250
2-WAY	4-way Straight + Box	\$3,200	\$3,840
	6-way Straight + Box	\$2,916	\$3,500
	12-way Straight + Box	\$2,708	\$3,250
	24-way Straight + Box	\$2,604	\$3,125
	4-way Box	\$600	\$720
	6-way Box	\$416	\$500
	12-way Box	\$208	\$250
	24-way Box	\$104	\$125
1-OFF	Straight	\$2,800	\$3,360
	1-Off	\$275	\$330

## NEW \$4,000,000 MEGA BUCKS INSTANT GAME EXPECTED TO ATTRACT PLAYER INTEREST

Michigan Lottery players will have another chance to win millions in an instant game when the new \$4,000,000 Mega Bucks goes on sale January 31st.

The Lottery's newest \$30 instant game is expected to be popular among players and offers more than, 30 opportunities to win on each ticket. It also features three top prizes of \$4 million, matching the largest prizes offered on a Lottery instant game. In total, the game offers more than \$150 million in prizes ranging from \$30 up to \$4 million.

Instant games are very popular with players – making up about 35% of sales – and the opportunity to win a multi-million dollar prize adds to that excitement. We expect retailers to see strong player interest when the \$4,000,000 Mega Bucks games goes on sale January 31st. ■



#### TOGETHER, WE'RE BUILDING A BETTER MICHIGAN

Last year was record breaking for the Michigan Lottery, thanks to all your hard working selling Lottery tickets. Because of that hard work, we're building a better Michigan and lots of good things are happening as a result. It starts with hundreds of millions of dollars contributed annually to the state School Aid Fund, which is good for Michigan students. It's good for players, who won over a billion in prize money. It also helps boost your business and 10,000 others across the state, with commissions earned. So thank you for making it a banner year, for helping build a better Michigan, and making good things happen for all of us.







## ohio lobbyist report

TERRY FLEMING // TC FLEMING & ASSOCIATES

### Starting Strong in 2017

irst let me wish you all a very Happy and Prosperous New Year! 2017, with a new President, has the makings of a great year for all. Finishing up on the end of the lame duck session in the Ohio House for 2016, it became apparent that there still remains a rift between the Republican Governor and the Republican General Assembly. The legislature sent the Governor four high profile bills, three of which he vetoed, they were a heartbeat bill that would ban abortions if there was a heartbeat heard, Governor Kasich vetoed the bill, but did sign one that would ban abortions after 20 weeks. For the third time the general assembly sent the Governor a bill that would basically do away with mandated alternative energy requirements by the year 2020, and for the third time he vetoed the bill. Lastly, Governor Kasich line-item vetoed a tax break for the oil and gas industry in Ohio. One bill he did sign, HB 341, would give the towing industry relief from over regulation on obtaining titles to salvage or abandoned vehicles.

The new year did not start out well for Governor Kasich, Attorney General Mike DeWine or establishment Republicans as their handpicked choice for State Party Chair, Matt Borges, was defeated last week by Jane Timken, the wife of Tim Timken, owner of Timken Steel in Canton, Ohio. This was a continuation of the Trump-Kasich feud, as President Trump called Ohio State Central Committee members asking them to support Timken and Kasich; and DeWine, a candidate to replace Kasich as Governor, supported Borges. The other three potential Republican candidates for Governor, Lt. Governor Mary Taylor, Secretary of State Jon Husted and Congressman Jim Rennaci all supported Timken.



AFPD has a bill being drafted that would establish an incentive program for lottery agents who exceed sales, perhaps 1% increase in commission or higher depending on sales. AFPD is also talking to legislators about a liquor bill that would increase the number of permits in Ohio. We also hope to continue talks with the Turnpike Commission on ways we can work to each other's benefit. While leadership positions have been filled, committee chairs announced the actual makeup of committees has not been decided; it will be early February before bills are introduced and committees begin hearings. As this is a new General Assembly, the 132nd, and an odd year, it means a two year budget bill for General Revenue and a separate two year budget for Transportation must pass. The Transportation Budget must pass by the end of March and the General Revenue Budget by the end of June. So the early focus will be on the budget bills.

AFPD in Ohio is only as strong as its members, please take some time this year to seek out new members and tell them of the benefits of membership, often it's you, the people in the field, who know folks who could benefit from membership. If you do know of someone interested please contact AFPD at (800) 666-6233 and our Director of Ohio Operations, Judith Will Fleming, will contact them.



## Dairymens<sup>®</sup>



Fall in Love with our AFPD February Deals 1/30/17 - 3/4/17

















Gallon Fruit Drinks
ALL FLAVORS
Cost \$1.15 - RSP \$3/\$5.00











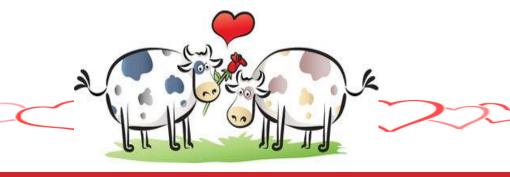








All Flavors Pint Milk - Cost \$ .85 - RSP \$1.29





## ohio liquor report

HARRY KNIGHT // OHIO DIVISION OF LIQUOR CONTROL

## Supporting Ohio Business Growth

016 was a very dynamic year for the Ohio Division of Liquor Control, as well as the entire alcohol beverage industry. Many significant and positive changes are a result of the Division's ongoing mission to provide for the safe manufacture, distribution, sale and consumption of alcoholic beverages in Ohio.

The Liquor Enterprise has a much larger role than just providing products to Ohioans. The enterprise is an economic driver, both for businesses and the state. The success of the enterprise is only possible when our partners – including Contract Liquor Agencies – are successful.

To help all partners be successful, we have focused on modernizing operations for improved efficiency, increasing focus and emphasis on exemplary customer service, and taking a common sense approach to regulations to provide an environment to help Ohio businesses thrive. As part of all of this, we continue to remain committed to helping inform and educate stakeholders to promote compliance, as well as safe and responsible sales. Here are some highlights from 2016:

#### SPIRITUOUS LIQUOR SALES

The dollar sales of spirituous liquor reached a new record level in 2016, once again totaling more than \$1 billion (\$1,140,209,832). This was an increase of more than \$63 million over last year. Volume growth during the holiday season, combined with consumers continuing to trade up to premium brands, helped sales continue to increase well beyond the billion-dollar mark.

#### LIOUOR PERMITS

The Licensing Section licensed the operations of more than 24,000 privately owned and operated manufacturers, distributors and retailers of alcoholic beverages. This includes the issuance of new permits, permit renewals and transfers, as well as the investigative and hearing requirements associated with permit issuance. In 2016, the number of new permits issued was 1,523.

#### **PRODUCT REGISTRATION**

The Beer & Wine section registers beer, wine and low-proof products to be sold in Ohio. The number of product registrations continues to

grow each year as manufacturers, including Ohio's rapidly growing craft brewing industry, wineries, and micro distilleries, offer new and innovative items. In 2016, a total of 11,340 new products were registered, expanding options for consumers. These included 2,945 wines, 101 low-proof products and 8,294 beers. On a side note, 94 of the new beer products registered last year contain more than 12 percent alcohol by volume (ABV).

#### **LEGISLATIVE CHANGES**

There were a number of legislative changes in 2016 that provide more opportunity for Ohioans and Ohio businesses. Those include:

- A new Ohio farm wineries permit class was created for manufacturers of wine from grapes, fruit or other agricultural products grown on land devoted exclusively to agricultural use.
- Certain permit holders now are able to offer customers free samples to help promote products.
- Brewers and distributors can expand their offerings thanks to the elimination of the cap on alcohol by volume (ABV) in beer products that can be manufactured and sold in Ohio; previously, the cap was 12 percent.
- Events such as farmer's markets can sell alcohol for on-site consumption due to a new exemption from the Ohio opened container law. The exemption still requires permits to be held, and the event must meet certain conditions.
- A temporary permit was created to allow Ohio wineries to sell their products at farmers' markets.
- Micro distillers can increase production with the cap on spirituous liquor manufactured per year for Ohio micro distilleries increasing from 10,000 gallons to 100,000 gallons. Also, micro distilleries that meet certain criteria now can obtain brew-pub permits (A1-1).

I'm proud of these achievements, and how they help many Ohioans and Ohio businesses. These successes would not have been possible without the support and hard work from our Contract Liquor Agencies and supplier groups. I am confident that the improvements we are making to our operations, both from a technology as well as business process improvement point, will lead to continued industry growth that will help strengthen Ohio's economy. There is much more to do in 2017, but with the assistance and support from our stakeholders and industry partners, I'm certain we can accomplish our goals.

Thank you all again for your efforts. I look forward to continuing to lead this great organization that we are all privileged to be a part of.



## AFPD members enjoy a 10% discount\*

- Liquor Liability
- General Liability
- Commercial Property
- Worker's Compensation (Michigan only)

## AFPD's Member Exclusive Endorsed Insurance Program:

- Michigan based carrier
- Competitive rates
- Experienced underwriting and claims handling

#### **Proud to serve all AFPD Members:**

Independent grocery stores, convenience stores, gas and auto service stations, and specialty food markets operating in Michigan, Ohio and surrounding states!

Toll-Free: (866) 412-2424 www.coniferinsurance.com



<sup>\*10%</sup> discount is subject to minimum premium requirements.



FPD entered 2017 looking at the real-life impacts the 2016 legislative victories will have on the association and its members. "Our lobbying efforts and changes in the law will provide our members with new sales opportunities moving forward," said Auday Arabo, President and CEO. "Government Relations is imperative to keep our industry competitive. Dan Papineau and Ed Weglarz have worked diligently to level the playing field for our retailers."

Senate Bill (SB) 973 was passed in late 2016 and sponsored by Senator Hildenbrand. Retailers with a Specially Designated Distributor License (SDD) will be allowed to fill and sell growlers. Similar to how restaurants and bars fill ½ gallon jugs referred to as growlers for customers to enjoy draft beer at home, liquor store licensees will be able to do the same.

"Prior to the passage of SB 973, packaged liquor stores were not allowed to install a keg and tap system to offer customers beer sales in growlers. It is no longer the case," said Dan Papineau, Director of Government Relations.

Some retailers are looking forward to the benefits of SB 973 and the fair competition it'll bring. "This is a positive thing for SDD licenses, as on premise licenses have been cutting into our business via growler filling and operating more as retailers than on premise," said Jerry Crete, owner of Ideal Party Store in Bay City. "It gives us another tool to be competitive."

Leveling the playing field for all retailers, big or small, was a driving force for AFPD's fight. When profit margins are slim, it is important that everyone is playing with the same full deck. "I am very excited with the new alcohol bills that were passed," said Al Jonna, owner of the Picnic Basket Market in Plymouth. "The growlers are going to be a great addition to my business. Any advantage a small retailer can have to complete against the big box stores is a plus. Every retailer knows his clientele and what local beers to promote. The ability to tap local brews and sell them in growlers can only help grow your business."

Another bill, SB 1088, sponsored by Senator MacGregor, will give retailers new types of wine shipping abilities as well as beer, wine, and spirit delivery options. The legislation will also prevent more than \$60 million in illegal wine sales by in-state customers from out of state retailers.

Retailers will soon be able to ship wine from their stores to customers via common carriers like the USPS, UPS and FedEx. The wine selection in your store will now be available for purchase by any customer in Michigan. This should open up a whole new market of potential customers.

"Being able to ship wine to your customer's door steps will also provide retailers opportunities to increase sales through programs like a wine club," said Papineau. "Since the laws on out-of-state retailers shipping wine into Michigan will be tightened, these formerly out-of-state sales will have to be done in our retail stores here in Michigan. This will provide for increased sales to our Michigan businesses at the expense of business located out of state."

Retailers will also now be able to deliver beer, wine, and/or spirits directly to customer's home or other designated location themselves. Previously, delivery laws were complicated and often entailed having to get a catering license. This is no longer the case. Retailers should consider allowing customers to order beer, wine, or spirits from their website and fulfill that delivery order themselves.

"There are also online cell phone applications (or apps) that will facilitate these types of online sales for you," said Papineau. "One of them is called Drizly. While service areas vary, visit drizly.com to see if a partnership would help drive sales and meet consumer demand in your area."

"This is a long overdue change for our industry," said Crete. "There is currently a tremendous amount of wine and liquor being shipped into Michigan, from out of state, while our hands have been tied trying to compete. This will level the playing field for us to compete."



Jonna agrees. "This will help the stores that are able to get the hard to find allocated items," said Jonna.

AFPD also commends the Michigan House for passing SB 929, a fair and comprehensive policy that will allow all retailers the opportunity to compete on a level playing field when it comes to the sale of beer and wine. On Thursday, December 8, 2016, the House passed comprehensive reform to Michigan's liquor code that will eliminate arbitrary criteria certain businesses have to meet in order to sell beer and wine.

For far too long Michigan's policy on which businesses are eligible for an SDM license (a license that allows a business to sell beer and wine) have been unfair, unclear, and anti-competitive. The reform passed also removes several specific carve outs that promoted unequal treatment of some businesses; benefiting some at the expense of others. Governor Snyder signed SB 929 into law on January 4th.

"We believe SB 929 creates a fair and level playing field for all of our members to compete in, whether they are a gas station, convenience store, supermarket, or others," said Papineau. "Eliminating arbitrary criteria for a gas station to meet in order to sell beer and wine makes sense."

Papineau elaborated saying, "by putting into place a quota for SDM licenses, similar to how SDD or off premise spirit licenses are handled, we can bring fairness to the marketplace while still fostering a business environment that provides predictability and stability to an industry that sells arguably the most regulated product in Michigan."

In addition to leveling the playing field for retailers looking to sell beer and wine, the legislation also puts in place a quota system limiting the number of stores that can sell beer and wine. The quota will increase as the populations of local governments increase across the State thereby, responsibly and automatically, ensuring suitable access for customers looking to purchase beer and wine.

"There will be approximately one spirits license for every three beer & wine licenses," said Papineau regarding the proposed quota system. "Along with the few exemptions to ensure convenient access to consumers, we believe the quota is appropriate. We do not hear anyone having an issue with having convenient access to spirits, so the 1-per-3 quota makes sense," Papineau continued.

"The SDM cap is a long overdue measure," said Crete. "While I would prefer that gas stations not sell any alcohol, I know it is unrealistic in today's environment that would happen. This law should prevent increases in the number of SDM licenses from expanding out of control. Too many retailers, like dollar stores and Bed Bath & Beyond locations, that should not even have licenses are getting them and selling beer/wine."

There is also a concern of the ramifications that could come from wholesalers who would be required to service low volume beer and wine retailers. Crete believes that the unprofitable stops raise the costs for wholesaler, which creates a trickledown effect. "While the argument is that more competition for licenses is good for consumers, the reality is it raises the costs for wholesalers. Those costs are then passed on to the consumers," said Crete.

SB 853: This bill created a new act to prohibit a local unit of government, which includes a county, township, city, or village, from banning or setting fees for containers like bags, cups, bottles or packaging.

"Luckily, Michigan passed the bill and the governor signed legislation that will disallow local government from enacting a local bag ban or local bag tax," said Papineau. "What you give your customer to take their purchased items home, should be up to you and based on consumer choice. Government should be nowhere in that decision. Flexing a muscle against local government intrusion, into your business, sends a message across that state."

AFPD took the position that a preemption of plastic bag ordinances would be better, as it gives the retailer the decision of whether or not they want to discontinue the use of plastic bags, charge for them to encourage the use of reusable bags, or do absolutely nothing.

While SB 853 will help members in Michigan, some mid-west retailers have been handcuffed by recent unfair legislation.

"Our friends in Chicago know better than anyone about the detrimental effects locally enacted plastic bag bans and plastic bag taxes have on their business," explained Papineau.

In Chicago, a Checkout Bag Tax has been imposed on the retail sale or use of checkout bags. The tax rate is \$.07 per checkout bag sold or used in Chicago, with \$.02 remaining with the retailer and \$.05 paid to the City. A "checkout bag" means either a paper carryout bag or a plastic carryout bag that is provided by a store to a customer for the purpose of carrying goods out of the store. The tax is effective February 1, 2017.

"It was too late for Chicago and the consequences were terrible," said Papineau. "We were proactive in protecting our members after Washtenaw County and Ann Arbor tried to pass bans on the use of plastic bags. We cut the trend off at the knees."

AFPD also made great strides in helping petroleum members by fighting for legislation that eliminates licensing fees, core charge taxes, as well as clean-up costs for Underground Storage Tanks discharges.

Bills SB 1051-3 and SB 1179 raise the RPF fee and eliminates licenses fees. SB 1051 amends the Michigan Natural Resources and Environmental Protection Act (NREPA) to eliminate a current underground storage tank license fee while SB 1052 amends the Motor Fuels Quality Act to eliminate certain motor fuel inspection fees, and SB 1053 amends NREPA to increase the current environmental protection regulatory fee. The bill also amends provisions governing use of the Refined Petroleum Fund. SB 1179 amends the Fire Protection Code to exempt aboveground storage tanks that are subject to an environmental protection regulatory fee from certain installation application fees under the Code.

Collectively, these bills increase the refined petroleum fund fee 1/8th of a cent, but eliminate licensing fees for fuel retailers. "It's a good deal for the retailer because it eliminates two other fees that the retailers had to pay," said Ed Weglarz, AFPD Director of Petroleum. "One was a registration fee for each of the underground storage tanks, which was \$100 per tank, or per compartment of a tank. Also, Weights and Measures required that you register as a retail motor fuel facility, which was also \$100 per year. So, this bill eliminated both of those registration fees. It does not eliminate the need to register, but it's now free."

While some retailers may be worried that they may pay more at 1/8th of a cent per gallon, members need to keep in mind that the cost of the registration fees was set to increase. "Both of those registration entities, at the state level, wanted significant increases in their fees," explained Weglarz. The change will also level the playing field by no longer allowing retailers to duck registration fees in hopes they wouldn't get caught. "The increase will be charged right at the terminal rack, by the refiner, and will be collected just like the federal road tax and the state road tax, so there are no shenanigans," explained Weglarz. "Everyone is going to end up paying this 1/8th of a cent, so you level the field by no longer allowing the guy across the street to have an advantage because he wasn't paying the fees."

Bill SB 5599 focuses on the payments from the Michigan Underground Storage Tank Authority (MUSTA) for corrective action due to a release from a refined petroleum underground storage tank (UST). "Another bonus for petroleum marketers and their federal requirement is that they carry insurance to cover any pollution damage that might occur because of a leaking UST. The deductibles were \$50,000 and \$15,000 per occurrence," said Weglarz.

The \$50,000 category was for an owner with eight or more tanks, which applied to multiple locations under the same ownership. Retailers with seven or fewer tanks would pay \$15,000 per location. "With SB 5599 signed, the deductibles are reduced to \$10,000 for operators with eight or more tanks and only \$2,000 for operators with seven or fewer tanks," explained Weglarz. "This is a big advantage because retailers can use this program to satisfy their federal requirements and can save them money because they can choose not to carry the insurance they were carrying from commercial insurance companies. And it's paid for by that 1-cent refined petroleum fund charge. In other words, there's no charge involved here and no payment required by the retailer, other than the penny a gallon under SB 1051."

Bill SB 991 would amend the General Sales Tax Act to exclude a core charge tax to recycling fee, deposit, or disposal fee for a motor vehicle or recreational vehicle parts or battery.

"This exempts certain auto parts from sales tax," explained Weglarz. "When a radiator, battery, alternator or water pump, for example, is replaced there is core charge. The supplier wants the old pump or old alternator back because the containers are valuable. What often goes wrong is what's inside of them, and they can rebuild those parts."

However, an existing Michigan law requires a repair facility or customer to pay sales tax on the part's core and it doesn't matter if the core was kept, returned for a refund or exchanged at time of sale. In other words, if a customer is getting a remanufactured part that has a \$50.00 core charge, a customer would be required to pay \$3.00 in sales tax regardless if they keep the old one or not.

"This bill changes that and it exempts certain auto parts from the core charge sales tax," said Weglarz. "It's been a banner year for us for helping members operating retail gas stations, as far as getting legislation passed that's favorable to their operations."

## retailer spotlight

## From Grab-N-Go to Gourmet: Chef Carl Serves Signature Dishes

■ BY KRIS HARRIS // DENHA MEDIA & COMMUNICATIONS

ne recent change in the grocery industry is the creation of Grocerants. Grocery stores are now preparing ready-to-eat meals that rival what a customer would get at a restaurant. While some stores have responded by increasing the diversity of their deli sections and adding ready-made salads, others have taken it to the next level. Johnny Pomodoro's in Farmington Hills, MI is one such store and the man behind the menu is Chef Carl Hakim.

"Johnny Pomodoro's caters to locals and from surrounding communities," said Chef Carl. "Some of our clients travel long distances to shop here and now, customers are able to enjoy my signature dishes and cooking."

Since Chef Carl has joined ventures with Dan Sonenberg, owner of Johnny Pomodoro's, their doors have opened to Detroit Metro's millennial generation. "It's a local, family-owned grocery store, known for their produce," said Chef Carl. "We specialize in prepared foods, catering, fresh meat, gourmet cheeses, wine, seafood, and we have an exclusive live or freshly steamed lobster selection."

Chef Carl took the position as Executive Chef at Johnny Pomodoro's, while being able to maintain his existing catering clientele. Since that time, he has been able to expand his catering to not only everyday customers, but to local celebrities as well. Celebrity customers include Detroit Lion's Head Coach Jim Caldwell, TV personalities including Bernie Smilovitz, Ronda Walker and Monica Gayle, and Radio personality Mitch Albom.

Chefs often bring something of their own to an establishment, something personal, in order to put their mark on it and Chef Carl is no exception. Since becoming Executive Chef, he's elevated the selections at Pomodoro's. "I've given the prepared food counter a facelift," said Chef Carl. "I incorporated many of my signature dishes, such as my spicy quinoa, Greek quinoa, Chicken Kafta, Chicken burgers and my award-winning Chicken Noodle Soup. It won first prize at Shir Shalom." Shir Shalom is a synagogue in West Bloomfield that



hosts an annual "Chicken-Soup Cook-off".

While Chef Carl likes creating new dishes, there are some "go-to" recipes that he's pulled from family favorites. One of his biggest hits is his Shorba, which is a traditional Chaldean soup that is typically made with rice, chicken, carrots, onion and celery. "It's a recipe that was given to me by my mother, Norma Hakim," said Chef Carl.

With most grocery stores, and even big box stores, now carrying rotisserie chicken, Chef Carl made it a point to separate Pomodoro's from the rest. "I improved the current recipe and it has customers coming back for more," Chef Carl said.

Millennials and heath conscience customers on the go are having an increasingly larger impact on the food items stores carry. Whether it's for convenience, or due to a hectic lifestyle, they both want their meals "now", but also want healthy options to choose from. Chef Carl's new "Grab and Go" self-serve counter does exactly that. "The self-serve counter has packaged dips such as crab meat, hummus, and black bean, as well as pastas like Pasta Palomino, spaghetti with meat sauce, and garlic spaghetti," explained Chef Carl. "It's been so popular that this year we'll be expanding the counter."

Never wanting the menu to get "stale", Chef Carl is always looking to change things up in order to keep up with his customer's health habits and taste buds. "I just started to make my own No-Carb Cauliflower Pizza," said Chef Carl. "I make them with all different toppings such as Spinach & Artichoke with Fire-Roasted Tomato, and Zucchini and Peppers with feta cheese."

Some classic dishes have become so popular with the customers, it means you'll probably find them somewhere on the menu throughout the week. Topping the list of classic dishes includes his Salmon, Ribs, Roasted Beef Tenderloin and Chicken Shawarma.

For those looking for the perfect Valentine's Day dish, Chef Carl has you covered. "The Cajun Spicy Chicken with cashews and green onions," said Chef Carl. "Believe me; you can't go wrong with this one."

## Find New Inspiration.



## spotlight profile

## AFPD's Own Joe Bellino, Jr. Heads to Lansing

t is the first time in AFPD history that one of its own will serve in the State Legislature. Joe Bellino Jr., 58, owner of Broadway Market and former AFPD Chairman was officially sworn into office mid-December at the State's Capitol and then again in January in front of about 150 people in his hometown of Monroe.

"It's amazing that this man has owned a liquor store for a number of years, yet he doesn't drink," said Auday Arabo, President and CEO of AFPD, who served as the Master of Ceremonies for Joe's swearing in event. "It's a testament to his character and passion. He overcame a major addiction and set his mind out to succeed."

Having battled alcoholism and drug addiction, Bellino is no stranger to fighting from the bottom.

Known as a "regular guy" who calls everyone "Babe" upset two-term incumbent Democrat Bill LaVoy to claim the 17th District seat in the Michigan House of Representatives as a Republican.

"For what you did, the hard work you put in, when the polls were against you and even when people were against you, you stuck it out until the end and had an historic election victory; we are so proud of you," said Arabo, a statement that was followed by a loud applause.

Several elected leaders and former elected leaders attended his home-town swearing in including longtime friend and former State Senator Randy Richardville. Bellino acknowledged Richardville, and thanked him for his guidance. Bellino also acknowledged several other people including his own family – wife, children, granddaughter Lucy, parents, Mother-In-Law, other inlaws, as well as the judges and made special note of his fellow recovering alcoholics.

The event started out with the reciting of the Pledge of Allegiance and the singing of the National Anthem as well as a prayer reflection from Deacon Mike Stewart of St. John the Baptist Catholic Church. Deacon Mike has known Bellino for more than 25 years. "Joe is one of the most consistent people I have ever met," said Stewart. "He is consistently blunt. He is consistently honest. He is consistently without a filter and he is historical. I am blessed to call him friend and now my State Representative."

Bellino doesn't view himself as a politician, yet as a working-class guy who wants to make a difference in his community. "I value the fact that he has quietly helped a lot of people in this community," said Deacon Mike, "sometimes even beyond his own ability to do so. But what I value the most about Joe is that he is consistently faithful to his God – a God who never left his side, especially when Joe lost himself, God never lost Joe."



JOE BELLINO, JR. BEING SWORN IN

Sober since December 28, 1984, Bellino credits the 12-step program he follows daily for his sobriety. Gin and cocaine controlled his life until he hit bottom when his dad threatened to fire him from the family business.

"This campaign was an emotional roller coaster," said Bellino. "Many times, I wanted to quit and walk away."

Bellino read a letter he received from a supporter during the election that talked about the difference between a job and a vocation. "I put that letter on the refrigerator and read it every day," said Bellino. "I struggled in life after I got sober not knowing what God wanted me to do with my life. Did he want me to work for St. Vincent or to raise my kids? I think I did a decent job. I stayed out of the way and let my wife take over," said Joe with sounds of laughter erupting in the room. "I realized that God wanted me to stay sober and help other people. I often wonder if I am a good man, none of us our perfect."

Bellino shared a story of a friend encouraging another person to vote for Joe because as he said, "Joe is a good man"

"That experience told me that I was doing something right in life," said Bellino. "This is not a special job. I am going to work this job like I have worked every job I have had since I have been sober. I am going to go to work every day. I am going to try and make good decisions and be guided by the Spirit."

Bellino plans to come back to the district every day. "It is only 108 miles from my driveway to my parking space behind the capitol," noted Bellino.

Reciting the 11th step in his 12-step program Bellino noted: "'To improve our conscious contact with God as we understand Him, we must pray only for the knowledge of His will for us and the power to carry it out.' That is how I have lived my life and how I will continue to live my life."



(L TO R) AUDAY ARABO, DAN PAPINEAU, JOE BELLINO, JR. & ED WEGLARZ



**AUDAY ARABO SERVED AS THE MASTER OF CEREMONIES** 



AUDAY ARABO & JOE BELLINO, JR.

## safety sense // ohio





### **BWC's New Method for Determining Successorship**



#### What is successorship?

another, generally resulting from a change in ownership due to a purchase, acquisition or merger. For workers'

#### The significance of determining successorship

Continuation of experience from the predecessor policy to the successor policy is an essential element in developing the appropriate premium rate for the successor policy. The prior experience of the predecessor is a valid indicator or predictor of the expected future performance of the successor. Although there may be a change in ownership, if the operation of the predecessor remains relatively the same with the same or similar degree of hazard, it is appropriate to transfer the experience to the new owner and successor policy.

#### BWC's historical practice for determining successorship

Historically, BWC has used several factors when determining if a successorship exists for workers' compensation purposes. Such factors include but are not limited to:

- Retention of employees;
- o Same or similar pursuit of industry;
- o Same location of the predecessor;
- Goodwill of the predecessor;
- o Retention of client or customer base and servicing of warranties.

All play a vital role in the determination process. However, some factors may weigh more heavily than others depending on the particular circumstances of the purchase. There are no set-in-stone criteria or checklists that BWC used in the determination process. This lack of a definitive, objective process had triggered complaints from BWC's customers, interested parties and other stakeholders. Complaints largely concerned uncertainty, inconsistency and disputes regarding the appropriateness of the successorship determination and the ensuing transfer of experience and liability to the purchasing entity.

#### What is new?

Beginning Jan. 1, 2016, BWC implemented a new process, using the successor methodology developed by the National Council on Compensation Insurance (NCCI). The primary intent of the new method for determining successorship is to provide an unambiguous and predictable means for determining the continued use of experience and transfer of liability whenever an entity undergoes any type of ownership change. Stated simply, the NCCI approach is that in the case of purchases, acquisitions and mergers, experience will transfer from the predecessor policy into the successor policy the vast majority of the time, unless three specific conditions have been met. Those three conditions require: (1) a material change in ownership and the new owner must change the business so substantially that (2) the governing classification and (3) the process and hazard of the operation change.

BWC will also consider a fourth condition in determining whether an exception to the NCCI practice is considered. The additional condition concerns the time between the predecessor ceasing operations and the purchase effective date. When that time period is significant, BWC believes that past experience is not necessarily a useful indicator of future performance, even for businesses that would not otherwise be excepted from an experience transfer under the NCCI criteria. In summary, BWC will use four factors listed in the following four items to determine if a successorship does not exist. BWC may grant the exception if the conditions of paragraph 1 are met. The standard NCCI criteria for establishing an exception to successorship are listed in paragraphs 2 through 4.

- 1. The time (days/months) between the predecessors ceasing all operations and ceasing as an active entity, and the effective date of the purchase. The predecessor must prove closure date.
  - a. If the period is greater than six months, a successorship does not exist. BWC will not transfer experience or liability from the predecessor to the successor policy.
  - b. If the period is less than six months, BWC considers the relationship between the seller and buyer a successorship unless the buyer satisfies the conditions in item 2 through 4.
  - c. If there is a family relationship or other connection between the predecessor and successor, BWC may apply coverage initiation regardless of the timeframe between closing of the business and the date of the sale.

## safety sense // ohio |

- 2. Is there a material change in ownership? To meet the material change in ownership requirement, there must be an outright sale (no association between seller and buyer).
  - a. In the case of a continuation in ownership, such as a change in partnership, the owner's interest must have been less than 1/3 ownership before the change or less than 1/2 ownership after the change to meet this requirement.
  - **b.** If there is a family relationship or other connection between the predecessor and successor, BWC does not consider the sale of the entity to be a material change in ownership.
- **3.** Is there a change in governing classification? To meet the change in governing classification, there must be a change in operations significant enough to require a reclassification of the governing class code.
- **4.** Is there a change in process and hazard? To meet the change in process and hazard requirement, there must be a total change in operations or industrial pursuit or a totally new way of performing the work, providing the service, handling the material, etc. that dramatically changes the degree of hazard under the successor policy. This may require an evaluation by BWC's underwriting department, a site visit by BWC's audit department or a consultation with BWC's Division of Safety & Hygiene.
  - a. It is possible to meet the "change in governing classification" requirement and not meet the change in process and hazard. This could occur if BWC applies a new manual classification to the predecessor's operations due to changes implemented by the successor (see No. 3 above). However, if the successor uses the same processes, machinery, equipment, tools, etc., then basically the same degree of hazard exists.
  - b. The successor must provide documentation to support a substantial modification in process and hazard.



#### How will this apply to bankruptcy and receivership?

#### **Bankruptcy**

- 1. When an employer enters into bankruptcy to reorganize and continues to operate, BWC will issue a new policy with the status debtor in possession (DIP).
  - a) The experience from the original policy will transfer to the DIP policy to develop their rate. However, the liabilities will remain with the original policy.
  - **b)** If the employer emerges from the bankruptcy and continues in business, BWC will update the policy to remove the DIP status; the employer retains the experience.
- 2. When an employer enters into bankruptcy and sells the business, there is no transfer of experience or liabilities to the buyer.

#### Receivership

When a receiver is responsible to liquidate the assets of the entity, court appointed or not, BWC considers this a third-party intermediary; no liabilities or experience transfers to the succeeding employer, unless that employer is the same as, a family member of or is connected to the owner whose assets were liquidated by receiver

#### **Implementation date**

BWC's underwriting department will use this new method for determining successorship for all purchases, mergers and acquisitions it reviews on or after Jan. 1, 2016.

#### Notification to the employer

Upon notification or discovery of a potential successorship, BWC's policy underwriting unit will research the relationship and all factors associated with the potential successorship. Once the unit makes the decision to process the combining of policies (successorship) or consider it not to be a successor relationship, BWC will send a letter to the buyer.

#### Obtaining employer and policy information on a potential seller

The NCCI criteria make it clear there is a strong possibility that the experience and liability of the predecessor will transfer to the successor when a purchase, acquisition or merger occurs. To facilitate a buyer's awareness, BWC developed the *Request for BusinessTransfer Information* (AC-4) to allow potential buyers to obtain employer-related data associated with the seller's policy. The potential seller must sign the AC-4, granting BWC the right to release employer-related policy data to the potential buyer. BWC strongly encourages any entity that is considering the purchase of another entity to use this form to help discover any issues with the seller's policy prior to purchase.

## safety sense // michigan

#### Employee Assistance Program Now offered to Group Customers



#### ■ BY NATALIE SMITH // BCBSM

Groups with 10 or more employees can now purchase an Employee Assistance Program through Blue Cross Blue Shield of Michigan. An EAP provides employees with short-term counseling and referral services that help employees manage stress, legal and financial problems, depression, alcohol dependence and addiction at nocost to the employee.

"Groups have asked for an EAP product from Blue Cross and we are happy to respond to that feedback," said Kevin Stutler, vice president, Enterprise Ancillary Business and President and CEO of LifeSecure.

New Directions Behavioral Health will provide and administer the EAP product.

## EAP OFFERINGS FOR EMPLOYEES INCLUDE:

- 24/7 call center to talk with licensed behavioral health professionals
- Experts who can refer employees to counseling, health plan, legal, financial or community services they need for any life challenges
- Short-term counseling that can be customized for each individual challenge
- A network of attorneys and financial counselors who can provide legal expertise and advice on a multitude of challenges for example, legal documents for wills, estate planning, asset sales and more
- Weekly tips and advice on how to work through stress, parenting, being your best at work and other helpful material — delivered right to your inbox
- The ability to launch the benefit in as little as 30 minutes, especially in times of crisis

#### WHAT'S IN IT FOR EMPLOYERS?

- Lower health care costs
- Reduce Absenteeism
- Minimize Legal Liabilities
- Happy, Healthy, Productive Employees
- Recruiting and Retention Tool

EAPs are proven to lower health care costs because they can be used before an employee turns to using their medical benefits. For example, the free counseling sessions can be used before the employee taps into the mental health benefits that are part of the medical coverage. The programs can also reduce absenteeism because employees are dealing with the issues that may cause them to take time off. Plus, an EAP doesn't have to align with a group's benefit year. The group can choose to offer it to employees at any time during

For more information, contact your BCBSM Sales Representative or Agent.

SAVE THE DATE //

## AFPD'S 33RD ANNUAL INNOVATIONS BUYING SHOW



APRIL 18, 2017

SUBURBAN COLLECTION SHOWPLACE
46100 GRAND RIVER AVENUE | NOVI, MI 48374

# AWORLD OF REFRESHMENT





©2016 PepsiCo, Inc. All Rights Reserved. This ad contains valuable trademarks owned and used by PepsiCo, Inc. and its subsidiaries and affiliates to distinguish products of outstanding quality.

## special feature

#### St. Patrick's Day is Fast Approaching: Are you Really in the Holiday Spirit?

■ BY KRIS HARRIS // DENHA MEDIA & COMMUNICATIONSKRIS HARRIS

Retailers know the power and influence of branding products. Some products sell themselves with years and money put into advertising. However, when a new product enters the market, it provides the retailer an opportunity to take ownership of its success, while branding the business and increasing sales.

For the grocer, new items often come to them in the form of limited edition or seasonal flavors. However, for retailers who sell spirits, having access to new products that can be branded around a holiday, can help separate it and your business from the competition.

"One thing we wanted to focus on when AFPD jumped into the liquor business with Benchmark Beverage is what can we do to better supplement and give independent stores an edge over the

DENEAU PROPERTY WINDS TO THE PROPERTY OF THE P

chains?," said Auday Arabo, AFPD President and CEO. "We saw a lot of great products out there in the industry that just weren't getting the attention and we thought these were areas we could build on."

With St. Patrick's Day just around the corner, Benchmark looked at the different categories of business to see where there was an edge. "We thought, everyone knows Jameson as the number one brand for Irish whiskey, and it's a great brand," explained Arabo. "But there's also more demand for Irish whiskey, especially ramping up to St. Patrick's Day, and Benchmark has a number of Irish Whiskeys for our members. We have Ayden Lalley, Flight of the Earl's, Donegal, as well as some high end whiskeys such as the Hyde line and their four different expressions. "

Having choices for those who are interested in the category is important. Retailers no longer need to lean on that one go-to bottle anymore. "Most people will tell you that the only Irish whiskey available in Michigan is Jameson and that's really not true," explained Mike Cavin, RNDC's retail salesman for Michigan. "There are more than 30 different brands to choose from and from a dollar-range standpoint, most of your economy Irish whiskeys are around \$20 a bottle."

Benchmark's beverages give retailers a competitive advantage, by providing a selection of new Irish Whiskeys that others stores don't carry. "Benchmark is offering new items that are competitive with the other brands, and people are taking notice now," said Cliff Denha, owner of the Wine Palace.

The increase in demand for Irish Whiskey isn't just tied to the upcoming holiday, it's also seen in younger drinkers who tend to experiment with their taste buds. "You have 20 to 35 year-olds who are experimenting and checking things out," said Cavin. "And from starting into a category stand-point, most of the products are very approachable products. It's not peat-smoked, it's not like a scotch, and it's not real thick or syrupy, so it's very easy to drink and it's easy to make cocktails with."

Retailers should look at their shelves and ask themselves if they really have a full line-up with all the bases completely covered.

"When you go into a store, there's a vodka section, there's what they call a North American whiskey section, you'll have a scotch section, and a cognac section," explained Cavin. "But if you have a scotch whiskey section, why don't you have an Irish whiskey section -- a Celtic section?"

Allocation of space and proper location are crucial variables in branding a product, especially when tying it to a holiday. "For every major holiday, we have a themed area," said Denha. "So, for St. Patrick's Day, we'll have an endcap that has stacks of four or five different Irish Whiskeys. It's big enough to handle 30 to 40 cases of booze, so it's a nice size display and we give it really prime real-estate."

Retailers should give products, especially new products, an early push to pique customer interest. "We do it a couple of weeks out, so that when people are doing their St. Patrick's Day purchases, they'll remember that we have some really good products here," Denha explained. "That's how we look at it."

If a retailer was waiting for the "perfect moment" to enter into this market, this might be the year. With a list of new spirits to choose from and with the timing of holiday, this may be the moment you've been waiting for. "This year, with St. Patrick's Day being a Friday, you're going to get people that are going to celebrate for the weekend," said Cavin. "They may go out to the pub one night, but then they'll get together with friends for corned beef, cabbage, red skin potatoes and the traditional fare, and celebrate their heritage with a party around the holiday."

Branding a new spirit, around a holiday, can have a ripple effect and help separate you from the competition. Finding products that no one knows about isn't always easy, but that's where Benchmark Beverage can help. "Our push, to a lot of our retailers, is how do you make yourself unique, different and a destination, so you're not just like others stores that just carry the top two or three brands?," said Arabo. "One of the areas that a retailer could really specialize in is Irish Whiskeys. It's an area that we hope grows in the future and helps make your store top-shelf, for those looking for specialized Irish Whiskeys." ■





## express lines l

#### Supermarket Prepared Foods May Outlast Meal Kit Concepts

■ BY KATHY HAYDEN // PROGRESSIVE GROCER



Despite a lot of attention from investors and media last year, the longevity potential of meal kit delivery programs is still up in the air. These kits have hit a nerve among busy families searching for a way to put a decent dinner on the table, but the preplanned, pre-measured kits are not one-size-fits-all solutions. Instead, more consumers are seeing salvation in grocerants and prepared food sections, a trend that Whole Foods Market calls "mindful meal prep." Whole Foods sees more shoppers in 2017 "asking themselves what they'd like to eat," as well as "how they can stretch their dollar, reduce food waste, save time and eat healthier. As a result, they're coming up with new strategies to get dinner on the table—sometimes that means making some of the meal and buying the rest, or batch cooking at the beginning of the week or using a meal kit that cuts down

Nielsen researchers have reported how "on-the-go meals direct from the grocery store continued to capture the attention of Americans." Grocerant growth was in full swing across the United States in 2016, according to Nielsen, and included everything from prepared meals to grab-and-go to upscale in-store dining.

on prep time."

"Grocerants' sales are climbing, posting growth of 16.4% over 2015," according to Nielsen. "Value-added fruits and vegetables (e.g., pre-cut, pre-seasoned, side dishes and food trays) also generated exceptional growth, locking in sales growth of 9.4% and 8.9%, respectively."

In addition, prepared meat is helping busy consumers get a jump start on meals at home, cutting down prep and cooking time and leaving only side dishes to prepare (or purchase from the salad and hot bars).



OHIO //

#### Free wine & beer samples coming to Ohio following governor's approval

■ BY MARK FISHER // DAYTON DAILY NEWS

Governor John Kasich has signed into law legislation that will allow most establishments that hold liquor licenses to give away free samples of beer, wine and spirits to their customers.

The legislation will give breweries, restaurants and distilleries the ability to offer paying customers no more than four free samples - — up to two ounces of beer, two ounces of wine, or one-fourth of an ounce of liquor — in a 24-hour period. Current Ohio law prohibits those businesses from giving away beer or alcohol. Ohio wineries requested, and were granted, an exemption during consideration of the legislation.

The changes to state liquor laws contained in House Bill 444 were approved by the Ohio General Assembly in December, and the bill was signed by Gov. Kasich's Wednesday. It will go into effect this spring.

The approved legislation puts Ohio in line with the 37 other states that have some type of free sampling available, Natalie Walston, communications director for the Ohio Restaurant Association (ORA), told this news outlet last month. The proposal "takes away some red tape when offering customers samples of alcohol," Walston said. Nothing in the legislation requires restaurants and breweries to offer free samples, but simply allows them to do so if they choose.

Joe Rosato, director of government affairs for the Ohio Restaurant Association, testified in favor of the legislation before an Ohio General Assembly committee, calling it "common sense reform" and predicting it would bring economic benefits.

"With the growing market of craft alcohol products, the customer can become overwhelmed with all of the choices on the market," Rosato said. "When executed responsibly, effective marketing tools like tastings contribute to increased tax revenues and the overall health of Ohio's economy."

Mary MacDonald, executive director of the Ohio Craft Brewers Association, said the legislation "codifies what happens in bars, restaurants and taprooms around the state: people often ask for a small sample of something before committing to a whole glass, and most venues offer that. This makes the common practice of sampling legal, and we like to help our members operate within the law."

Ohio wineries, however, were excluded from the new free-samples legislation, at their request.

"Our concern was over the expense of it," Lee Klingshirn, co-owner of Klingshirn Winery in Avon Lake and a legislative liaison for the Ohio Wine Producers Association, told this news outlet last month.

Nearly all Ohio wineries already sell small-sized tasting samples of their wines in their tasting rooms, so giving away free two-ounce samples didn't make sense to winery owners.

"We'd be giving away bottles of wine," Klingshirn said. "That adds up over time." Donniella Winchell, executive director of the Ohio Wine Producers Association, supported the legislation — with the wineries' exclusion.

"We're elated for our friends in the craft brewery business," Winchell said.

#### **BAT Acquires Reynolds American**

Merger creates a stronger global tobacco and 'Next Generation Products' company

■ BY NACS ONLINE

British American Tobacco (BAT) and Reynolds American Inc. have agreed to an offer for BAT to acquire the remaining 57.8% of Reynolds it does not already own. According to a press release, the merger will create a stronger global tobacco and Next Generation Products (NGP) company to deliver sustained long-term profit growth and returns.

"Our combination with Reynolds will benefit from utilizing the best talent from both organizations. It will create a stronger, global tobacco and NGP business with direct access for our products across the most attractive markets in the world," said BAT's chief executive, Nicandro Durante.

The two companies will create a balanced presence in high-growth emerging markets and high profitability developed markets, combined with direct access to the U.S. market, and create a pipeline of vapor and tobacco heating products to the fastest growing NGP markets.

Post transaction, the group will be a larger, broader, more geographically diversified business with a unique footprint providing continued exposure to high-growth emerging markets, direct access to the opportunity in the U.S. market, and a broad presence in key developed markets, notes a press statement.

In the U.S. market, Reynolds has three out of the four top-selling cigarette brands, and the benefits from the Lorillard acquisition have given Reynolds a 34% cigarette market share, with Newport as the leading brand in menthol, Pall Mall as the leading value brand and Natural American Spirit as the fastest-growing premium brand. Reynolds' American Snuff subsidiary also has a 33% share of the growing moist snuff segment, led by its Grizzly brand.

BAT has a significant presence in emerging markets across South America, Africa, the Middle East and Asia, and emerging markets will account for 60% of volume in the enlarged group. Over the last five years, revenue per pack in these markets has grown at more than twice the rate compared to developed markets. With generally low cigarette pack prices and expectations of continued growth in consumer disposable income over the long term, the future profit growth opportunity remains strong. BAT sees emerging markets as the source of future profit growth for the BAT group and developed markets as the source of current profit growth.

BAT's multi-category strategy in NGPs is aimed at satisfying different consumer moments, with the capability of effectively addressing rapidly developing consumer behaviors. In December 2016, Glo, an innovative tobacco heating product, was launched in Japan with encouraging early results. In addition, Reynolds' Vuse is one of the leading vapor brands sold in retail.

BAT and Reynolds anticipate the transaction to close during the third quarter of 2017. ■

#### INDEPENDENT FOOD RETAILERS ASSOCIATION

#### Base + Major Medical Coverage:

Base Deductible: none

Base Coinsurance: 100% (\$20 Member Copay each office visit

\$50 Member Copay each hospital stay)

After Plan pays out \$1,000 for physicians; \$1,000 lab & x-rays; \$15,000 for hospital; \$250 in prescriptions; \$1,000 surgery and \$1,000 all other: any additional charges go to the:

Major Medical Deductible: \$8,000 all family combined

Major Medical Coinsurance: 60% Plan (up to \$4,000 out-of-pocket): then Plan pays 100%

RATES: \$329.85 (s) \$725.68 (c) \$824.67 (f)

Bronze Plan

# Better Benefits Lower Rates



ABOVE: A LOW-COST PLAN

GOOD DEDUCTIBLE PLANS LIKE THESE:

# Do You Miss Good Benefits?

Don't be blue! They are still here! Low deductible MEDICAL plans and rates are still available to employers who want to offer employee benefits.

#### **MEDICAL**

**PRESCRIPTIONS** 

**DENTAL** 

**VISION** 

#### And Small Retailers Can Afford Them

The plans and rates to the right are just two options to those high deductibles you were told to settle on.

Employees have to have insurance, but the Marketplace has really high deductibles with really high rates and an unpredictable future. Our Plans have been around for 37 years, saving premium costs and providing choices for everyone.

FOR MORE INFORMATION CALL: Gail Edwards-Bryant 248.356.1682

Independent Food Retailers Association (Member of AFPD)



Frankenmuth ~ Michigan

Network Non-Network

Deductible \$250 single \$ 500 single \$500 family \$1,000 family

Coinsurance 80% 60%

Office Visit Copay - \$20

Out-of-pocket Maximum = \$5,000 family

**REBT 3** (silver) RATES:

**\$477.17** (s) **\$967.57** (c) **\$1,099.56** (f)

<u>Network</u> <u>Non-Network</u>

Deductible \$1,500 single \$2,000 single \$3,000 family \$4,000 family

Coinsurance 90% 60%

Office Visit Copay - \$15

Out-of-pocket Maximum = \$5,000 family

PLAN HD (silver) RATE

**\$377.54** (s) **\$765.56** (c) **\$870.08** (f)

# express lines

# In the Shopping Cart of a Food Stamp Household: Lots of Soda

■ BY ANAHAD O'CONNOR // THE NEW YORK TIMES



PHOTO CREDIT: KARSTEN MORAN FOR THE NEW YORK TIMES

What do households on food stamps buy at the grocery store?

The answer was largely a mystery until now. The United States Department of Agriculture, which oversees the \$74 billion food stamp program called SNAP, has published a detailed report that provides a glimpse into the shopping cart of the typical household that receives food stamps.

The findings show that the number 1 purchases by SNAP households are soft drinks, which accounted for 5% of the dollars they spent on food. The category of 'sweetened beverages,' which includes soft drinks, fruit juices, energy drinks and sweetened teas, accounted for almost 10% of the dollars they spent on food. "In this sense, SNAP is a multibillion-dollar taxpayer subsidy of the soda industry," said Marion Nestle, a professor of nutrition, food studies and public health at New York University. "It's pretty shocking."

For years, dozens of cities, states and medical groups have urged changes to SNAP, or the Supplemental Nutrition Assistance Program, to help improve nutrition among the 43 million poorest Americans who receive food stamps. Specifically, they have called

for restrictions so that food stamps cannot be used to buy junk food or sugary soft drinks.

But the food and beverage industries have spent millions opposing such measures, and the U.S.D.A. has denied every request, saying that selectively banning certain foods would be unfair to food stamp users and create too much red tape.

While the report, published recently, suggests that a disproportionate amount of food stamp money is going toward unhealthful foods, the U.S.D.A. said it was unfair to single out food stamp recipients for their soft drink consumption.

The report compared SNAP households and non-SNAP households. While those who used food stamps bought slightly more junk food and fewer vegetables, both SNAP and non-SNAP households bought ample amounts of sweetened drinks, candy, ice cream and potato chips. Among non-SNAP households, for example, soft drinks ranked second on the list of food purchases, behind milk.

"Sweetened beverages are a common purchase in all households across America," Kevin Concannon, the U.S.D.A. under secretary for food, nutrition and consumer services, said in an interview. "This report raises a question for all households: Are we consuming too many sweetened beverages, period?"

The report was based on data from an unnamed, nationwide grocery chain, which provided the U.S.D.A. with monthly records of food items bought in 2011 by more than 26 million households, about three million of them food stamp recipients. The grocery chain identified and tracked SNAP households by their use of SNAP benefit cards at the checkout aisle. One limitation of the report was that it could not always distinguish when

SNAP households used their benefits, other money or a combination of the two to pay for transactions.

Nonetheless, the report provides a striking look at the foods American households typically buy.

Across all households, the report found, "more money was spent on soft drinks than any other item" — a finding that reflects the fact that, while consumption of sugary drinks is lower today than it was a decade ago, the United States still consumes more sugary drinks than almost any other developed country, studies show.

The U.S.D.A. report found that milk, cheese, potato chips, beef, cold cereal and baked bread were among the top purchases for all households. It indicated that all Americans bought ample amounts of desserts, salty snacks, candy and other junk foods. But the SNAP households spent slightly less money on nutritious foods, including fruits and vegetables, beans, eggs, nuts and seeds.

Over all, the report found, SNAP households spent about 40 cents of every dollar at the grocery store on "basic items" like meat, fruits, vegetables, milk, eggs and bread. Another 40 cents of every dollar was spent on "cereal, prepared foods, dairy products, rice and beans." Lastly, 20 cents of each dollar was spent on a broad category of junk foods that included "sweetened beverages, desserts, salty snacks, candy and sugar."

SNAP households spent 9.3% of their grocery budgets on sweetened beverages. That was slightly higher than the 7.1% figure for households that do not receive food stamps.

The U.S.D.A. concluded that both food stamp recipients and other households generally made similar purchases.

# express lines

But several public health experts said the findings were deeply troubling.

David Ludwig, the director of the New Balance Foundation Obesity Prevention Center at Boston Children's Hospital, said the purpose of SNAP was to protect the health and well-being of the nation, not to ensure that poor households had ample access to sugary drinks.

"We have more evidence for the harms of sugary beverages than for any other category of food," he said, "and yet it tops the list of reimbursed products in SNAP."

Dr. Ludwig said other government programs had common-sense restrictions. The Special Supplemental Nutrition Program for Women, Infants and Children, better known as WIC, and the national school lunch program have strict nutrition standards. Medicare pays for necessary medical procedures but does not reimburse for ones it considers harmful, ineffective or unnecessary. SNAP, Dr. Ludwig said, should be structured similarly.

"No one is suggesting poor people can't choose what they want to eat," he said. "But we're saying let's not use government benefits to pay for foods that are demonstrably going to undermine public health."

The federal government provides SNAP benefits to roughly 23 million households each month, many of them single-parent homes at or below the poverty line.

The average household receives about \$256 in monthly benefits. That means a household that spent 10% of its SNAP money on sweetened beverages could buy at least 20 two-liter bottles of orange Crush soda at a Fine Fare supermarket in New York City, or about 50 cans of Sprite at a Walmart near Oakland, Calif.

Since 2004, a number of cities and states have sought to restrict sugary drinks from their SNAP programs, including Maine, Minnesota and New York City under Mayor Michael R. Bloomberg in 2011. But doing so requires permission from the U.S.D.A., and the agency has denied every official request.

Mr. Concannon at the U.S.D.A. said the agency had "intermittent dialogue" with municipalities across the country about prohibiting the purchase of sugary drinks through SNAP. But he said the agency would grant a state or city permission to do so only on the condition that it first conducted "a rigorous pilot study" and offered food stamp recipients the ability to opt out of the soda restrictions.

"We'd want rigorous evaluation to see what is the impact of such a policy," he said.

PepsiCo lobbied the federal government to prevent restrictions on food stamp purchases in 2011, 2012 and 2013, according to the Center for Responsive Politics, a nonprofit that tracks money in politics. Coca-Cola, Kraft Foods and the sugar industry lobbied against a Florida bill in 2012 that would have banned using food stamps to buy soda and junk food. And in 2011, the Snack Food Association teamed up with beverage industry lobbyists and the National Confectioners Association, which represents candy companies, to defeat New York City's proposed ban on using food stamps to buy sugar-sweetened beverages.

Mr. Concannon said the U.S.D.A., rather than restricting junk foods, had made incentive programs that encourage nutritious foods a priority. The federal farm bill that designates money for the SNAP program, for example, set aside \$100 million for programs that increase the value of food stamps that are used to buy fruits and vegetables at retail stores or farmers' markets.

"Our goal has been to nudge people in the right direction," he said.

While there is evidence that people do buy more fruits and vegetables when given incentives, research suggests that banning sugary drinks would have a far more powerful impact on health.

In 2014, a group of Stanford researchers studied 19,000 SNAP participants and compared whether banning sugary drinks or incentivizing fruits and vegetables would affect obesity rates.



A SHOPPER IN SECAUCUS, N.J., CHOOSING FROM AN ARRAY OF COLORFUL SODAS LINING THE SHELVES OF A MAJOR RETAILER. PHOTO CREDIT: KARSTEN MORAN FOR THE NEW YORK TIMES

The researchers found that the incentive program would not. But banning sugary drinks from SNAP, they said, "would be expected to significantly reduce obesity prevalence and Type 2 diabetes incidence, particularly among ages 18 to 65 and some racial and ethnic minorities."

Michele Simon, a public health lawyer who published a critical 2012 report on the food stamp program, said the new report showed that the federal government was subsidizing many foods that its own dietary guidelines explicitly told Americans to consume less of.

"This is the first time we've had confirmation that this massive taxpayer program is promoting all the wrong kinds of foods," she said. "I think we now have the data to back up the policy argument that this program needs to be improved."

#### Correction: January 13, 2017

An earlier version of this article misstated the portion of grocery spending used to purchase soft drinks. Households receiving food stamps spent 9.3% of their bills on "sweetened beverages," a category that includes soft drinks, juices, and energy drinks, among others, not on soft drinks alone. The article also misstated the location of a Walmart store that was used as an example of prices in California. The store is in San Leandro, Calif., which neighbors Oakland; it is not in Oakland.

## Final Snap Rule Compliance Guide Available

NACS members may access the retailer resource, prepared by association counsel



■ BY NACS ONLINE

On December 15, 2016, the U.S. Department of Agriculture's (USDA) Food and Nutrition Service (FNS) published its final rule, changing the eligibility requirements for retailers participating in the Supplemental Nutrition Assistance Program (SNAP). The final rule makes some changes that were necessary to ensure people could get the food they need, but still has some provisions that may be onerous for convenience store owners to implement and could risk hurting SNAP beneficiaries. Notwithstanding the concerns that remain, NACS is pleased to report that USDA listened to many of the concerns NACS highlighted in the comments it filed with the agency.

SNAP provides more than 44 million Americans, including millions of children, with the resources to buy food and sets the requirements for the 258,632 stores that accept SNAP benefits for food

purchases. Small format stores, including the 106,531 convenience stores that currently participate in SNAP, provide critical access to food for many SNAP beneficiaries who may live long distances from a large food retailer or may need to shop for food during non-traditional hours when other food retailers are closed.

The final rule codifies the 2014 Farm Bill's statutory depth-ofstock provisions, which specify the minimum number of food items a retailer must offer to participate in the program. NACS supported the 2014 Farm Bill, which requires retailers to stock seven varieties of foods in the four "staple food" categories: dairy; meat, poultry, or fish; bread or cereal; and vegetables or fruits. The final rule will also require retailers to stock three of every SNAP item (84 items total) on shelf-although USDA would permit a retailer to demonstrate compliance with the stocking unit requirements via receipts and other invoices that prove he purchased the necessary items up to 21 days before the date of an agency inspection. USDA has also updated the definition of "variety" in a manner that appears to create significant administrative complexity.

Finally, the final rule also altered a proposed provision tying retailer eligibility to sales of food to customers who don't use SNAP. Under the final rule, stores would be disqualified from the program if 50% or more of the store's gross retail sales (including fuels sales) come from items that are cooked or heated on site before or after purchase—the so-called "hot foods" threshold. This is a significant improvement from the proposal, which would have disqualified retailers if 15% or more of their stores' total food sales came from sales of items that were "cooked or heated on site" before or after purchase.

The rule will go into effect on January 17, 2017. After that time, retailers who are currently licensed to accept SNAP will have one year—until January 17, 2018—to come into compliance with the updated stocking requirements. Retailers who are not currently authorized SNAP retailers but who choose to apply for a license will have to be in compliance with the updated stocking regulations beginning May 17, 2017. All retailers will be required to be in compliance with the hot foods threshold on May 17, 2017.

NACS members should stay tuned to the NACS Daily for information on a webinar to review the requirements in the coming months.

If you have questions about the final rule, they are encouraged to contact Anna Ready at aready@nacsonline.com.

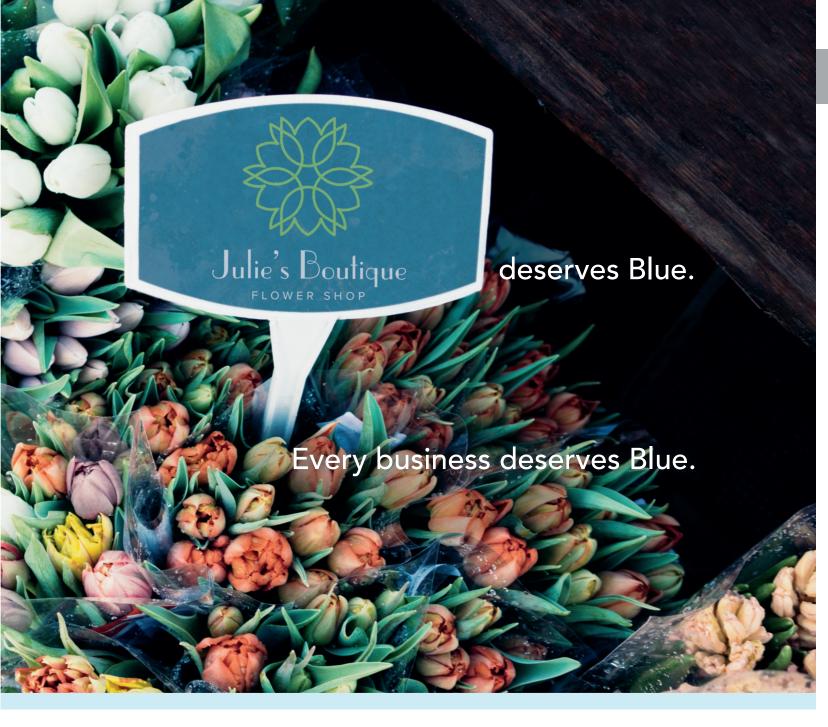






Experience how SAS continues to be a leader in the industry by consistently exceeding expectations through innovative solutions in distribution, marketing, and technology.

www.sasinc.com



# Introducing our new Personal Choice PPO

The new Personal Choice PPO plan is an affordable way to offer your employees access to the largest network of health care providers in Michigan. It has the flexibility of our PPO plans with savings opportunities for your company and your employees.



Call the Associated Food & Petroleum Dealers at 800-666-6233 for more information.

GROUP HEALTH PLANS | SPECIALTY BENEFITS | PERSONALCHOICEPPO.COM

# make sure to support these afpd supplier members



Indicates a supplier program that has been endorsed by AFPD

- M Indicates supplier only available in MI
- Indicates supplier only available in OH
- Indicates supplier only available in IL

#### **ASSOCIATIONS**

Food Marketing Institute	(202) 220-0600
Grocery Manufacturers Association.	(202) 639-5900
International Food Service Distributo Association	
National Association of Convenience Stores (NACS)	
National Grocers Association	(202) 624-5300
Western Michigan University Food Marketing Program	.(269) 3887-2132

ATM Management	.(614) 891-9200
Edge One	.(608) 873-3311
Elite Bank Card & Elite Merchant Servi	ces
	.(248) 594-3322

#### BAKED GOODS DISTRIBUTORS

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

#### **BANKING, INVESTING & CONSULTING**

(248) 569-7283
.(248) 644-2601
f America
.(248) 743-5209
.(248) 737-1102
.(248) 948-5124
.(248) 324-9308
.(773) 478-3131

#### **BEER MANUFACTURERS**

	Frankenmuth	Brewery												(9	98	9)	2	6	2-	8:	3(	)(
--	-------------	---------	--	--	--	--	--	--	--	--	--	--	--	----	----	----	---	---	----	----	----	----

#### **BEER DISTRIBUTORS**

Eastown Distributors	(313) 867-6900
Great Lakes Beverage Company	(313) 865-3900
Powers Distributing Company	(2/(8) 393-3700

#### **BOOKKEEPING/ACCOUNTING CPA**

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

#### **BUSINESS COMMUNICATIONS/PUBLIC RELATIONS**

Comcast
Sprint(248) 893-8017
Tamar Designs, LLC (248) 760-7211

#### **C-STORE & TOBACCO DISTRIBUTORS**

Eby-Brown	. (630) 536-3968
Capital Sales Company	(248) 542-4400
Core-Mark	(440) 349-8400
H.T. Hackney-Grand Rapids	. 1-800-874-5550
S. Abraham & Sons, Inc	(616) 453-6358
Seaway Cash N' Carry	(216) 361-5757
United Custom Distribution	(248) 356-7300

#### **CAR DEALERSHIPS & TRANSPORTATION**

Saroki Vehicles LLC	(248) 258-3900
Suburban Truck Driving Trainin	g School (734) 229-0000
Superior Buick	1-877-586-8665

#### **CHECK CASHING**

#### **CHICKEN SUPPLIERS**

Taylor Freeze	r/Broaster Chicken	(	734	525-2539

#### **CHIPS, NUTS, CANDY & SNACKS**

#### **COFFEE DISTRIBUTORS**

Farmers Brothers Coffee	 .(734)	891-0592
Lava Mountain Coffee	(248)	267-0227

#### **CONTRACTORS & CONSTRUCTION**

Duraguard	l Commericia	l Roofing	(810	730-2532
-----------	--------------	-----------	------	----------

#### **COUPON REDEMPTION/MONEY ORDERS/** MONEY TRANSFER/BILL PAYMENT

AFPD Coupon Redemption1-800-666-6233(405) 525-9419
MoneyGram

#### **CREDIT CARD PROCESSING**

WorldPay	. (404) 723-1528
First Class Payment Systems	1-888-255-2211

### DELI & MEAT MANUFACTURERS & DISTRIBUTORS

Sherwood Food Distributors	(313) 659-7300
Lipari Foods, Inc	(586) 447-3500
Carmela Foods Distributors	.(586) 294-3437
Supreme LTD	.(630) 550-5112
Wolverine Packing Company	.(313) 259-7500

#### **ENERGY, LIGHTING & UTILITIES**

DTE Energy	. 1-800-477-4747
DTE Your Energy Savings	. 1-855-234-7335
Mid-American Energy Services, LLC	(563) 333-8570
My Choice Energy	(586) 248-7181
Running Right	(248) 884-1704
Vantaura Energy Services	(616) 301-0775

#### **ENVIRONMENTAL CONSULTING**

BLDI Environmental	Enginoors	(616) 459-3737	7
BLIJI EHVITOHILIEHIAI	Eligilleers		

#### **FOOD EQUIPMENT, MACHINERY & KIOSKS**

#### **GAS STATION BRANDING & MAINTENANCE**

Oscar W Larson	Co. 🕅 🖽 (248) 620-0070
Clark Brands LLC	(331) 457-4804

#### **GASOLINE WHOLESALERS**

Armada Oil & Gas	(313) 582-1777
Beck Suppliers	(419) 332-5527
Central Ohio Petroleum Marketers	(614) 889-1860
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

# make sure to support these afpd supplier members



- M Indicates supplier only available in MI
- Indicates supplier only available in OH
- Indicates supplier only available in IL

#### **GREETING CARDS**

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

#### **GROCERY WHOLESALERS & DISTRIBUTORS**

D&B Grocers Wholesale (Only salty snacks)

	(124) 212-1112
George Enterprises, LLC	(248) 851-6990
Great North Foods/Alpena Grocer	(989) 356-2281
International Wholesale	(248) 353-8800
Liberty Wholesale	(586) 755-3629
MB Wholesale	(313) 581-0099
SpartanNash	(616) 878-2248
SUPERVALU West Region	(262) 942-3387
Value Wholesale Distributors	(248) 967-2900

#### HOSPITALITY INDUSTRY CONSULTING

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

# HOTELS, CONVENTION CENTERS & BANQUET HALLS

Farmington Hills Manor	(248) 888-8000
Genoa Banquet Center	(517) 545-1000
Penna's of Sterling	(586) 978-3880
Petruzello's	(248) 879-1000
Shenandoah Country Club	(248) 683-6363
Suburban Collection Showplace	(248) 348-5600

#### **ICE CREAM SUPPLIERS**

	Nestle DSD (Small format only) (616) 291-8999
AFPD	Prairie Farms Ice Cream Program
	1-800-399-6970 ext. 200

Aictic Expices (Nestle ite Crediii-silidii Joilidi olily)
1-866-347-3657
Blue Bunny Ice Cream(502) 264-2284

#### **ICE PRODUCTS**

U.S. Ice Corp. M	. (313) 862-3344
Arctic Glacier Premium Ice	. 1-800-327-2920
Home City Ice	. (513) 598-3738

#### **INSURANCE SERVICES: AUTO & HOME**

Lakeview Insurance/Liberty Mutual Auto & Home Discount Program M 0 . . . . (586) 553-9954

#### **INSURANCE SERVICES: COMMERCIAL**

Conifer Insurance Company (Liquor Liability)

	(248) 559-0840
Cox Specialty Markets (Conifer) •	1-800-648-0357
Globe Midwest/Adjusters International	. (248) 352-2100
Insurance Advisors, Inc	(248) 694-9006
National Claims Service	(313) 537-8329
The Campbell Group	(269) 324-3688
USTI/Lyndall Insurance	(440) 247-3750

#### **INSURANCE SERVICES: HEALTH & LIFE**

BCBS of Michigan M	. (313) 225-9000
Blue Care Network	.(248) 799-6300
Business Benefits Resource, LLC	.(248) 381-5045
Heritage Vision Plans	.(313) 863-1633
Independent Food Retailers Association	. (517) 337-4877
Midwest Medical Center	.(313) 581-2600

#### INSURANCE SERVICES: WORKERS' COMPENSATION

	Conifer Insu	rance Company	(248) 559-	0840
<b>AFP</b>	CareWorks	<b>0</b> 1-800-	837-3200 ext.	7188

#### **LEGAL SERVICES**

(Alcohol issues)	(517)	351-62	າດດ
Bellanca & LaBarge	.(313)	882-11	00
Cummings, McClorey, Davis & Acho, PLC	(734)	261-24	00
Denha & Associates, PLLC	.(248)	265-41	00
Foster Swift Collins & Smith PC (Labor & E.	mploymei	nt Law)	
	.(248)	539-99	19
Hammoud & Dakhlallah	.(313)	551-30	38
Kecskes, Silver & Gadd, PC	. (734)	354-86	00
Kullen & Kassab, PC	.(258)	538-22	00
Lumpe & Raber Law Offices	.(614)	221-52	12

#### LIQUOR SHELF TAGS

Saxon, Inc	(2/0)	200 2000
Sayon Inc	1 //IXI	398-7000
Juxon, mic	• (270)	JJU 2000

Pepple & Waggoner, Ltd. .....(216) 520-0088 Sullivan, Ward, Asher & Patton, PC ...(248) 746-0700

#### LOTTERY

IGT Global Solutions	(517) 272-3302
Michigan Lottery	(517) 335-5648
Ohio Lottery	. 1-800-589-6446

#### MILK, DAIRY & CHEESE PRODUCTS

Lipari Foods, Inc (586) 447-3500
Sherwood Food Distributors <b>III</b> (313) 659-7300
Dairymens <b>1</b>
Prairie Farms Dairy Co. M (248) 399-6300
Country Fresh1-800-748-0480
Dairy Fresh Foods(313) 295-6300

#### **OFFICE SUPPLIES**

Office Depot .....(855) 337-6811

#### PAPER PRODUCTS & PACKAGING SUPPLIES

Bunzl USA	(810) 714-1400
Joshen Paper & Packaging	(216) 441-5600

#### **PAYROLL SERVICES & MORE**

Trion Solutions, Inc.		(248) 971-1030
-----------------------	--	----------------

#### **PIZZA SUPPLIERS**

Hunt Brothers Pizza.....(615) 259-2629

#### **POINT OF SALE & RETAIL TECHNOLOGY**

BMC-Business Machines Com	pany (517) 485-1732
C Mart Technologies	(916) 396-5794
Great Lakes Data Systems	(248) 356-4100 ext. 107
Reward Geek	(248) 268-9000
RSA America LLC	(312) 471-6700

#### **PRINTING, PUBLISHING & SIGNAGE**

Fisher Printing	. (708) 598-1500
Ahearn Signs, Inc	(734) 699-3777
Huron Web Offset Printing	(519) 845-0821
Pace Custom Printing	(248) 563-7702

#### PRODUCE DISTRIBUTORS

Heeren Brothers Produce M	(616) 452-2101
Anthony Marano Company	.(773) 321-7500

#### **PROPANE**

Pinnacle Propane Express (847) 406-202
--

#### **REAL ESTATE**

Sell Your Business Program	1-800-666-6233
NAI Farbman (Commercial Real Estate)	(248) 351-4386
Signature Associates	(2/18) 359-3838

#### **REFRIGERATION SOLUTIONS (COMMERCIAL)**

SRC Refrigeration	.1-800-521-0398
National Resource Management, Inc	.(781) 828-8877
RW International	.(586) 920-2796

#### **RETAIL FIXTURES & DISPLAYS**

Display Max	.(810) 494-0400
Retail Sign Systems	.(616) 863-6600
Tyler Supply Company 3611	.(269) 345-2121

#### **REVERSE VENDING MACHINES & SERVICE**

LIDCD LIC	 (2/0) F20 2/0F
HRCK HC	17481579-7605

#### **SECURITY, SURVEILLANCE & MORE**

A PID

Advanced Surveillance Technologies.	1-800-278-6004
Central Alarm Signal	(313) 864-8900
Davis Bancorp, Inc	(847) 998-9000

#### **SODA POP, WATER, JUICES & OTHER BEVERAGES**

Monster Energy Comp	any1-800-666-6233
Muscle Milk	1-800-666-6233

#### Lipton Rebate Program/Pepsi Beverages

 Detroit <b>1</b> -800-368-9945
 Howell M 1-800-878-8239
 Pontiac M (248) 334-3512
 Cleveland <b>(216)</b> 252-7377
 Twinsburg (330) 963-5300

#### Coca-Cola Refreshments (Metro Detroit Program)

Metro Detroit M (313) 868-2	2008
Belleville M (734) 397-2	700
Port Huron M (810) 982-8	3501
Cleveland (216) 690-2	653

Faygo Beverages, Inc. M	(313) 925-1600
Absopure Water Co	1-800-334-1064
Dr. Pepper Snapple Group/7UP	(313) 937-3500

LXR Biotech, LLC .....(248) 836-4373

#### **TOBACCO COMPANIES & PRODUCTS**

8 Mile Smoke	.(844) 678-6453
Altria Client Services	.(513) 831-5510
R J Reynolds Tobacco Company	.(336) 741-0727
Tohacco Import USA	.(248) 336-2977

#### TRAINING RESOURCES . . . . . . 1-800-666-6233

Food Safety & Sanitation Training
GHS Hazardous Chemical Labeling Requirement Training
Meat Room Sanitation Education
TiPS Alcohol Training for Intervention Procedures

UST Owner/Operator Class ""A" and Class "B" Training

#### TRUCKING COMPANIES

North Shore Transportation Group . . . . (224) 210-1844

#### **UNIFORMS, LINENS, WORK WEAR & SUPPLIES**

THP Detroit Chemical & Paper S	Supply /
1st Impressions	(586) 558-8805
Socks Galore Wholesale	(248) 545-7625
<b>Will</b> UniFirst(888)	256-5255 ext. 232

#### **WASTE DISPOSAL & RECYCLING**

Midwest Recycling (America)	n Red Cross boxes) . (313) 304-9099
Planet Environmental	(313) 473-9886
Schupan Recycling	(269) 207-5448

#### **WINE & SPIRITS COMPANIES**

Benchmark Beverage Co1-800-666-6233
Bacardi Martini U.S.A(972) 712-9140
Beam Suntory, Inc (248) 471-2280
Brown-Forman Beverage Company (248) 393-1340
BuzzBallz, LLC(972) 242-3777
Carmela Foods Distributors(586) 294-3437
Cornerstone Wine Distributor (586) 839-2552
Diageo 1-800-462-6504
Heaven Hill Distilleries 1-800-348-1783
Luxco(313) 333-4637
North American Spirits & Wine(248) 535-0707
Pernod-Ricard USA(248) 717-3177
Proximo Spirits(810) 278-0599
Remy Cointreau USA(248) 347-3731

#### **WINE & SPIRITS DISTRIBUTORS**

RNDC of Michigan 1-888-697-642
--------------------------------

If you are a supplier of a product/service and would like the endorsement of AFPD, call us today at 1-800-666-6233!

#### FOOD RESCUE / FOOD BANKS

#### **MICHIGAN**

Feeding America West Michigan Food Bank
(616) 784-3250
Feeding America West Michigan Food Bank -
Benton Harbor(269) 983-7229
Feeding America West Michigan Food Bank -
Cadillac(231) 779-0056
Feeding America West Michigan Food Bank -
Ishpeming(906) 485-4988
Feeding America West Michigan Food Bank -
Sault Ste. Marie (906) 632-0348
Food Bank of Eastern Michigan(810) 239-4441
Food Bank of South Central Michigan (269) 964-3663
Food Gatherers(734) 761-2796
Forgotten Harvest(248) 967-1500
Gleaners Community Food Bank (866) GLE-ANER
Greater Lansing Food Bank(517) 908-3680
Kalamazoo Loaves & Fishes(269) 343-3663
The Manna Food Project (231) 347-8852
Western Upper Peninsula Food Bank(906) 482-5548

#### OHIO

Cleveland Foodbank (216) 738-2265
The Foodbank, Inc
Freestore Foodbank(513) 482-4500
Mid-Ohio Foodbank(614) 274-7770
SE Ohio Foodbank & Kitchen(740) 767-4500
Second Harvest Food Bank of Clark, Champaign and Logan Counties(937) 325-8715
Second Harvest Food Bank of North Central Ohio(440) 960-2265
Second Harvest Food Bank of the Mahoning Valley
(330) 792-5522
Shared Harvest Foodbank(800) 352-3663
Toledo Northwestern Ohio Food Bank (419) 242-5000
West Ohio Food Bank (419) 222-7946

Akron-Canton Regional Foodbank ....(330) 535-6900

#### **ILLINOIS**

Central Illinois Foodbank	(217) 522-4022
Eastern Illinois Foodbank	(217) 328-3663
Greater Chicago Food Depository	(773) 247-3663
Northern Illinois Foodbank	(630) 443-6910
River Bend Foodbank	(563) 345-6490
St. Louis Area Foodbank	(314) 292-6262
Tri-State Foodbank	(812) 425-0775









#### **APRIL 18, 2017**

#### AFPD'S 33RD ANNUAL INNOVATIONS **BUYING SHOW**

AFPD's longest running trade show has retailers looking to fill their shelves for the spring and summer months. The Annual Innovations Buying Show is known for high-quality attendees, non-stop interaction and exhibitor satisfaction. Admission for AFPD members is free. Must be at least 21 years old to attend this show. Suburban Collection Showplace // Novi, Michigan

#### MAY 25, 2017

#### AFPD'S 13TH ANNUAL OHIO GOLF OUTING & SCHOLARSHIP DINNER

This outing is a social event where retailers, wholesalers, manufacturers and service providers all come together to have a little competitive fun. A day on the course includes breakfast, dinner and 18 holes of golf! Sponsorships to the Ohio golf outing allows AFPD to provide \$1,500 scholarships to deserving students in Ohio. Scholars will be presented their awards at this event.

Manakiki Golf Course // Willoughby Hills, OH

#### **JUNE 20, 2017**

#### AFPD FOUNDATION'S 9TH ANNUAL SCHOLARSHIP LUNCHEON

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

#### JULY 19, 2017

#### AFPD'S 41ST ANNUAL MICHIGAN GOLF OPEN

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.

Fox Hills Golf & Banquet Center // Plymouth, MI

## publishers statement

AFPD Bottom Line (USPS #2331; ISSN 0894-3567) is published monthly with one annual special addition by AFPD "The Voice of Independent Retailers", at 5779 West Maple Road, West Bloomfield, MI 48322. Materials contained within AFPD Bottom Line may not be reproduced without permission from AFPD.

#### **CONTACT:**

T: (800) 666-6233 F: (866) 601-9610 E: info@AFPDonline.org

Periodicals postage prices paid at Pontiac, MI and additional mailing offices.

The opinions expressed in this magazine are not necessarily those of AFPD, its board of directors, staff members, or consultants. Bylined articles reflect the opinions of the writer.

**POSTMASTER: Send address changes to AFPD** Bottom Line, 5779 West Maple Road, West Bloomfield, MI 48322.

AFPD works closely with these associations:













Beef, Pork, Poultry, Processed Meats, Lamb, Veal, Seafood, Deli, Full Line of Dairy and Eggs, Frozen Foods, Hispanic Products, Bakery, Food Service plus an Extensive Line of Private Label Groceries





f sherwoodfoods 🛩 @sherwoodfoods 313-659-7300





Visit SpartanNash.com for more information or call:

Jim Gohsman 616-878-8088 Ed Callihan 330-903-8076 Roger Delemeester 989-245-0337

