Consolidation Continues
Are you evolving as the industry changes?

Pg 16

A New Team Member // PAGE 4
Customer Knows Best // PAGE 22
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.
features

A NEW TEAM MEMBER
Much like the industry, Midwest Independent Retailers Association (MIRA) goes through many changes—never remaining static. From name changes to bringing new faces on board, everything is done with the association members in mind. The newest face to join MIRA is Jim Green.

COVER STORY // CONSOLIDATION CONTINUES
In one year's time, there has been significant mergers and acquisitions that further contribute to the on-going consolidation of the food industry.

CUSTOMERS KNOW BEST
In 1984, Foad Abbo started U.S. ICE because his own ice supplier failed to meet his needs as a retailer. He figured if they can't supply ice during a summer heat wave, he would. That first year in business in 1984, U.S. Ice had about 50 customers; the second year, the list grew to 150 customers and then it continued to grow over the course of 33 years.
Building for the Future

As another crazy month has passed in our industry, we continue to see consolidation at every level of our businesses, manufacturers, suppliers, distributors, wholesalers and all types of stores. This trend does not seem to be slowing down as everyone wants to find the new draw, create the new shopping experience and become that one-stop shop. As Adam Smith wrote in the famous book about Capitalism that is titled The Wealth of Nations, “Capitalism works best when entities specialize and become efficient and experts in what they do best.” I know some people in society are actually talking about socialism nowadays, but I doubt any of the people own small family-owned businesses or are even members of the Midwest Independent Retailers Association (MIRA). Nonetheless, what Adam Smith wrote about a hundred years ago rings true today, we need to focus on what we do best and double down on that instead of trying to be everything to everyone which in the end will not work.

At MIRA we have decided to double down on what we do best and that is focus on our independent small business owners. Whether you own a bar, liquor store, supermarket, gas station or a restaurant, you all make up part of the food and beverage industries and most importantly you are an independent operator. No disrespect to the chains, but independents have special wants and needs. Therefore, MIRA has decided to control our own destiny as well, by creating our own credit card processing arm, called MIRA Merchant Services, so we can take control of the rates for our members. So much so, that if we can not beat your current processor after we review two to three months of statements, we will give you a FREE one-year membership to MIRA. In addition, we have also created our own money orders, called MIRA Money Orders, which is as competitive as any other money order program in the country.

As you know we also have our own coupon redemption service, which also accepts digital coupons. As for liquor liability insurance, we also control the rates for Conifer and can guarantee to beat your rate! MIRA is not done, the new edition to our team, Jim Green, has been working diligently creating new potential supplier partnerships we are very excited to share with you in the coming months, all over the MIDWEST! We hope to finalize a number of the programs at the upcoming NACS show in October. Speaking of the NACS show, please make sure to take advantage of the special MIRA discount pricing for the NACS show. Our reduced price for the show, if you sign up now, is only $225. You will save hundreds of dollars with this reduced rate.

As we double down on independent small businesses during the wave of national and regional consolidation and as we continue to invest in our staff and services to better service you, we will be asking that you double down on MIRA in the near future with a modest dues increase which you will see in 2019. We have not taken a dues increase in over five years and we hope you will not only support this increase, but tell your friends and colleagues to join MIRA as well. The Board of Governors at our upcoming meeting is even discussing going to monthly meetings now, in order to keep up with the whirlwind we see in our industry. This is a huge time commitment, but they volunteer their time to help you and the entire industry. During turbulent times you always see the good nature of people when they believe in the greater good. We hope now, you double down on MIRA just like the Board of Governors and staff has doubled down on better servicing you, while other organizations are falling by the wayside. God bless!
The AFPD’s Business Insurance Partner.

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!

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*10% discount is subject to minimum premium requirements.
Much like the industry, Midwest Independent Retailers Association (MIRA) goes through many changes – never remaining static. From name changes to bringing new faces on board, everything is done with the association members in mind. The newest face to join MIRA is Jim Green.

Green has been brought on to MIRA’s team to primarily develop programs with manufacturers and distributors. These programs will be “mutually beneficial to our members and manufacturer/supply partners,” explained Green.

“These new programs will “really add value to the membership.”

Before coming to MIRA, Green worked for Liberty USA – where he served as Vice President of Marketing and Sales for 33 years. “In 2016, we were purchased by Eby-Brown and I served as Vice President of Sales for the Pittsburgh plant the last two years,” he explained.

It was through his work with Liberty USA and Eby-Brown that Green became familiar with MIRA and its members.

“Liberty USA and Eby-Brown are wholesale distributors,” explained Green. “When I worked for Liberty USA, I worked closely with Auday and the staff to develop manufacturer programs for the membership for products that we sold to MIRA members.”

It was by working closely with MIRA’s President & CEO, Auday Arabo, and its members that Green realized what a unique organization MIRA was. Making it unlike any other organization he worked with during his 33 years with Liberty USA and Eby-Brown.

“Therefore I realized MIRA was a special organization with a mission statement to serve their members in many areas. Vendor Programs, government regulation, compliance, etc.,” he explained. “The desire to serve and help the membership exhibited by all of the staff was pure and genuine. It immediately attracted me to the organization.”

Through his sales position with Liberty USA, now Eby-Brown, and attending several of the organization’s ballroom gala events, the Medina, Ohio resident got to know several of the association’s members. “…I got to know many MIRA members through my sales position and attended the Ballroom Gala events.”

Even before coming on board with MIRA, Green knew the association was one of a kind when it came to the relationships forged between the association and members. It was that close knit, familial feel that Green wanted to be a part of.

“The membership and organization felt more like a family to me than anything I have ever experienced in the industry,” explained the father of two. “I knew I wanted to be part of it.”

Joining the team in early August, Green already feels at home working with the MIRA team and members. “It has been great,” he explained. “Everything has a very fresh feel to it.”

During his time at MIRA, Green hopes to work with manufacturers and distributors to develop programs “that will make a difference for members.”

He welcomes members to voice their thoughts and opinions. “One thing I have learned in working 35 years in the wholesale industry is it is impossible to know everything. I welcome input from the membership for programs they feel could move the needle and benefit our membership,” Green said. “I am happy to be part of MIRA and will work hard every day to make sure the programs we develop add value for our members.”
MEAT CUTTER TRAINING

TARGET AUDIENCE:
Employees of grocery stores and meat processors who want to make a career in meat cutting and advance their skills in meat cutting and processing. Current employees of grocery stores (including employees not yet working in the meat department) and meat processors are invited to apply for one of ten spots in the certificate training.

PROGRAM SUMMARY:
Meat cutters are in high demand for industry processors and in meat departments of grocery stores. This free, hands-on certificate training will include in-person sessions at the Michigan State University Meat Lab and in the meat department of grocery stores in southeast Michigan. Additional course content will be conducted in online sessions. The training will be interactive and applied to learning how to cut and package meat.

HOW TO APPLY:
Download and complete the nomination/registration form at www.canr.msu.edu/mctc and email it to grobbelj@anr.msu.edu.

LIMITED NUMBER OF PARTICIPANTS:
This certificate training will only be open to ten participants and be taught by experienced professionals in the meat industry.

MSU is an affirmative-action, equal-opportunity employer. Michigan State University Extension programs and materials are open to all without regard to race, color, national origin, gender, gender identity, religion, age, height, weight, disability, political beliefs, sexual orientation, marital status, family status or veteran status.

SPONSORS/PARTNERS
Funding for this pilot training provided by the Michigan Alliance for Animal Agriculture.

CONTACT US:
Jeannine Schweihofer, Meat Quality Extension Educator
200 Grand River Ave., Suite 102 | Port Huron, MI 48054
grobbelj@anr.msu.edu | www.canr.msu.edu/mctc
(810) 989-6935

SESSION 1: OCTOBER 2018*

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
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<tr>
<td>October 5, 2018</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
</tr>
<tr>
<td>October 9, 2018</td>
<td>Online training</td>
<td>7 a.m. – 8:30 p.m.</td>
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<tr>
<td>October 12, 2018</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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<td>October 19, 2018</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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SESSION 2: JANUARY 2019*

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<td>January 11, 2019</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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<tr>
<td>January 15, 2019</td>
<td>Online training</td>
<td>7 a.m. – 8:30 p.m.</td>
</tr>
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<td>January 18, 2019</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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<td>January 22, 2019</td>
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<td>7 a.m. – 8:30 p.m.</td>
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<td>January 25, 2019</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
</tr>
<tr>
<td>January 29, 2019</td>
<td>Online training</td>
<td>7 a.m. – 8:30 p.m.</td>
</tr>
<tr>
<td>February 1, 2019</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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<td>February 5, 2019</td>
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<td>February 8, 2019</td>
<td>MSU Meat Lab</td>
<td>9 a.m. – 4 p.m.</td>
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| February 15, 2019 | Weather alternative if needed, in-person MSU Meat Lab, TBD

*Additional locations and details provided upon acceptance into the training; subject to change
Michigan Repair Shop Updates

If you repair vehicles in Michigan, please review your compliance issues with respect to the State of Michigan Repair Facility registration requirements. Some of those requirements have changed, and you could be non-compliant.

You are required by law to provide the customer with a written estimate if the repairs will be more than $50. If a written estimate is not provided and signed the most the customer can be charged is $49.99.

Estimates must include a listing of the parts, labor, shop supplies, core charges, and environmental fees. You must disclose whether the parts are new OEM, new, rebuilt, or reconditioned. And, the estimate must include the Facility Registration number. Actual billing charges can exceed the estimate by 10% or $50 (whichever is less).

Amended estimate approvals can be obtained by a phone call to customer. But, you should make note on the invoice the day and time of the amended approval amount, the revised dollar amount authorized, the new total amount of the repair bill that is agreed upon. If you are not dealing with a regular, repeat customer you should request a driver’s license number or last four digits of Social Security number and note it on the repair order.

The final invoice must include the name of the mechanic who performed the repairs and his/her registration number, and the Michigan Facility Registration number.

The facility must keep old parts for two (2) business days after the vehicle is reclaimed by the customer. Facilities must keep all records for at least three (3) years.

Make sure you have the proper signage with the appropriate $50 qualifier for a written estimate; and, the proper phone numbers for a customer to contact the Bureau of Automotive Regulation. The best place to get all the information you need is www.michigan.gov/SOS and the Information for Repair Facilities.

Repair technicians need to be certified and tested in the categories of repairs that they service. There are nine (9) certification categories for passenger cars and light trucks. Mechanics must pass recertification category tests every five (5) years, however, they must register with the state of Michigan every year!

Technicians who have been certified by ASA (National Institute for Automotive Excellence) must still register with the state of Michigan but will be exempted from taking the state of Michigan exams.

Technicians must maintain their certifications and post the registration in a conspicuous place at the facility. They cannot perform repairs outside of their certification areas.
Keep it cool with U.S. Ice

Proud to be making crystal pure ice in Michigan since 1984.
Doubler Days Returns in September; Expected to Boost Club Keno, Fantasy 5, and Lotto 47 Sales

Michigan Lottery players have a chance to double their fun this September when the popular Doubler Days promotion returns for the Club Keno, Fantasy 5, and Lotto 47 games.

From September 1st through September 30th, all Club Keno, Fantasy 5, and Lotto 47 tickets purchased at Lottery retailers are eligible for Doubler Days. A Doubler message will be printed on random tickets and will double all non-jackpot prizes won on that ticket, without any additional cost to players. The Doubler feature also will apply to EZmatch prizes on Fantasy 5 and Lotto 47 tickets. Club Keno Extra and The Jack prizes are excluded from the promotion.

This popular promotion has a strong track record of generating excitement among players and boosting sales for retailers.

The Doubler Days promotion offers double benefits to retailers with increased sales and increased commissions. Lottery retailers weren’t the only ones to benefit from this successful promotion when it last ran in June. All told, Club Keno, Fantasy 5, and Lotto 47 players won more than $2.4 million in Doubler Days bonus prize money.

Players and retailers can cash in with Super Raffle

Since 2006, the Lottery has offered 25 different raffle games to players. These games have featured different designs and top prize amounts ranging from $40,000 Tax Free to nearly $2.5 million.

The Super Raffle game will feature the richest payouts of any raffle game offered by the Lottery. It will feature a top prize of $4 million and two $2 million prizes. We expect player excitement for this raffle to reach unprecedented levels and help boost store traffic and sales for retailers.

Tickets for the Super Raffle go on sale August 12th. Each Super Raffle ticket costs $50, giving retailers a $3 sales commission on every ticket sold. Sales will be quick and easy for retail staff, since each play is an Easy Pick so players won’t have to use play slips. Each Easy Pick play will feature a unique six-digit raffle number.

In addition to a $4 million top prize and two $2 million prizes, other prizes are: $100,000 (10), $500 (3,300), and $100 (12,000). The Super Raffle drawing will take place on or after September 19th.

About 97 cents of every dollar spent on Lottery tickets is returned to the state in the form of contributions to the state School Aid Fund, prizes to players and commissions to vendors and retailers. In the 2017 fiscal year, the Lottery’s contribution to Michigan’s public schools was a record $924.1 million. Since it began in 1972, the Lottery has contributed more than $21 billion to support public education in Michigan. For additional information, follow the Michigan Lottery on Facebook, Instagram, Twitter and online at www.michiganlottery.com.
Double their winnings. Double your redemption commission.

Watch players have double the fun with DOUBLER DAYS. That’s when random Club Keno, Fantasy 5 and Lotto 47 tickets print with a doubler message. Lucky players who find that message on their ticket will double their winnings. And when a player doubles their winnings, you’ll double your redemption commission. Tell your customers to play Club Keno, Fantasy 5 and Lotto 47 today!

All Lotto 47 and Fantasy 5 non-jackpot prizes are eligible.
It’s official, AFPD is no longer, we are now Midwest Independent Retailers Association (MIRA). The name has changed but the service that we provide is still the best you get from any retail trade association. As MIRA we will continue to represent our members at both the state legislature and government agencies to make sure your voices are heard, and pro-business policies are adopted.

The Ohio General Assembly continues to be on summer break while members campaign across Ohio in this statewide election year. There is a chance they will return in September for a day or two and if they do Senate President Obhoff has assured Representative Gonzales that her bill designating September as We Card Month will move. Several bills were sent to Governor Kasich for signature as the General Assembly wrapped up business at end of June; one dealt with the controversial Pay Day Lending industry, which some have said is an overreaction to questionable lobbying by Pay Day Lending lobbyists: others say it’s the best bill in U.S. The fall out from this bill saw the Ohio Speaker of the House resign amidst an FBI investigation, but Governor Kasich signed the bill. He did not sign a pro-gun bill sought by conservatives, and some legislators are calling for an override, but that’s not likely.

As stated earlier this is a state-wide election year with the following offices up for election, One U.S. Senate Seat, 16 Congressional Seats, three (3) Ohio Supreme Court seats, Governor/Lt. Governor, Attorney General, Auditor, Secretary of State, State Treasurer, 17 Ohio Senate seats and all 99 House Seats. The political climate in America is very tense and Ohio is no different. Will D’s turn out in large numbers to stop Trump or will R’s continue to turn out for Trump? We’ve had a glimpse of that in the first week of August in a special election to fill the 12th Congressional Seat vacated by Pat Tiberi last January; it’s always been a safe Republican seat, but Republican Troy Balderson won by a very small margin and he will have to run again in November against same Democratic Opponent.

While the legislature is quiet, this is the time to talk to them, let them know your concerns, the best lobbying is done when there are no bills pending. You can help by staying in touch with your own legislators and by encouraging others to do the same and join MIRA. Enjoy the rest of Summer; as they say in Game of Thrones, Winter is coming.
Promotion Dates
9/3/18 – 9/29/18

24oz French Onion Dip
Cost $2.75 - Sell $3.49

Gallon Drinks
Cost $1.10 – sell 3/$5.00

Pint milk – All Flavors
Cost $.85 – Sell $1.29
Changes to Ohio Drivers Licenses

Recently, the Ohio Department of Public Safety, Bureau of Motor Vehicles (BMV), changed their process for issuance and renewal of driver licenses and state identification cards. The Division of Liquor Control (Division) has received inquiries from Contract Liquor Agents (Agents) and liquor permit holders questioning how the new documents should be utilized in the event that the retailer wants to use them as a form of identification to prevent underage sales. The BMV determines and regulates the forms or types of Ohio licenses or identification cards. Additionally, the Department of Public Safety’s Ohio Investigative Unit (OIU) and local law enforcement have jurisdiction to enforce the underage sales provisions of the Ohio Revised Code. The Ohio Liquor Control Commission rules on any administrative citations, and the local courts have authority over any criminal charges. The Division has no jurisdiction over any of these issues. Despite this, the Division has received numerous calls regarding the new BMV process. To aid Agents and permit holders, the Division is providing the following information:

Effective July 2, 2018, a person who goes to their local BMV to renew their driver license or identification card will receive their expired card back, but it will be perforated in the top left corner. They will also receive an Interim Documentation form, which has all their driver license or identification card information on it including a black and white picture and their signature, which will expire in 45 days. Use of both the expired, perforated card and the Interim Documentation form will serve as the customer’s driver license or state identification card until the customer receives the permanent card in the mail, approximately 10 days later. Customers receiving a new or replacement driver license or identification card will be issued only the Interim Documentation form, which will serve as their driver license or identification card until they receive the permanent one in the mail. It is the responsibility of the permit holder to prevent underage sales.

As a result, most retail permit holders have a practice and policy in place to confirm age to avoid underage sales. As has always occurred, when the customer is unable to provide appropriate identification to confirm age, the retailer is free to deny the sale. With regard to using a driver’s license to confirm age, the best practice would be to check both documents together (paper and “punched”). If an underage sale violation occurs, the BMV documentation will qualify for purposes of using the affirmative defense under current law.

The Division believes that Agents and permit holders should act responsibly, but again, they are responsible for preventing any underage sales violation. If an underage sale violation occurs, the BMV documentation (expired, perforated card and Interim Documentation form for a renewed license or Interim Documentation form alone for a new or lost card) will qualify for purposes of the affirmative defense under Revised Code 4301.639, provided the Agent or permit holder followed the provisions of that statute. That statute states: (A) No permit holder, agent or employee of a permit holder, or any other person may be found guilty of a violation of any section of this chapter or any rule of the liquor control commission in which age is an element of the offense, if the liquor control commission or any court of record finds all of the following: (1) That the person buying, at the time of so doing, exhibited to the permit holder, the agent or employee of the permit holder, or the other person a driver’s or commercial driver’s license, an identification card as defined in section 4301.61 of the Revised Code, a military identification card issued by the United States department of defense,

OHI0 DRIVERS LICENSE CHANGES
continued on next page.
Ohio’s “Last Call” Campaign Update

We rolled out the Last Call campaign in January with the hopes to sell through existing stock of delisted – or no longer available – products by discounting the items 25% to 40%.

Our Agencies have worked hard to create Last Call sections in their stores to move these items faster. We’ve sold through nearly 75% of the first group of products, and more items were added after quarterly delists in June and September.

We’ve let the public know about these discounts, but we also want to make sure our permit holders are aware, so they have the chance to snag some of these deals. These items vary from Agency to Agency, but a full list of the products can be found on our website: www.com.ohio.gov/liqr. Be sure to pay attention to the size; for many products, only one size has been delisted and the product is still available in other sizes.

I want our bars and restaurants to have the opportunity to buy these products at a discounted rate and to be aware of what products will be gone once the existing stock sells.

Our goal is to have the best sellers on Agencies’ shelves. By selling through these delisted products, we can make more room for the popular items. As a reminder, we have boutique Agencies set up across the state for those unique products bars and restaurants may want. Additionally, there is the opportunity for permit holders to purchase wholesale only items. However, be aware that you will be required to buy the entire case of that product, not just a few bottles.

I encourage permit holders to check with their wholesale Agency to see what products they may have in their Last Call section, and I encourage Agencies to share what items they have on stock with their wholesale accounts. We hope everyone has the opportunity to take advantage of these discounts while they’re still available.

Ohio Drivers License Changes

continued from previous page.

or a United States or foreign passport, that displays a picture of the individual for whom the license, card, or passport was issued and shows that the person buying was then at least twenty-one years of age, if the person was buying beer as defined in section 4301.01 of the Revised Code or intoxicating liquor, or that the person was then at least eighteen years of age, if the person was buying any low-alcohol beverage; (2) That the permit holder, the agent or employee of the permit holder, or the other person made a bona fide effort to ascertain the true age of the person buying by checking the identification presented, at the time of the purchase, to ascertain that the description on the identification compared with the appearance of the buyer and that the identification presented had not been altered in any way; (3) That the permit holder, the agent or employee of the permit holder, or the other person had reason to believe that the person buying was of legal age. For legal advice regarding your business policies and procedures, the Division recommends that Agents and permit holders consult their private attorneys.

As previously stated, the Division has no jurisdiction over these matters. For more information, the following link from the BMV explains the new process: www.bmv.ohio.gov/NEWDL-ID/new-card-compare.aspx.
City of Chicago Considers Advancing Fair Work Week Ordinance / Summary of Tobacco 21 Legislative Efforts in Illinois

CITY OF CHICAGO UPDATE: WORKING TO DEFEAT PROPOSED FAIR WORK WEEK ORDINANCE

Supporters of “fair work week” (FWW) laws state the intention is to ensure all hourly employees have set or predictable work schedules, and that current scheduling practices by employers are unfair. Such “predictive scheduling” laws have been enacted in New York, San Francisco, Seattle, and the State of Oregon. The debate arrived in Chicago in June of 2017, filed as Ordinance O2017-4947, but was initially shelved. In July of 2018, a revised FWW ordinance was drafted for consideration, and the debate restarted.

The current FWW proposal in Chicago would, generally, among other things: (a) exempt employers with less than 50 employees; (b) exempt the construction industry and those under collective bargaining; (c) require employers post schedules 14 days in advance in writing, or electronic format if requested by the employee; (d) allow employees to change availability before work begins or upon start of a shift, but require employers to submit any scheduling changes in writing and in advance for approval by employee; (e) require employers to pay employees for any scheduling changes – whether adding hours or reducing hours; (f) allow employees to refuse double or day/night shifts (shifts within 11 hours), or require employees to be paid time-and-a-half if they accept; and (g) require employees offer additional hours to existing employees before hiring new employees.

The FWW ordinance places intrusive and burdensome mandates upon retailers in Chicago, and would eliminate any ability for employers to utilize flexible scheduling options for its employees and business operations. Further, the additional costs upon employers imposed by the proposed FWW ordinance – through either additional employee pay or fines for non-compliance – is in addition to the recently passed mandates for mandatory employee sick leave and scheduled increases in the City’s minimum hourly wage.

MIRA, and its Chicago stores, have been educating Chicago aldermen of the harmful impacts FWW will have on both employers and employees if enacted. It is unclear when the City may attempt to advance the proposed FWW ordinance through the City council.

STATE LEGISLATIVE UPDATE: ILLINOIS GENERAL ASSEMBLY ADVANCES BILL TO RAISE AGE TO PURCHASE TOBACCO TO 21; GOVERNOR VETOES BILL

The movement to raise the minimum age to 21 for the purchase of tobacco products – known as Tobacco 21 – successfully advanced legislation through the Illinois General Assembly during its 2018 spring session. According to supporters of the initiative, the Illinois legislation – SB 2332 (Morrison/Lily) – would match local ordinances enacted by the City of Chicago and 26 other local Illinois communities.

On August 24, 2018, the Governor vetoed SB 2332. In his veto message, Governor Rauner likened SB 2332 to the Cook County sweetened beverage tax – in that consumers would only change their purchasing habits by going to other towns, or other states, to purchase tobacco; thus only shifting the associated revenues out of Illinois.

The legislative sponsor and supporters of SB 2332 stated they will seek to override the Governor’s veto during the fall legislative session (which runs November 13-16 and November 27-30). In Illinois, a bill must receive 3/5ths vote in both chambers to override a gubernatorial veto. That requires 36 “yes” votes in the Senate and 71 “yes” votes in the House. SB 2332 received only 35 “yes” votes in the Senate and 61 “yes” votes in the House – making it unlikely that an override attempt in the fall would be successful. Supporters have already signaled they will revisit the issue during the 2019 legislative session if they fail to override.
MODERN RETAIL SOLUTIONS

We are the premier, fully-connected platform breaking traditional molds by bridging yesterday with the future of retail. Offering interactions wherever and whenever they make the most sense, our application suite interconnects your enterprise to processes, employees, suppliers, partners, consumers, and beyond. Modern retailing is about managing this connectivity, and no one does it better.

Point of Sale (POS) Powerful and easy to use POS software and hardware designed to improve efficiency and speed at checkout.

Back Office Solutions Feature rich inventory, purchasing and customer management combined with detailed reports.

Surveillance Our IP surveillance systems can be integrated with the point of sale to provide text overlay and video transaction history.

24/7 Service and Support We maintain a 24/7 help desk equipped with onsite, cloud-based, depot and a variety of other support options.

On Site and Online Training We are committed to teaching you to get the most out of your system. We offer expert on-site training and access to our online video training library.

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Endorsed Provider
Consolidation Continues

Are you evolving as the industry changes?

BY DENHA MEDIA GROUP WRITERS

In one year’s time, there has been significant mergers and acquisitions that further contribute to the on-going consolidation of the food industry.

Just recently, Imperial Trading Co. of Louisiana purchased the stock of GRAD Inc., parent company of convenience-store distributor S. Abraham & Sons (SAS). Imperial Trading is a wholesale distributor supplying c-stores in the Southeast.

According to news reports, SAS will continue in business, operating as S. Abraham & Sons. The SAS corporate office and distribution centers in Grand Rapids, Michigan, and Indianapolis will continue to service all customers with no interruption. All SAS associates will maintain their positions.

The merged company will become the fifth largest c-store distributor in the United States, with service capabilities from the U.S. and Canadian border to the Gulf of Mexico. Imperial and SAS will now supply more than 5,000 retail locations.

“Companies are finding it easier to acquire other business than to acquire growth in the market,” note
Mike Mitchell, Markham Enterprises. “It’s easier to buy a competitor than fight them.”

This trend of mergers and acquisitions is not necessarily a good thing for the retailer. “The lack of competition will further squeeze the independent retailer,” said Mitchell. “We have to continue to band together protect our businesses. There is strength in numbers.”

Mitchell is concerned with these ongoing mergers, there will also be a lack of customer service. “We have switched suppliers one time since 1969,” said Mitchell. “People buy from those they are familiar with and customer service matters. Price points are important but customer service makes the big difference. They do things a little differently in Louisiana than we do in Michigan. We have long-term relationships with our reps and it is nice to pick up the phone and get someone local if you have a problem. We might lose our voice.”

Meanwhile, Supervalu closed on the purchase of Unified Grocers Inc., providing the Minneapolis wholesaler with distribution to independent grocers on the West Coast.

Supervalu announced the $390 million deal using proceeds generated by the 2016 sales of its Save-A-Lot discount business. The company said the purchase comprised of $114 million in cash to Unified Grocers’ shareholders for 100 percent of its stock; and the assumption and pay-off of $276 million in Unified debts.

“The completion of this transaction is a significant step forward for Supervalu and the growth of our wholesale business,” Mark Gross, president and CEO of Supervalu, said in a statement at the time of the deal closure: “Our teams are fully engaged in the important work of integrating these two great organizations with a continued focus on delivering for our customers and stockholders. We’re excited about working with the many talented associates to supply and serve our expanded and highly diverse customer base.”

Unified, a cooperative, had 345 members at the end of fiscal 2016 and sales of around $3.8 billion.

This past July, United Natural Foods (UNFI) said it would acquire Supervalu for $2.9 billion. According to news reports, the acquisition will help the grocery distributor reduce its dependence on Whole Foods, which accounts for about a third of UNFI’s business and has a contract with the distributor set to expire in 2025. UNFI’s relationship with Whole Foods has
been uncertain ever since Amazon bought the grocery chain. With its SuperValu purchase, UNFI has access to 3,323 wholesale stores that service its retail distribution business. As reported in a news release issued by the company, the deal “greatly expands UNFI’s customer base.”

UNFI is also buying SuperValu’s retail business, which operates under banners such as Cub Foods and Shoppers. UNFI plans to divest that business in a “thoughtful and economic manner,” SuperValu reported.

It was also reported last year that Sherwood Food Distributors LLC, (SFD) headquartered in Detroit, merged with San Diego-based Harvest Food Distributors to ship meats and perishable foods in a nationwide venture.

The two family-owned firms are still operating under their current names under the terms of the deal, according to an emailed statement from Earl Ishbia, CEO of Sherwood Food Distributors.

“The merger with Harvest Foods provided SFD the opportunity to incorporate the best business practices from both companies, as we do business now and in the future,” said Howard Ishbia. “Changes within the organization are very positive and has allowed the company to bring in some very talented people to implement the business strategy of both organizations.”

Leon Bergman is the new jointly run CEO and Joel Jorgensen is the company’s CFO. Together in working with current staff and management they have provided the new joint company with new business perspectives and business insights.

Jason Ishbia has been named president of the Sherwood portion of the company and has assumed a leadership role this year and forward.

“The external variables of the industry have required companies to address their core business strategy and implement a more efficient business package to our customers,” said Ishbia. “The SFD/Harvest company remains as SFD and Harvest and is dedicated to the customer.”

Business remains as usual, with the strategy being to continue to provide the best service and pricing to our customer base utilizing the best business practices. Utilization of the combined companies’ resources in the most efficient manner to best serve the customer base in this competitive environment to be the best distribution company in their respective markets.

Now owned and operated by Sand Dollar Holdings Inc., Harvest and Sherwood will share distribution routes, warehouses and a corporate joint-venture name: Harvest-Sherwood Food Distributors.

INDEPENDENTS: IT’S ABOUT WHO THE ASSOCIATION SERVES

The association name change was not an overnight decision. In fact, it was years in the making with a strategy in place.

“It’s all about what we do and who we serve,” said Auday Arabo, President and CEO. “There is a reason the word independent is the most significant word.”

The association is not just about the geography, headquartered in the Midwest state of Michigan and serving members in the Midwest states of Michigan, Illinois and Ohio, it is about the type of members. “We have always been about the independents,” said Arabo. “They are the core base and the main reason we exist.”

That is the main reason the Associated Food and Petroleum Dealers (AFPD) changed to the Midwest Independent Retailers Association (MIRA). “Midwest is the geographic location but independent is the member; it’s all of you,” said Arabo. “It really doesn’t matter to the industry because it includes restaurants, gas stations, grocery, bars, pizza places. MIRA is here to support and to fight for all of our members in the independent realm.”

Grocery owners are expanding their base into restaurants. Gas stations have added convenience to their business.

“This notion that when AFD became AFPD, the association sold their loyalty of liquor stores for gas stations is preposterous,” said Arabo. “Just because gas stations are expanding into liquor today doesn’t mean we forget about a portion of our members. Gas stations have added pizzerias in recent years. C-stores have added produce. They might be slightly different operations but as independent entrepreneurs, the challenges are similar.”

The evolution and changes in the industry includes both expansions and consolidations. As larger suppliers merge or sell to others, retailers are venturing out into other areas and offering more services and products.
“The advantage we will have as a joint company is the ability to attract national distribution customers and combine volume to create greater economies of scale,” said Ishbia.

The merged companies are stocking baked goods, meats, seafood and deli sections for the variety of stores they service. Customers include niche markets, ethnic grocers and independent retailers, as well as national retail chains, according to a news release. Ishbia did not disclose names of customers.

The companies’ activities are complementary, so they will not need to reduce staff as a result of the merger, Ishbia said in the statement. Sherwood will also keep its Michigan headquarters, he said.

Founded in 1969 as Regal Packing Company, Sherwood has five distribution centers and handles about 6,000 customers, shipping 20 million pounds of food every week. With the merger, the two firms will operate hundreds of routes and 15 distribution centers together.

Retailers have become accustomed to the mergers. “With all the consolidation among wholesalers, the independents are forced to deal with less choices to make decisions about price and products,” said Phil Kassa, co-owner of Heartland Marketplace. “There is less competition for our business, but unfortunately we have to accept reality that independent retailers are shrinking, and these distributors have to make profitable decisions.”

Kassa predicts that consolidation will become the norm for the foreseeable future. “For our industry, it just means we have fewer choices,” he noted. “Because of all the consolidation, it is more important today to belong to an association like MIRA (formerly AFPD) to help speak in one big voice with all these mega wholesalers. At the end of the day, they still will depend on our business.

Kassa doesn’t believe that his business will change, “but we’ll need to develop better relationships with these wholesalers,” he said. “We need to let them know that we are still here, doing business.”

Many retailers have adjusted to the consolidation within the supplier side. “I feel today’s consolidation is yesterday’s monopoly,” said Kassa. “All these companies will be “Too Big to Fail” in the future. This country was built on small business, and we’re being kicked to the curb. Like I said earlier, it is more important than ever to be represented by a trade association like MIRA (AFPD) to help fight legislative battles, and take on these companies with programs that will help with our bottom line.”

“It’s about being flexible,” said Ed Weglarz, Director of Petroleum and former gas station operator. “In order to survive, all retailers need to re-evaluate their own operations to see what they can change or add to improve the business. We have seen many gas stations add small restaurants and other prepared foods into their businesses. Others have become beer and wine shops.”

The MIRA name brings value. “Because of the expansion into multiple states, the new name was necessary,” noted John Denha, board member and past chairman. “Just like Spartan giving up their name for the label Our Family to have a broader presence, it’s the same thing. We are dying a breed – independents - and we have to make sure they know we are here for them.

The focus is still very much that independents have a voice in these states. “We got sick of explaining what AFPD meant,” said Denha. “You had to take a deep breath by the time you were done explaining what we stood for. MIRA speaks for itself.”

“The name will give us better name recognition on governmental issues, rather than having to explain who we are,” said Phil Kassa, MIRA Chairman. “With AFPD, we were always explaining who we are before we got credit for our accomplishments. While other associations accomplished less yet they had the name to brand the industry. And, independent is who we are – who we serve. We represent and protect the independent retailer. “Independent” is what sets us apart from big box and chain retailer associations.”

The name reflects exactly what the association provides – a service to independent retailers located in the Midwest region of the United States.

“I feel the focus is more on the independent because of our history, and who we have always stood up for,” said Kassa. “We’ve evolved in other segments of our industry, but always stand for the independent retailer. “Midwest” is just where we come from.”
Tahini Through Five Generations

From Iraq to the United States, the Ayar family has continued their tahini making legacy

BY ASHOURINA SLEWO // DENHA MEDIA GROUP

In 1990, the two eldest Ayar brothers came to the United States. Three years later, the rest of the Ayar family followed suit and settled in the U.S. in 1993. Like many Chaldean immigrants that arrived in this country, the Ayar family kept their heads down and focused on making a living.

The older Ayar siblings worked in liquor stores. Not long after, the Ayar family decided that purchasing their own liquor store would be the best route for them. "...with a big family we thought it was time for us to go out and purchase our own liquor store," explained Ronny Ayar.

Their newly purchased liquor store was located in Detroit.

A few years down the line, the family decided to take their business ventures further and decided they would break into the supermarket business. "We wanted to take it one step higher," he explained.

The opportunity to grow their businesses continued as they bought another liquor store and two more supermarkets. Today, the Ayar family has two liquor stores, two supermarkets, and several gas station and cell phone store properties that they rent out.

With eight Ayar children, their business model is very much a collaborative effort – with each family member playing a role in the family businesses.

The business-oriented thinking is not new for the family, though. Ayar’s father still owns a factory in Iraq where tahini is made. Tahini is a paste or sauce made from ground sesame seeds. It is the main ingredient in dishes such as hummus and can be used as a marinade or spread. Tahini has many benefits as it provides omega-3, protein, antioxidant components, and more.

“We are the fifth generation of tahini makers; we have been making tahini for 250 years. Our father, Massod Ayar, is the fourth generation in our family producing Tahini and Rashi in Iraq today,” said Ayar. “Travelling back and forth to the U.S., he wanted to carry on his passion, producing tahini, with his children in America.”

Prompted by their father’s want for a factory here in the U.S., the Ayar brothers began searching for a warehouse to launch what would be Royal Tahini.

"...we decided that because dad wants this business so bad and because he keeps going back and forth to Iraq – which was too dangerous with threats like ISIS, we would get a factory here" he explained.

"[My father] achieved his goal and had an opportunity to purchase an established factory in 2017 which produces Royal Tahini and Village Rashi," said Ayar. "It’s an amazing experience to be able to continue our family’s legacy.”

Ayar worked in the family’s tahini factory in Iraq – working on everything from cleaning the sesame seeds to making the tahini. This previous experience made him the best choice to take charge of Royal Tahini.

Currently, Royal Tahini is distributed nationwide. “We produce it and we distribute to the local shops such as the Arabic stores around the area, both on the West side and East Side.”

Their product, says Ayar, is unlike others. “Royal Tahini and Village Rashi are made with 100 percent pure sesame. There are no colors, preservatives, oil or salt added,” he explained. “Other leading brands use salt to hide the bitter taste of cheap sesame. Some add oil to make the tahini sweeter because they use low quality seeds, resulting in oily tahini. Some will even add other seeds, like sunflower seeds, to make it more profitable.”

With 250 years of tahini production under their belt, it is no surprise that the family is looking to expand substantially. "We are looking for a bigger warehouse. Anywhere from 30 to 50 thousand square feet. The warehouse we are currently in is around 10 or 12 thousand square feet. We need space," said Ayar.

The brothers take much pride in being able to bring their father’s tahini business from Iraq to the U.S.

“It is an honor to be the fifth generation today to produce what is our passion – which is still being made in Iraq today and operated by my father,” he said. “The fact that we are able to do it here, it is an honor.”

As the Ayar family continues to work with a diverse number of businesses, they look to and appreciate MIRA for the services and network they provide through their membership. “It’s important to be a member because we are a part of the community,” explained Ayar. “It allows us to communicate with our network and with other retail businesses.”

RETAILER: ROYAL TAHINI

Location: Madison Heights, Michigan
Founded: 2017 in the U.S.
Employees: 11
MIRA Member Since: 1993
Slogan: “The freshest tahini!”
A Cut Above The Rest


sherwoodfoods.com
313-659-7300
Customers Know Best

Do you ask: What am I not selling in my store that you want?

BY DENHA MEDIA GROUP WRITERS

In 1984, Foad Abbo started U.S. Ice because his own ice supplier failed to meet his needs as a retailer. He figured if they can't supply ice during a summer heat wave, he would.

That first year in business in 1984, U.S. Ice had about 50 customers; the second year, the list grew to 150 customers and then it continued to grow over the course of 33 years. At that time, Fouad was the customer and today his son Saad and grandsons are staying on top of what their customers want and need.

“It was about the customer back then and it is today,” said Saad Abbo. “We need to always ask our customers what they want or expect.”

They have expanded their business to include ice carvings and supply those carvings for a variety of specialty events including the City of Detroit’s Winter Blast.

Decades in the grocery business, the Kassa family not onlylistensto customer requests, they ask questions. “We have a customer request at our customer service, and we usually try to stock most of their request,” said Phil Kassa, co-owner of Heartland Marketplace. “We always follow-up with a phone call or a text when the product is delivered. Sometimes, with customers we are comfortable with, we ask them what we can do better to serve them.”

Kassa also looks to the suppliers for advice. “We usually ask Spartan, or call our specialty foods wholesalers if they carry the product,” said Kassa. “There are times when we simply can’t find the item.”

Kassa explained that customers are regularly complimenting the family-owned business – the quality, freshness and variety at the stores. “We need to invest a lot more in technology to give today’s customer the things they are looking for, such as convenience,” he noted. “We need to be able to shop for the customer and deliver their groceries I feel without getting into the ‘me too’ arena, otherwise our business will continue to suffer”.

Some owners are not running the day-to-day operations, but are still very much in tune with the customer. “I follow up on trends,” said Kevin Bahnam, owner of eight USA2Go stores in Michigan. “I read articles and follow up on resources. I read all the time. I am not in my stores on a regular basis, but I meet with my managers weekly and I listen to what customers tell them. I follow trends in what is going on in our industry and see what the focus is on. We try to implement ideas and products our customers want and what is also trending.”

John Jonna spent decades of his career in the food retail business specializing in gourmet and wines long before anyone in the Metro Detroit region was focused on specialty foods.

The Jonna family business philosophy has been consistent since the opening of their first 1,800 square foot grocery store, the Union Pacific Market, in inner city Detroit on the corner of Brush and Brewster.

“Simply stated, the customer is your friend, your supporter, and your source of income,” said Jonna. “If you treat every customer well and fairly, they will reward you with unending loyalty. As my very wise brother Jimmy said, ‘John, the world is 95 percent good. Otherwise, the world would never function. Every human being deserves respect and a little kindness.’”

He was co-owner of Merchant of Vinos where they stocked products from around the globe. John is often asked for advice. “Learn the ‘Art of Listening’. How many times, in the middle of a testy conversation, have you heard the refrain ‘you’re not listening to me’”, noted Jonna. “We are all afflicted with this simple lack of concentration.”

In building their gourmet business over the years, customers were their best resource because, Jonna, in particular learned the patient art of listening. “Rule number one, empathy in conversation, repeatedly using the phrase ‘I know how you feel’,” said Jonna. “Most people don’t want pity, they just want you to understand how the feel, whether it be joy, or sadness, or depression.

Next is engagement, meaning listen more and talk less. Whenever a client was looking for a new product, I always said, ‘tell me more, tell why you like it, tell me how to use it. That’s engagement.’

In dealing with specialty items, follow up was critical. “If we did not find the product in two days, we called our client and told we were on the hunt,” said Jonna. “Another call came in a week with success or failure, but always letting our client know we were trying.”

The final follow up call was also important. When the product arrived, a friendly reminder that it was ready for pickup.

“This system created an eternally grateful customer base, and lead us to many new items that would have taken years to discover,” explained Jonna. “This discovery was also combined with my insatiable and endless reading and research on the world of gourmet food,” said Jonna.

Now in the restaurant business. He and two of his children own Vinology in Ann Arbor and Vinoteca Wine Bar in Birmingham.

“When transitioning from one business, of which you are familiar, to the next, of which you have less experience, be careful, do your homework, and be prepared for a long haul,” said Jonna.
When your business is more energy efficient, it’s also more profitable—and DTE Energy wants to help make that happen. Take John Logiudice, owner of Florentine Pizzeria, for example. DTE worked with him to make some small changes that led to big savings. Simply installing a programmable thermostat, sink aerators, LED lights and a pre-rinse spray valve in the kitchen saved John around 10% a month on his energy bill.

If you’d like to manage energy use to save money at your business, visit dteenergy.com/savenow.
The Top Four Reasons Self-Checkout Fails in Grocery
And why line-free mobile checkout is the future

BY WILL HOGBEN //
CEO, FUTUREPROOF RETAIL

The first iteration of what we now call “self-checkout” in the grocery industry was launched at the Food Marketing Institute’s annual convention in 1987. The “Automatic Checkout Machine” was unveiled by a Florida company called CheckRobot, and it was received well, generating a lot of industry buzz with words like “futuristic” and “revolution” bandied about. Guided by an instructional video screen, shoppers scanned their items and sent them down the conveyor to a bagger, then they paid a cashier located beyond the bagging stations (the ratio was one human cashier to handle payment for three CheckRobot devices.)

Kroger, which had tested out some of the machines, said that their initial interest in the system was based on the need to “speed checkout, generally considered a major problem area for the grocery industry because of consumer dissatisfaction with long, tedious lines.” (Los Angeles Times, 5/7/1987)

Despite the early hype, CheckRobot’s devices never took off. The computing speed wasn’t sufficient, the machines cost too much, and ultimately, they didn’t even reduce the time spent standing in line, because consumers still had to wait to pay after they scanned and bagged their purchases. CheckRobot lost money and was eventually sold.

The kids who suffered along with their parents through long grocery lines in 1987 now have their own kids—and those long lines, sluggishly slow payments, and tedious checkout processes? All still significant pain-points for grocery shoppers.

We can relate, as impatient Millennial shoppers ourselves. In fact, we started our company, FutureProof Retail, to provide mobile checkout solutions for retailers that prioritize the value of time. Although a resurgence of self-checkout began around a decade ago, we still have the same issues now that shoppers are becoming used to ever greater conveniences; the limitations of self-checkout kiosks are all the more relevant; and from our perspective, here are the top four reasons why:

EVERY SINGLE STORE IS UNIQUE AND DIFFERENT
The “one-size-fits-all” model is destined to fail when it comes to something like checkout, especially for chain-wide deployments. Store sizes, store peak volumes, foot traffic patterns, location layout and shopper demographics are all vastly different. A developer of consumer mobile apps knows this concept of extreme customization quite well, whereas a manufacturer of legacy POS hardware will likely come at the issue with a completely opposite approach

EVERY SINGLE SHOPPER IS UNIQUE AND DIFFERENT
Self-checkout kiosks don’t actually help retailers’ objectives around data marketing and loyalty. In fact, marketing at kiosks is nearly impossible. Seeing as how customers are typically anonymous, the kiosk is a very impersonal device, and since they’re already checking out, it is too late to take advantage of anything offered until the next store visit…whenever that may be. The result is poorly targeted and ineffective promotions. With mobile self-scanning, grocers are opened up to multiple new ways to market (coupons, loyalty, promos) during the shopping trip, directly to the opted-in shopper on their smartphone.

LIMITED UNDERSTANDING OF THEFT/SHRINK RISK
Installing a big security camera or a network of cameras all over the self-checkout machine and/or using more security personnel? Taking these costly measures, which are (arguably) dubiously effective in the first place, somewhat defeats the intended savings in capex and labor costs. Mobile checkout integrates the identity of the phone user right into the process, which negates the need for a lot of the expense and headache that accompanies LP hardware.

CONSUMERS ARE CONFUSED BY THE MACHINES
Self-checkout machines are not part of consumers’ “everyday” life. Confusion often reigns, ranging...

SELF-CHECKOUT FAILS
continued on page 29.
By 2025, Kroger Will Ditch Plastic Bags

The supermarket chain will move to reusable bags to ultimately get rid of 123 million pounds of garbage

**BY NACS ONLINE**

Kroger will phase out single-use plastic bags at checkout in its supermarkets within seven years, USA Today reports. The largest U.S. supermarket chain will move to reusable bags by 2025, which will keep 123 million pounds of garbage from landfills.

“The plastic shopping bag’s days are numbered,” said Rodney McMullen, CEO of Kroger, in an editorial for USA Today and the Cincinnati Enquirer. “Our customers have told us it makes no sense to have so much plastic only to be used once before being discarded. And they’re exactly right.”

Currently, the chain offers reusable shopping bags for $1 and up, and will make more of the bags available to customers. Shoppers still will be able to ask for paper bags. Kroger also will reduce usage of plastic bags for meat and produce. Its QFC subsidiary’s 64 stores in the Pacific Northwest will be among the first to get rid of the bags by next year.

“We’re the first major retailer in the U.S. to do this,” said Jessica Adelman, Kroger’s vice president of corporate affairs, which oversees company environmental and sustainability efforts. The chain annually doles out 6 billion plastic bags at checkout, and in 2017, Kroger gathered nearly 38 million pounds of plastic for recycling.

In July, Seattle became the largest U.S. locality to prohibit plastic silverware and straws in restaurants. The California General Assembly also is considering a proposal that would forbid plastic bags and straws across the state.
EPA, NHTSA Propose New Fuel Economy Standards

BY NACS ONLINE

On August 2nd, the U.S. Environmental Protection Agency and the National Highway Traffic Safety Administration released a proposed rule that would change the Obama-era Corporate Average Fuel Economy and Greenhouse Gas (GHG) Emissions Standards for model years 2021 through 2026. The new proposal, titled the “Safer Affordable Fuel-Efficient Vehicles Rule,” would cap the standards at those previously proposed for model year 2020, as opposed to mandating future increases.

Specifically, the proposal would freeze fuel economy standards for passenger cars at 43.7 miles per gallon (mpg) and 204 grams per mile (g/mi) of CO2. Standards for light trucks would be 31.3 mpg and 284 g/mi of CO2. The combined level for cars and trucks would be up to 37 mpg and 241 g/mi of CO2.

In the proposal, the agencies state that the changes would “save over 500 billion dollars in societal costs and reduce highway fatalities by 12,700 lives (over the lifetimes of vehicles through model year 2029).” The agencies also note that “U.S. fuel consumption would increase by about half a million barrels per day,” but the agencies say that this would have a minimal impact on the global climate—increasing it by 3/1000th of a degree by 2100.

In addition to changing the GHG and fuel economy standards, the document also proposes to rescind California's ability to set its own standards, which have been adopted by several other states. The intent is to create one national standard and “[eliminate] duplicative regulatory requirements.” This means that all states that have followed California in adhering to its fuel economy standards now will be preempted by the federal standard. The agencies also propose to eliminate California's Zero Emission Vehicle (ZEV) program, stating that the program is “paid for through cross-subsidization by increasing prices of other vehicles, not just in California and other states that have adopted California's ZEV mandate, but throughout the country.”

The proposal will be subject to public comment once published in the Federal Register. NACS will file comments.

CALIFORNIA //

Legislature Approves Bill That Would Make California First State to Restrict Plastic Straws at Restaurants

BY THE LOS ANGELES TIMES

California is poised to become the first state to restrict the distribution of plastic straws at restaurants under a bill approved Thursday by lawmakers, capturing the attention of environmentalists nationwide who hope the idea, like many with origins in the Golden State, will spread across the nation.

The legislation, which would prohibit full-service, dine-in restaurants from offering plastic straws to customers unless they are requested, passed on a 45-20 vote by the Assembly and now goes to Gov. Jerry Brown for his signature.

Stopping short of an outright ban, environmentalists say they expect the bill will again make the state — which represents the world’s fifth largest economy — a trendsetter.

Its approval is the latest of several actions by California to reduce plastic pollution. In 2014, Brown signed into law a ban on single-use plastic bags at food markets, liquor stores and pharmacies. Voters rejected an effort by the bag industry to repeal that law two years later. In 2015, California lawmakers voted to ban the sale of personal care products that contain plastic microbeads starting in 2020.
DIET PEPSI WITH A SLEEK NEW LOOK

NEW STYLE. CLASSIC TASTE.
Wine Sales Projected Growth at 6% Annually

Millennials and Gen Xers have pushed out baby boomers as the largest consumer group in the wine market.

BY NACS ONLINE

Wine sales have been growing, with total U.S. wine sales topping $32 billion in 2017, and a healthy sales projection of more than 6% annually through 2022 to hit $43 billion, Marketing Daily reports. Millennials and Gen Xers are driving this upward trend as their share of wine consumption soared by 8%, making them the largest consumer group in the wine market, according to L.E.K. Consulting.

Off-premises consumption of wine has risen, accounting for more than 80% of overall wine drinking—a much higher rate than for distilled spirits and beer, L.E.K. Consulting reports. Sales of fancy wine—the fine and premium wines—grew around 8% annually since 2012 and should reach $25 billion by 2022.

Direct-to-consumer (DTC) sales also are increasing, with shipments to customers from wineries closing in on $3.1 billion last year. The DTC market is anticipated to experience around 11% growth annually to hit $5.2 billion by 2022. Smaller wineries are pushing the DTC trend, which also has created packaging innovations such as canned, single-serve and boxed wine.

L.E.K. ’s research shows that wine sales continued to grow even during the 2007–2008 recession, but new immigration policies could affect wine production by contributing to the industry’s labor shortage. Also, the industry continues to consolidate, with about a dozen suppliers in control of approximately 80% of the U.S. wine market by volume last year.

Grocers Lower Costs by Reducing Carbon Footprint

LED lighting and thermal energy storage are the newest green energy solutions for grocers.

BY NACS ONLINE

According to FoodDive, grocers and retailers quickly are realizing the benefits of green energy solutions that trim costs, reduce their carbon footprint and improve the customer experience.

Walmart says it reduced costs by more than $100 million by installing LED light fixtures—resulting in a 12% reduction in energy use per square foot since 2010. Reports in savings also have inspired Meijer to use 100% interior LED lighting by 2021, which the company says will reduce its electrical use for lighting by as much as 50% each year.

Other areas such as refrigeration present an opportunity to become more green as well. Refrigeration can make up 60% of energy costs for grocers, but newer tech-savvy equipment can reduce energy by 30% to 50%.

The incentive to go green and implement sustainable initiatives comes from millennial consumer demand, as well as the need to save on operational costs. Grocers could invest savings into opportunities such as store remodels, e-commerce platforms and other technology initiatives that better position them in the competitive grocery market.

SELF-CHECKOUT FAILS

from figuring out the right way of “placing the scanned items in the bagging area”; how to work the proper payment input; how to ensure loyalty points are counted; to how to buy weighted produce. In many cases, busy shoppers that may be juggling kids, purses/wallets, baskets, etc., find interacting with self-checkout machines to be even less efficient. By way of contrast, shoppers have become very familiar with mobile applications on their own smartphones—a device they interface with multiple times a day, every single day. With the growing popularity of both e-commerce and mobile-commerce, completing a checkout by pushing a few buttons on consumers’ own devices is much easier to navigate.

Now more than ever before, the grocery industry needs to continually and aggressively invest in tools and technology that drive speed and convenience throughout the shopping experience—especially at the checkout. Here at Futureproof Retail, we are especially excited to see how line-free mobile checkout technology evolves and develops.
Drive Your Business

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SEPTEMBER 6, 2018
MIRA’S 20TH ANNUAL HOLIDAY FOOD & BEVERAGE BUYING SHOW
As Michigan’s largest liquor show, retailers and on- and off-premise licensees come from miles to see, sample and buy a wide variety of new products. Admission for MIRA members is free. Must be 21 years or older to attend this show.
Suburban Collection Showplace // Novi, MI

NOVEMBER 15 & 16, 2018
MIRA “HIGH FIVE” TURKEY DRIVE
As the holiday season approaches, the MIRA turkey drive committee has pledged to put a turkey on the Thanksgiving table of over 6,000 needy families throughout Michigan, Ohio and Illinois that may not otherwise enjoy this special meal.
Michigan // Ohio // Illinois

JANUARY 26, 2019
MIRA’S 103RD ANNUAL TRADE DINNER & BALL
Join over 1,000 leaders in the food, beverage & petroleum industries at this one-and-only black tie gala. Delight in fine cuisine, dancing and entertainment and engage with colleagues and friends to celebrate the strength and vitality of MIRA and the members it serves.
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publishers statement
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