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Cover Photo

A Macaroni Winner! Recipe for this prize-winner in the Pasta Recipe Contest is on page 32, Maccaroni Zucchini Casserole.

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Recent Trends in the Dry Pasta Market

by Robert W. Wenger, Vice President, A. C. Nielsen Company

Robert W. Wenger

THIS presentation will be primarily directed toward examining the recent trends for the Dry Pasta Market which for our purpose is made up of **Dry** Macaroni, Spaghetti and Noodles. Comparisons will also be made with the growth for related and semi-competitive products so that you may judge for yourself whether your industry is making satisfactory progress.

Preceding the examination of these specific markets, it may be helpful to investigate some of the activity relating to the general economy and to the major distribution outlets for your products—food stores.

Effective Buying Income

A most favorable factor relating to **all** business is that the amount of money out customers have available for purchasing our products continues to rise at a substantial rate.

"Effective Buying Income"—defined as total personal income after taxes—has risen from $591 billion in 1968 to $685 billion in 1970—on increase of 16% in that 2 year span. This increase has occurred despite pockets of acute unemployment in our country and despite a general economic recession. One major reason for this sharp increase in "Effective Buying Income" was the reduction of the 10% surtax in 1969 and its complete elimination in 1970.

Undoubtedly, we are all pleased to see our aggregate incomes expanding but of vital interest to the health of our **business** is the percentage of this "Buying Income" spent in food stores—our major point of distribution.

A four year trend will show total food store sales as a percentage of total "Effective Buying Income." In 1968 and 1969—12.2% of available income went for purchases in food stores. That figure dropped to 11.9% last year and the projected percentage for 1971 is the same as for last year.

While a decrease of 3/10 of one percent may seem insignificant, it amounted to $2.1 billion last year. Where has this money gone? It has gone to other industries and services who have not held the price line to the same degree as the food store industry—and into savings accounts which were at an all-time high in 1970.

Despite this drop in "share" of Effective Buying Income, the food store business is very healthy indeed. Sales totaled $81.5 billion in 1970—an impressive 8% increase over 1969. Should the current rate continue, housewives will increase that amount by almost $6 billion in this year for a grant total of $87.3 billion.

Tonnage Trends

I should remind you that up to now we have been speaking in terms of U.S. dollars which have a way of shrinking in value at an alarming rate. In fact despite the very creditable efforts made by the food industry in keeping price increases to a minimum, higher prices are the **primary** factor expanding food store sales. Food store 'tonnage' trends show a 2% gain in 1968, 1% in 1969 and 1970, and an estimated 2% in 1971. This is dramatically different to the 7 and 8% increases in terms of consumer dollars.

In fact, when we relate the annual trend of food store sales on a **tonnage** basis to the annual increases for total numbers of households in the United States, the trends are very much alike—moreover, households are increasing at a slightly faster rate than the gains shown for food store tonnage movement.

With that background, let us now turn to our primary area of interest—the Dry Pasta Market.

Dry Pasta Sales

In 1970, **estimated** sales of Dry Pasta Products in Continental U.S. food stores reached an all-time high at $242 million—6% higher than the previous year and up 10% from 1968—the base year used for this study.

Projected on current trends, sales should expand to $256 million this year for an increase of $14 million over 1970. Inflation has effected our business also. Please compare the percentage gains of +4% and +6% shown at the top of the chart with the more modest increases indicated for tonnage encircled at the bottom of each bar. You will note that these are almost identical to the annual increases of total households.

In fact, if we compute the annual case sales of Dry Pasta Products **per household** for the past 4 years, the results show that the average consumption of 8/10 of one case per U.S. household has not changed in the four years shown on the chart and therefore, any expansion of industry sales during that four year period was wholly a function of the increase in numbers of households so far as **case** movement is concerned. The more substantial gains indicated for consumer dollars relates strictly to higher prices.

Thus far we have been speaking about the **total** Dry Pasta Market. Now let's examine that market by product type.

Of the three types of product which make up the total Dry Pasta category, Macaroni is the favorite—accruing more than 39% of all case sales last year.

Spaghetti was No. 2 in popularity, with 31% of the case sales, while Noodles claimed the balance of 29.5%.

The same division is shown in terms of consumer dollars spent for the category. While the rankings remain the same, both Macaroni and Spaghetti retails for a slightly higher average price per unit sold than noodles. 43% of last year's $242 million Dry Pasta sales were spent for Macaroni; 33% for Spaghetti and 24% for Noodles.

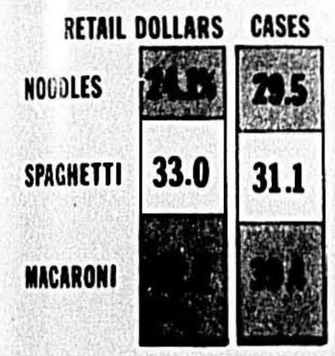
The fastest **growing** type was not macaroni, however, but spaghetti with case sales up 7% since 1968 as compared with a 5% increase for Macaroni and a very modest 3% two year gain for Noodles.

On the basis of consumer dollars Spaghetti also out-gained the two other segments with an increase of 11% vs. a 9% gain for both Noodles and Macaroni.

So far, so good—but how are our competitors doing? First of all, I suppose we should identify our competitors.

Competition

Right now I can hear some of you saying—"What's he talking about?—This joker sitting next to me is my competitor." You're right of course, but I'm referring to a different **kind** of competition. The kind that manufacture either related or semi-competitive products. Competition from "without" rather than from "within" the Dry Pasta category.



Here is a comparison of the 2 year growth in terms of case sales for total Dry Pasta with that for 5 semi-competitive categories—most of which could be used as substitutes for Dry Pasta. The increase in number of households during the 2 year period is shown at the top of the chart as a benchmark.

Please note that 4 of the 6 categories listed, have out-gained Dry Pasta which tied for last place with Rice. Also note that those categories growing faster than Dry Pasta products have one thing in common. **Each offers convenience to the housewife.** The fact that they sell at an averagely higher unit price does not seem to be of primary consideration. Admittedly, these comparisons are of a rather general nature so let's now make a similar comparison "within" the segments of the Dry Pasta category.

Now compare the two year growth of Dry Spaghetti with two related and two competitive categories: **each** of the four categories offer **"convenience"** to the housewife but only **two** of the four have expanded more rapidly than Dry Spaghetti. Why should this be so?—May I suggest consumer dissatisfaction with the "quality" of the two laggard categories.

Canned and Mixes

Canned spaghetti sauce showed a gain of 32%; dry spaghetti sauce 9%. Canned spaghetti showed a 2% gain compared to dry spaghetti's 7%, and a decline of 1% for packaged spaghetti dinners.

A similar two year growth comparison of Dry Macaroni to Packaged Rice Mixes and Packaged Macaroni-Cheese Dinners also shows the Dry Pasta Product lagging behind in growth vs. the more convenient type categories: Packaged Macaroni-Cheese Dinners up 25%; Packaged Rice Dinners 19%, Dry Macaroni 5%.

Noodles, the slowest growing of the Dry Pasta Products also lagged behind three semi-competitors. Again 2 of the 3 offer more "convenience" to the housewife. The sharp loss of sales since 1968 for Packaged Noodle Dinners (which certainly must be classified as a "convenience" product) may also indicate consumer dissatisfaction.

Rice Mixes	up 19%
Instant Potatoes	7
Rice	5
Noodles	3
Noodle Dinners	— 8

Conclusions

The data just reviewed clearly point to several conclusions.

1. Food store sales of Dry Pasta Products—as a category— have grown only in direct proportion to the increase in number of households during the past four years. Since the number of households in this country are increasing more rapidly than the total population, the size of the average household is becoming smaller. —A development expected to continue in the '70's.
2. Dry Pasta Products in aggregate are not growing as rapidly as are **most** competitive categories which offer more "convenience" to the housewife. The fact that these convenience type products are generally higher priced items does not seem to be of prime consideration to the consumer.

Convenience

This trend to **"convenience"** type products is certainly not indigenous to your areas interest.

As one example of this, let me cite the sales experience of a group of what we term convenience products—products such as Instant Tea, Instant Potatoes, Liquid Household Cleansers, Aerosol Products of various kinds, such as Window Cleaners, Air Fresheners, Furniture Polish and Dessert Toppings, Instant Drinks, Dispenser-Packed Pre-Folded Paper Napkins, Sandwich Bags, and so-on. The extent to which these convenience type products are meeting with consumer's favor and thus producing sales and profits for manufacturer and distributor alike is illustrated on this chart. Based on the composite trend of ten convenience product classifications such as I have just mentioned, we see a two year sales increase of 55%—almost seven times the increase for grocery store sales as a whole during those same two years used for this study.

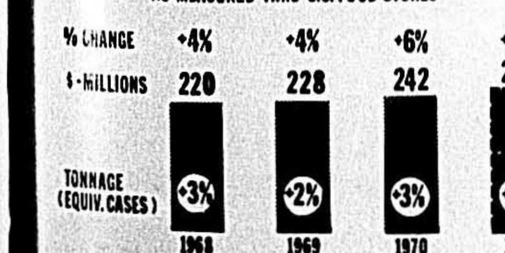
Convenience in itself, however, does not always guarantee continued success—as we have already seen.

Quality

In order to be assured of continuing sales gains, the product must also be of acceptable quality. Preferably, this new convenient product should also represent an improvement over the original. But let me interpose a word of warning here. Your improvement **must** repre-

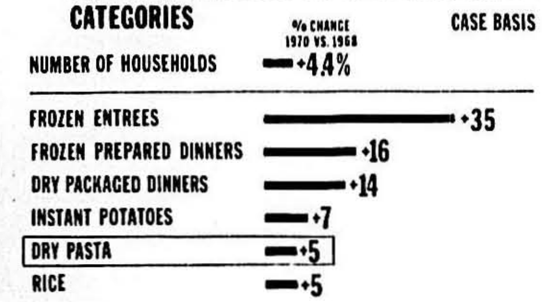
(Continued on page 14)

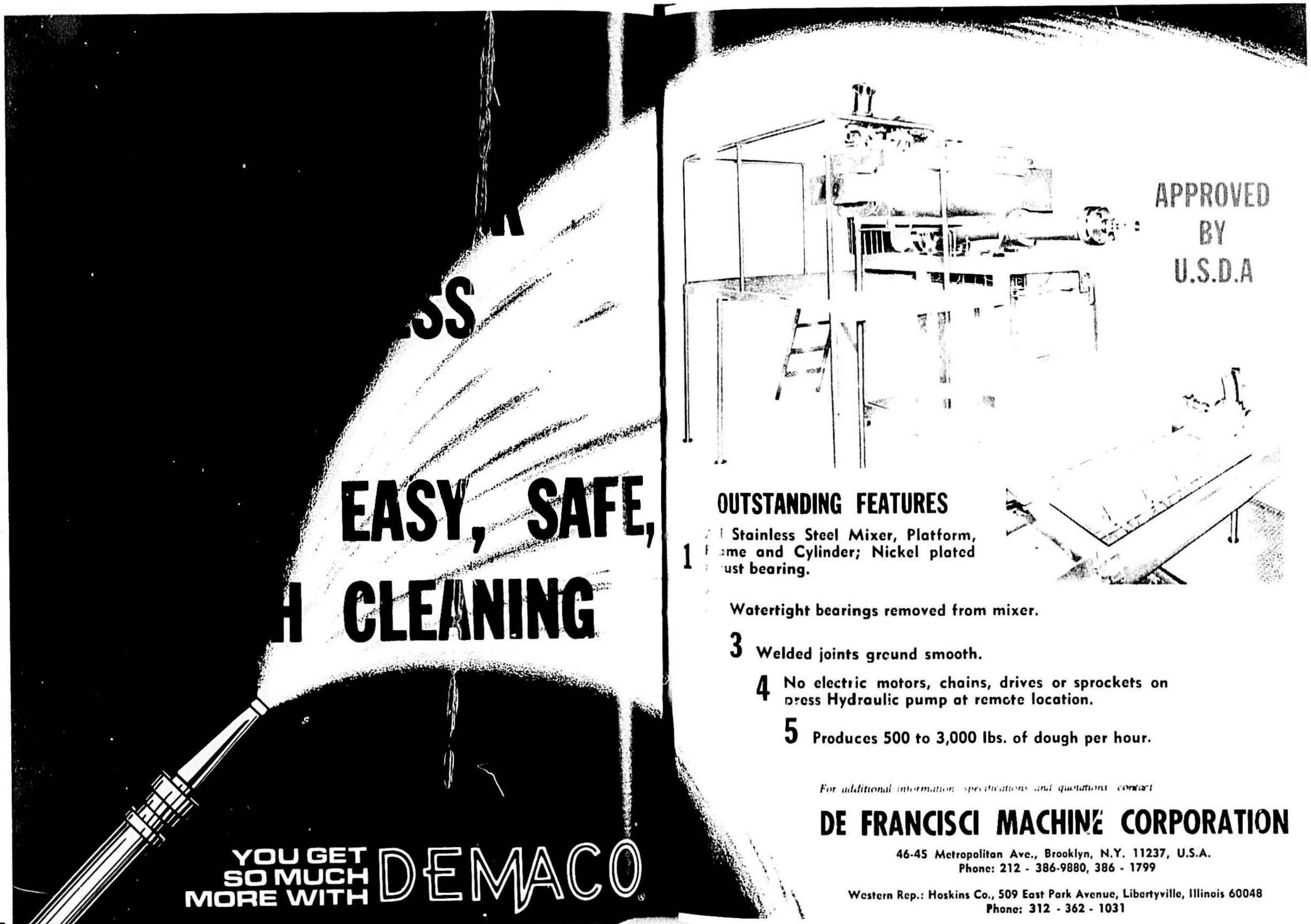
DRY PASTA MARKET TRENDS - TOTAL U.S.
ESTIMATED CONSUMER SALES OF TOTAL PASTA MARKET
AS MEASURED THRU U.S. FOOD STORES



* PROJECTED BASED ON CURRENT TRENDS.

TWO YEAR GROWTH COMPARISONS ~ DRY PASTA PRODUCTS VS. SEMI-COMPETITIVE CATEGORIES





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Trends in the Food Distribution Field

by Robert W. Mueller, Editor & Publisher, Progressive Grocer

Robert W. Mueller

I want to discuss with you what is happening in the world of food distribution and my comments will be based on the 38th Annual Survey of the Food Industry by Progressive Grocer.

Virtually every food chain in the country supplies us with their year-end figures as do most of the wholesale grocers. Convenience store organizations do the same and we have direct study sections of independent markets.

1970 Good Year

1970 was a very good year for the retail food industry with an 8.1% gain in sales. This compared with 3.5% increase for all other kinds of retail establishments. It is interesting to note that three other major classifications that did well included eating and drinking establishments, drugs & proprietaries, and general merchandise. These are fields in which the retail food industry is becoming increasingly active. They are selecting the cream of the crop from these categories. This will make for much larger and more effective supermarketing.

As Mr. Wegner pointed out, retail price indexes have a great deal to do with retail sales, and we see that a gain of 5.1% in food purchased in food stores accounted for over half of the total 8.1% gain in sales. Another observation that might be made is the fact that the retail food industry has been subsidizing the American public. They have been trying to cope with price increases coming from all sides and are under tremendous pressure in terms of their own operating figures.

Middle Size Move Up

We have seen a return to a pattern that has typified chain grocery retailing for many years: that is middle-size and smaller chains historically are more aggressive, more flexible, more competitive, and seem more responsive to changes in the merchandising mix. They seem more cooperative and responsive to manufacturers' new item introductions and to general promotion practice.

Certainly no one is adverse to working with the big chains, they are important customers. But it is good to see the independent super market prosper. Ably supported by voluntary co-ops, the independents who account for the top 60% of sales have usually done better than the entire retail establishment.

A few words on the economics of retailing: 1970 saw the sharpest decline in margins on sales since World War II. The average dropped from 18.8% to 18. In the face of this there was a pronounced increase in retail store wage expense, and wages make up about half of the total cost of running a supermarket. Net profits were at the lowest point in the history of this industry.

With margins in the grocery department declining from 18% to about 14%, you have a tremendous opportunity if the margins on your products are higher than this.

Three years ago, with the A. C. Nielsen Company and the Supermarket Institute, we made a study of the thinking of independent supermarket chains in terms of the 1970's: what they were going to do, what they were going to build, what objectives they would have. Change has come about very fast. Here are some of the highlights of what we see:

- The typical new supermarket in 1970 was between 20 and 25,000 square feet, about 30% bigger than stores built in the 60's. This is an average —some range from 30,000 to 50,000 square feet. We look for an acceleration to larger markets.
- They handle more items. Now 8 to 10,000 items is a fair measurement compared to 7 to 8,000 range recently.

As stores get bigger, not all of the additional space goes to food. General merchandise may now occupy as much as one-third of the new supermarket.

- As the supermarkets get bigger they are more difficult to shop. The consumer has more trouble in finding categories and then brands and sizes within the category. The industry is working very hard to present better ways to present merchandise to the public. They are looking to manufacturers to supply ideas and concepts and even to install them in newer markets.

Price and Variety

I think it is a fair statement to say that next to low prices the next most important appeal to the American public is a wide variety. This enlarges the opportunity for manufacturers in many ways.

The traditional offering in frozen foods has been 400 different items in good supermarkets. The new ones already are up to 700. It is quite likely that the frozen food department of tomorrow will offer anywhere from 1,000 to 1,500 items. This will be a store within a store and will offer virtually every kind of edible product in frozen form. This is a darling of the retail food store operator. Among other things coming along are larger delicatessen departments.

Discounting

Discounting has taken over the food industry. It has already supplanted the indirect appeal for consumers we had in trading stamps roughly from 1955 to 1965. It got to the point where nearly 75% of all supermarkets in the country were offering stamps and when you get to a saturation point like this the effectiveness of the appeal begins to dissipate. Discounting began to move in 1955-56 and is a very strong approach being presented to the American public today. It can be dangerous if overdone because it can destroy the profit image of categories and brands. Some are in serious trouble because of the indifference of the retailer.

I repeat, if you have a good profit reputation, don't be bashful about it because it is very important to the food retailing industry. Several thousand supermarkets in 1970 converted from what they called a traditional concept of operation to discounting. Much of the reduction in margin came to health & beauty aids and to some groceries. Sales increases of nearly 25% is attributed to this new policy of discounting.

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Trends in Distribution—

(Continued from page 8)

I think one of the most surprising things to hit the industry in the past fifteen years has been the development, the vitality, the impact and the promise of the modern small store. We started off calling them "bantam stores" and then used the more dignified title "convenience stores." Ten years ago there were only 700 convenience stores. At the end of 1970 there were over 13,000 and the growth rate in terms of new store construction was 14%. Sales are up to $2,600,000,000.

Don't let the fact that they account for 3% of total grocery sales mislead you. When you look into the markets where they have penetration, like Florida or northern Ohio, sections of Cleveland, they have 10 to 12% of the business. We predict that in 5 years they will do 8 to 10% of national sales.

What does this mean to a manufacturer? It means that if you are in these stores you have a business the equivalent of the total sales of A & P or Safeway. But even more important is the fact that they do not handle all brands. They generally handle only two or three where the average supermarket may handle from 10 to 15 brands in a given category. You will want to be there.

Take-Out Food

Another development is the take-out food business. A random observer may not see too much of this around the country, but if you look in the right places, say at Jewel, Safeway, A & P, you will see a totally new dimension in food retailing. The macaroni industry has a great stake here because the developments involve frozen entrees to complete meals. In some instances there is a tie-in with the deli department or the snack bar—but this is not the way to do it because it falls way short of the real potential. The way to go is with a separate department that can be approached by the customer where she can buy what she wants, get it immediately, pay for it there, with access to the department from within the store and also from the outside via the parking lot. Supermarket people feel remiss in having been so slow in getting into this. McDonald's did a tremendous job in a very few years. Supermarkets see this and are now moving into it.

Wholesale Grocers

A word about the wholesale grocer—today they handle about 50% of all the grocery products going into the retail food system. They too had a good year in 1970.

The co-ops are doing extremely well and I think you are going to see action here because some of the big fellows are not growing as fast as they would like so they are looking very closely at their ideas and concepts. With rising construction costs many chains are finding it more efficient, economical and sensible to rely on the wholesale grocer. Of course, the wholesale grocer is the primary supplier to the convenience store supplying nearly 90% of their needs in the grocery category. The wholesaler doesn't like this business yet, because like the chains they have spent many years getting away from small stores and now they are being asked to come back into it. New approaches will be worked out because the market is too big, too important to be ignored.

Perhaps the most important observation we could make in terms of what is happening in manufacturing field is the fact that the allowance system is booming. The trend is for more merchandising allowances of greater value all the time. To us it looks like more than half a billion dollars goes into advertising and merchandising cooperative allowances. That is the equivalent of one half of the net profit.

There are certain problems arising. First of all the deals are so numerous it is difficult for the distributor to get it down into the store. The store manager may be confronted with 300 to 1200 allowances per week. And too many of these allowances do not ask for any performance; they are translated immediately into a price reduction. There is a need for allowances supported and accompanied by sound merchandising ideas, concepts and materials. Many retailers do not know how the allowance system works and one of the reasons is that the manufacturer rarely tells him.

Salesmen

Now a word about salesmen. Salesmen are becoming increasingly appreciated, needed and wanted within the retail food system. Not long ago it was very hard for a salesman to get into a chain store. He was an enemy. Today he is a friend. Think about your retail coverage and the things you must do continuously. There is growing interest in in-store promotional activities and special displays for promoting sales.

Consumerism

Consumerism cannot be ignored and we have ignored it for several years. This year in surveying the field we find new attitudes developing. There is some favor for unit pricing and this falls entirely on the shoulders of the retail store at their full expense. Open code dates are favored because the manufacturer has got to do this. Nobody quite knows what nutritional standards are yet, but it is looked on with favor.

The marketing director of one of the largest chains was telling me just the other day that store managers are being asked more and more every day about the quantity of this, and quality of that, and whether or not a product might be harmful. As an example, you may see in the newspaper where we as a nation have gone crazy over colored paper, and yet you have rumors coming along saying that colored paper is harmful to our system, to our water supply, and so forth. Retailers do not know what the truth is. Manufacturers should tell them.

New store construction is being stepped up substantially. It has been slow for the last couple of years but currently new store construction is up about 40% and major equipment people cannot keep up with demand.

Supermarkets are going to be much larger: 25,000 square feet minimum to perhaps 40,000 to 50,000 square feet. They attract more business and they are more efficient in that they increase the average purchase. In short, the average customer prefers the larger store. This is a problem for the middle-aged smaller supermarket. They must have greater variety.

Summary

In summary:

- The consumer wants more food variety—so keep the new products coming. Don't pull back. Don't standardize. Don't make things too much to your liking.
- Keep your eye on consumerism. It is merchandisable. It is good policy and it shows a sense of responsibility.
- Promotional pricing will be with us for possibly two or three more years, maybe longer. It is impossible to succeed in retail food selling today without it.
- General merchandising is coming into the field very quickly. And take-out prepared foods is a part of our future.
- Convenience stores are growing and offer opportunity.
- As bigger stores get bigger, it becomes more difficult to call attention to any category or item. In-store merchandising needs more attention.
- Finally, perhaps the day is coming when the old dream of business—that we all work together, that this is one world—is coming a good deal closer. This puts more responsibility on the retailer—it puts more responsibility on the manufacturer.

Comments on Cosmos

Jerry Henderson, coordinator of Cosmos for King Soopers, describes the system as follows: Cosmos stands for computer optimization and simulated modeling for operating supermarkets. It is a sophisticated management tool using a computer to program and isolate by store the merchandising information and handling costs of products and intelligently putting them into one report. It was developed about 1968 by the National Association of Food Chains, and ten chains are testing it on the firing lines. King Soopers was one of the volunteers.

We look at our warehouse withdrawals and store movement for every product, and fix our handling costs in the machine. Information is assigned to each of the 10,000 items we are marketing. Basically, we come out with a new concept in merchandising where we actually disregard gross margins because it is meaningless. We look at direct product profit after incurring all handling and labor costs in selling the product.

Successful Program

So far the program is highly successful and should bring new peaks of merchandising efficiency to each store. With it we recommend space allocation in the store to maximize profits. We have a category set up and merchandise one product against another on direct product profit. We can see movement, and profit for each item minus handling costs and relate one product to another. This is done on a store by store basis.

We are a discount operation, operating within a 21 mile area. If we eliminated 5 out-of-town stores, we would have an 11.5 mile radius.

Industry Promotion

Now as to your industry promotional program: we are trying to orient our merchandising around the individual consumer. We feel there is a definite trend towards convenience foods but at the same time there is an element that want to prepare their own foods. There is a strong consciousness of budget and we applaud your efforts here.

Also mentioned were short cut meals, easy menus, convenience. And we go along with this.

Joe Shutto mentioned selling at the store level and I certainly agree. Your entire promotional effort must be aimed at the consumer. Capitalize on public awareness.

No cents-off promotions in King Soopers any more.

As for couponing—we in no way associate couponing to the relative product we sell. We turn the coupons over to an agency who recap them and pay us our money for handling them.

Concerning free pricing products—most of the free priced goods that come into our stores are cut any way, so it seems like double work.

Joe Shutto of Shutto's Super Market in Denver, on right, was one of the grocers on a panel at the 67th annual meeting of NMMA at the Broadmoor Hotel in Colorado Springs. Frank Veltrie of Veltrie Brokerage in Denver, shown with Joe, acted as the manufacturer's liaison man at the meeting.

Macaroni Makes Out

How does macaroni make out with space allocation? In the eight stores with Cosmos macaroni has held its own—it has not lost space it has not gained space.

What categories have gained? There are many, but outstanding is frozen foods. It is easy to take four feet away from dried beans and give it to macaroni but you can't take four feet from beans and give it to frozen foods. Another category with rapid growth has been instant breakfasts which were unknown five years ago.

Comments on Institutional Markets

Art Schaefer, Western Commission Company, sells the institutional market in the Denver area. He had this to say:

- One out of three meals is eaten away from home today.
- Everyone wants convenience today—from the consumer to the chef.
- The restauranteur wants color on the plate—see what you can do to help him achieve this in your menu suggestions.
- The restauranteur is concerned with rising costs. Lobster has gone from $3 per pound to $5.50. Macaroni on the menu takes the pressure off high meat prices.
- Don't stint on quality. The diner may not know the brand he is eating—a poor product makes a poor impression. Do a good sampling job with good quality.

Grocery Gap

Food shoppers don't need a government agency to tell them what is increasingly clear: food prices are soaring.

Bureau of Labor Statistics show this comparison for selected commodities:

Commodity	June 71	June 65	% Up
Corn flakes (12 oz. box)	$ .34	$ .29	17
White bread (1 lb. loaf)	.25	.21	19
Round steak (1 lb.)	1.38	1.12	23
Hamburger (1 lb.)	.69	.52	33
Whole fryers (1 lb.)	.42	.41	2
Tuna fish (7 oz. can)	.44	.32	38
Whole milk (½ gal.)	.59	.46	28
Potatoes (10 lbs.)	1.00	1.23	—19
Orange juice (6 oz. froz.)	.23	.22	5
Grade A large eggs	.48	.48	0
Coffee (1 lb. can)	.93	.83	12

A year ago, eggs could command about 80 cents a dozen in most supermarkets, a price so attractive that farmers tried to raise more laying chickens. The increased supply has dragged prices down to their current 48-cent level. But

(Continued on page 14)

Ah, Milano, the world owes you much. For your Leonardo DaVinci. Your La Scala Opera House. Your lofty cathedrals. Your spaghetti and meatballs.

In art, architecture, music and foods, there are some things the Italians do better than anyone else.

Spaghetti is one of them.

And so are all the other good things they make from pasta. That's why more than 200 companies from 55 countries have come to Braibanti in Milan to purchase more than 870 automatic pasta extrusion lines. Companies from France and Germany. England, Holland, Japan, Brazil, and Portugal. Even from Russia.

But you don't have to go to Milan. Because, Milan has come to America. Now Braibanti is one of the select group of food machinery companies associated with Werner/Lehara, and its 50 years of experience and hard-won expertise are no farther from you than the closest phone.

If pasta isn't your dish, call on us anyway. We also design, manufacture, and service equipment for the snack, baking, candy and packaging industries, and can draw on the talent and know-how of companies from all over the world.

Together, we can do almost anything.

WERNER/LEHARA

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Trends in Dry Pasta—

(Continued from page 5)

sent a real improvement—a demonstrable and merchandising "consumer plus" that the consumer will easily recognize upon use—a value over and above what she formerly has been using and not just a similar product with the words "new" or "improved" on the label.

This particular desire by the consumer for "better" products is not confined to convenience type products but also exists on new or improved brands generally, as shown on this chart. Based on a composite trend of 18 new and/or improved brands marketed nationally prior to the start of the study, we see that consumer sales of these brands are up 51% in a two year period.—The evidence points so strongly in this direction that we highly recommend your investigation along these lines.

The Future

So much for history.—What lies ahead for the Dry Pasta Industry?

As a company, we at Nielsen are not in the business of foreseeing the future. Our function is to measure and analyze what has already transpired. But as one wise man once said— to better foresee the future we must first understand history.

We believe we have here this morning made a fair appraisal of the recent past and should at least, be able to project our future through the next 5 years. In this endeavor we have some help.

The Department of Commerce has been quite accurate with their short-range projections and they estimate that "Effective Buying Income" will reach $870 billion in 1975. That represents a 27% increase over 1970.

Under similar conditions to today, that would put total food store sales in the neighborhood of $104 billion just 4 years from now.

Households will increase at a slower rate but should total 68.2 million in 1975. Unless the rate of use per household for Dry Pasta Products changes dramatically from that indicated for each year since 1967, it should be an easy matter to estimate total case volume for the Dry Pasta Market for 1975. It should be 10% higher than in 1970 at approximately 54 million cases.

If this seems like a rather modest increase to some of you, it is nevertheless what I see in my crystal ball.

Any trend, however, can be improved with the help of determined people. The fact that you have an Association of this kind is an indication that you are all interested in solving common industry problems.

While I am no expert in the field of promotion, I know that the fastest growing segment of our population is the 20-35 age group—the age where families are formed and household units are established. These are the people who should be educated to use your products in order to assure an accelerated and continuous growth for your industry.

I have no doubt that you will exceed my predictions for 1975.

Good Luck to each of you.

(Continued from page 11)

already farmers are beginning to cut back. A dozen Grade-A large eggs were selling for around 40 cents as recently as May.

Tuna fish apparently is headed still higher also. Shoppers, disgusted with high meat prices, turned to cheaper fish dishes. But the increased demand bid up the price about 10 per cent in recent months, and further boosts are expected.

While the supplies of vegetables and fruits are sufficient to take care of the current demand—helping to keep prices stable—increased rates for train and truck shipping will add to the cost anyway.

Shopping Tips

• Shop with a list. By planning meals and buying only the items that will be used, most shoppers can trim 10 per cent from food costs.

• Use newspaper ads to shop for the best bargains.

Smart Shopper Food Guide

Daily Food Needs	Smart Food Buys
Milk Group Daily milk for everyone.	Fluid milk Ice milk Cottage cheese
Meat Group and meat alternates two or more servings daily	Eggs Broiler-fryers Dry peas & beans Peanut butter
Fruit and Vegetable Group four or more servings daily	Fresh local vegetables Canned beans, corn, peaches Instant mashed potatoes
Bread & Cereal Group four or more servings daily	Enriched bakery products Enriched pasta products
Other Foods	Salad or cooking oil

"A good diet depends on the foods you select to eat, not the amount of money you have to spend."

Basic Concepts for Nutrition Education

developed by Interagency Committee on Nutrition Education

1. **Nutrition is the food you eat and how the body uses it.**
   We eat food to live, to grow, to keep healthy and well, and to get energy for work and play.
2. **Food is made up of different nutrients needed for growth and health.**
   - All nutrients needed by the body are available through food.
   - Many kinds and combinations of food can lead to a well-balanced diet.
   - No food, by itself, has all the nutrients needed for full growth and health.
   - Each nutrient has specific uses in the body.
   - Most nutrients do their best work in the body when teamed with other nutrients.
3. **All persons, throughout life, have need for the same nutrients, but in varying amounts.**
   - The amounts of nutrients needed are influenced by age, sex, size, activity, and state of health.
   - Suggestions for the kinds and amounts of food are made by trained scientists.
4. **The way food is handled influences the amount of nutrients in foods, its safety, appearance, and taste.**
   - Handling means everything that happens to food while it is being grown, processed, stored, and prepared for eating.

Korean Noodles

Sam Yang Noodle Company of Seoul makes a variety of ready fried instant noodles. Packaged in attractively lithographed, small plastic bags, the noodles are accompanied by a packet of reconstitutable sauce. These products have been exceedingly popular.

The company is experimenting with amino acid (lysine) fortification of the wheat that is used for making the noodles. USAID is negotiating with the company to provide fortified noodles at reasonable cost for school lunch programs. The level of consumer acceptance of these noodles is most remarkable according to Robert L. Freedman, League for International Food Education.

National Macaroni Week
"Macaroni Is Number One"
October 7-16, 1971

The Occupational Safety & Health Act Affects You!

by Harold T. Halfpenny, General Counsel, N.M.M.A.

The Law

The Congress has decided that a huge new Federal Bureaucracy is necessary "to assure . . . every working man and woman in the nation safe and healthful working conditions and to preserve our human resources." Unable to make up its mind as to whether the Secretary of Labor or the Secretary of Health, Education and Welfare (HEW) should have the responsibility of administering the Act, Congress divided the responsibility between them and BOTH will have "inspection teams" roaming the nation looking for violations of new Federal Standards for working conditions.

In order to keep the courts from being further cluttered with dispute cases, an Occupational Safety and Health Review Commission is established, to hear complaints and issue orders, review of which may be taken directly to the U.S. Court of Appeals. It is a brand new, independent Federal Agency that will of course have thousands of employees within a few months or years.

The Act also establishes, within the HEW, a new National Institute for Occupational Safety and Health to develop and establish recommended occupational safety and health standards; to conduct research and experimental programs to develop criteria for new and improved job safety and health standards and to recommend to the Secretaries of Labor and HEW new and improved standards.

There is even a new National Commission established on State Workman's Compensation Laws, whose job it is to evaluate State workmen's compensation laws in order to determine if such laws provide an adequate, prompt and equitable system of compensation for injury or death arising out of or in the course of employment.

Proposed Regulations

On May 5, the Secretary of Labor published in the Federal Register his proposed regulations on "Inspections, Citations, Proposed Assessment of Penalties." Labor organizations and businessmen have 30 days in which to file comments thereon, after which the regulations will become effective . . . probably about July 1st.

Harold T. Halfpenny

Summary of Proposed Regulations

Posting of Notice. Every employer is required to post a conspicuous notice (to be furnished by the Occupational Safety & Health Administration-Department of Labor) in a prominent place, informing employees of their protections and obligations under the Act.

When the employer has received copies of the Act and applicable safety and health standards, he must make them available to any employee upon request on the same day requested and during working hours. If such permission is denied during the working hours, the employer must supply the information requested after working hours on the same day or at another time suitable to the employee.

Inspections. Compliance Officers are authorized to enter without delay, and at reasonable times, any place of employment to make a normal inspection. They may inspect all pertinent conditions, structures, machines, apparatus, devices, equipment, and may question privately any employer, owner, operator, agent, or employee. They also may review any records required under the Act and any other such records relating to occupational safety and health.

The designated agent of the Health, Education, and Welfare Secretary is likewise authorized to make inspections and question employees and employers in order to carry out HEW's function under the Act.

Advance Notice of Inspections. Only the Area Director can give advance notice of an inspection. However, advance notice may be given in the following situations: In cases of imminent danger to give the employer an opportunity to abate the danger as quickly as possible or where the inspection will be conducted after regular business hours or in circumstances where special preparations are necessary for an inspection.

Advance notice also may be given where reasonably necessary to assure the presence of representatives of the employer and employees or appropriate personnel needed to aid in the inspection.

Inspections. Compliance Officers have the authority to take photographs and samples, and employ other reasonable investigative techniques.

When making inspections, the Compliance Officer is required to present his credentials to the highest official or employer available and explain the general nature and purpose of the inspection, and indicate those records he wishes to review and employees he wishes to question. Such designations will not, however, preclude access to additional records or questioning of additional persons if required.

"Walk Around". A representative of the employer and representative authorized by the employees, each subject to the approval of Compliance Officer may accompany the inspector during any inspection.

In places of employment where employees are represented by different representatives, a different employee representative for different phases of the inspection is allowed. In addition, more than one employee representative may accompany the Compliance Officer during any phase of the inspection.

Consultation with Employees. During an inspection, any employee may consult with the Compliance Officer in private. Where there is no authorized employee representative (no union), the Compliance Officer may consult with a reasonable number of employees concerning safety and health at their workplaces.

Any employee or employee representative may request an inspection by giving written notice to the Area Director. A notice should set forth the grounds for the notice, whether it concerns an imminent danger and what steps the employee has taken to rectify the condition. The notice should be signed by the employee or employee representative, and a copy must be provided the employer by the Area Director before inspection.

If the Area Director finds that a citation is not warranted, or that there are no reasonable grounds for an inspection requested by employees, he will notify employees or their representative in writing of the reason for not issuing a citation or not conducting an inspection. The employees may seek review by stating their views in writing to the Regional Administrator.

Conclusion of Inspection. Upon conclusion of an inspection, the Compliance Officer will meet with the employer and informally advise him of any apparent safety or health violations disclosed by the inspection. In the case of imminent danger, the employer is required to immediately abate the danger.

If he does not do so, the Compliance Officer is required to inform affected employees and advise the employer that he (the Compliance Officer) is recommending civil action to restrain such practices.

Objection to Inspection. If an employer refuses to permit a Compliance Officer to carry out a normal inspection, the Compliance Officer is required to immediately report such refusal and the grounds given by the employer to the Area Director, who, along with the Regional Administrator, will promptly seek compulsory process.

Citations-Notices. Inspection reports will be reviewed by the Area Director. If a violation recommended by the Compliance Officer is upheld, the Area Director will issue to the affected employer a citation or notice of de minimis (minor) violation.

Citations will detail the conditions and circumstances of the violation and fix a reasonable time for abatement of the violation or violations. When a citation or notice is made against an employer, copies will be sent by certified mail to the employee or employee representative who requested the inspection. The issuance of a citation or notice does not constitute a determination that there is a violation unless the employer fails to contest it.

Penalties. After or concurrent with the issuance of a citation, the Area Director is to notify an employer by certified mail either that no penalty is proposed or the amount of the penalty or penalties (up to $1,000 per day for non compliance).

In fixing the amount of any proposed penalty, due consideration will be given to the size of the business of the employer being charged, the gravity of the violation, the good faith of the employer, and the history of previous violations. Employers receiving notice of a citation must post the notice on a bulletin board or prominent place in each working area for a period of 15 working days or until the hazard is abated:

Contests before Commission. Every employer receiving a citation, or notice of a proposed penalty, has the right to contest such proposals or citations before the OSHA Review Commission. The employer can notify the Area Director that he wishes to contest either the citation itself or the penalty resulting from he citation. He must do so within 15 days from the date of the citation or proposed penalty notification.

If the employer fails to file a notice of intention to contest within the 15-day period, the citation and the proposed penalty will be deemed a final order of the Commission and not subject to review by any court or agency.

Failure to Correct a Violation. If an employer fails to correct a violation within the period permitted, he will be notified by the Area Director of his failure to comply and an additional penalty may be fixed against the employer.

The employer has the right to contest an additional penalty before the Review Commission within 15 days of receipt of the proposed additional penalty.

Employee Contests. Within 15 working days following issuance of a citation fixing a time for the abatement of a violation, any employee or employee representative may file a notice with the Area Director alleging that the period of time fixed in the citation for abatement is unreasonable.

Following the issuance of any citation, any employer or employee may request an informal conference with the Regional Administrator for the purpose of demonstrating the need for reinspection or otherwise achieving a settlement of the issues.

A "Handy Reference Guide to the Occupational Safety and Health Act of 1970" is published by the Department of Labor. It is must reading for every employer in the U.S. Retain it in your files for future reference.

Safety Equipment Catalog

A new 96-page Safety Equipment Catalog, incorporating highlights of the new Occupational Safety and Health Act, has just been published by General Scientific Equipment Company, Limekiln Pike and Williams Avenue, Philadelphia, Pa. 19150.

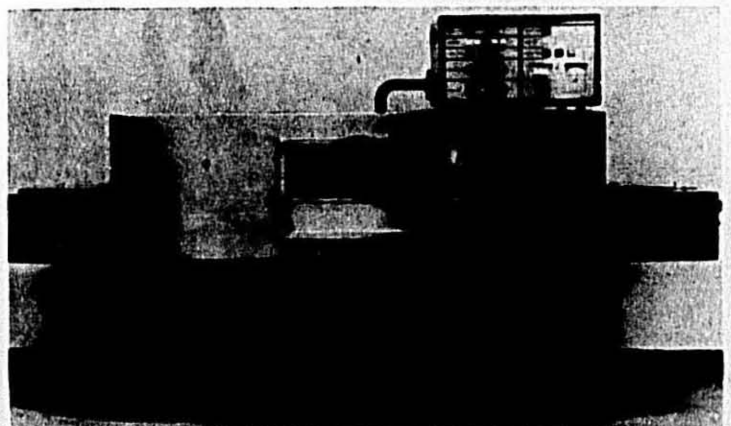
The theme of this catalog is "Prevention is More Economical Than Cure" . . . Safety Equipment is truly vital to some 4,000,000 business establishments and 50,000,000 workers in the United States.

This new catalog represents a comprehensive source book for safety engineers and managers of industrial plants. It illustrates protective equipment for plant employees. G-S Safety-Rated Products will provide safe, dependable service in the specific applications for which they have been carefully designed.

In conjunction with the publishing of this catalog, General Scientific has instituted many new innovations that permit them to ship most orders on the same day they are received from their greatly enlarged warehouse.

Included too, in this new catalog, General Scientific offers a professional guidance service. When there is doubt as to which product is best for particular requirements, the company will make recommendations to determine particular safety needs. This service is offered without obligation or cost.

For free copy of this new catalog No. GS-371, write on your letterhead to General Scientific Equipment Co., Limekiln Pike and Williams Avenue, Philadelphia, Pa. 19150.



Microwave Research Unit

Microwave heating systems for research and pilot plant use now are available as standard equipment, from Cryodry, to meet the fast growing interest in commercial uses of microwave heating.

This is the first R & D equipment for microwave heating on an industrial scale that is readily available on an almost off-the-shelf basis, states Cryodry. For a wide variety of applications they offer six lines that have been field proven for years.

Make-Do

Many industries interested in incorporating microwave systems have tried research and pilot plant work using home/restaurant type microwave ovens. But when severe problems developed with uniformity of field and lack of conveyorization the projects often were dropped.

Cryodry's R & D units are large enough, and conveyorized, so that these problems are minimized and thus can give a true test of commercial scale use, according to Cryodry engineers.

Commendation

One user of a Cryodry pilot plant explains: "The larger the unit in continuous operation, the greater the averaging effect so that the supposed problems disappear. A decent piece of pilot scale equipment tells what happens on a continuous basis because many of those frustrating little problems with domestic scale units simply disappear."

Cryodry Corporation, a subsidiary of Armour and Company, is generally recognized as world leader in the development of continuous process microwave heating systems.

For more information write Cryodry Corporation, 3111 Fostoria Way, San Ramon, California 94583.

Golden Grain Buys Building

Golden Grain Macaroni Company has purchased a 43,000 square foot building for more than $500,000 in the Southern Pacific Tract at Ceritos and Lewis in Anaheim, it has been announced.

The building, which Golden Grain will use as a packaging and distribution center, is located on a seven acre site, said John O. Lewis, vice-president of the Seeley Company, specialists in sales and leases of industrial property.

Boyd Higgins of the Los Angeles-based Seeley Company represented the seller, Mead Land Services, Inc., a subsidiary of Mead Corporation, while Jack Mandigo of Austin Properties Company represented the buyer in the transaction. Golden Grain is moving its southern California distribution center to Anaheim from a previous location in Commerce. A packaging operation will be established in the new site in the near future.

Betty Crocker Spaghetti Sauce

General Mills has introduced three spaghetti sauces in regional markets. Betty Crocker American Style spaghetti sauce is available in mushroom, meatless, and meat flavored varieties, in wide-mouth jars. The product is being marketed in Buffalo and Syracuse, N.Y.; Chicago; Milwaukee; Dallas and Fort Worth, and San Diego and Los Angeles.

New Address

A D M Milling Company has new offices at Suite 100, Fox Hill Office Building, 4550 West 109th Street, Shawnee Mission, Kansas 66211. Their mailing address is Box 7007, Shawnee Mission, Kansas 66207. Telephone: area 913 - 381-7400.

Rossotti Joins Riegel

Charles C. (CR) Rossotti, chairman of the board of Rossotti Lithograph Corporation, has agreed to join Riegel Paper's Packaging Division. The agreement brings Riegel the rights to the Rossotti name and the "Rossotti Packaging System." Rossotti's sales and marketing staff will become Riegel employees.

Mr. Rossotti and S. C. Lea, Riegel's vice-president, Folding Cartons, pointed out that Riegel's plants in Newark, N.Y., near Rochester, and in St. Louis would manufacture for Rossotti's customers. "I'm pleased," Mr. Rossotti said, "because Riegel has a depth of capabilities. Both folding carton plants are modern and efficient and capable of producing the Rossotti Packaging System. Riegel is particularly strong in graphic design, packaging machinery and systems development. Finally, the number of major firms who are long-term Riegel customers indicates a service and quality level that will benefit Rossotti customers."

Mr. Lea added that extensive work had been done by Riegel's sales service and manufacturing groups to prepare for the Rossotti business. "We are aware of the needs of Rossotti customers; we expect to be able to handle their requirements efficiently and rapidly. I believe our plant locations will benefit Rossotti customers."

The Rossotti Packaging System is a design and manufacturing technique for large minimum runs that Rossotti has perfected over the years. Many Rossotti customers—primarily in the macaroni and frozen food field—are users of cartons produced by the system.

Riegel plants will begin to service Rossotti customers immediately. The Rossotti plant in North Bergen, N.J., will be phased out of production.

Charles C. Rossotti

Excellent Crop Prospects

Current Upper Midwest small grain prospects are excellent and above average yields are likely for spring bread wheat, durum, oats, barley and rye in practically all areas, according to Vance V. Goodfellow, executive vice president, Crop Quality Council, Minneapolis. Winter wheat production potentials are excellent in South Dakota and good in Montana.

Moisture supplies, plentiful virtually all season, continue generally adequate in North Dakota, Minnesota, the Red River Valley, and most of South Dakota. However, soil moisture is short and rain is needed in south central South Dakota. In Montana rainfall amounts have varied more than other areas. Supplies are mostly adequate in eastern Montana, but are becoming critically short in the Triangle area north of Great Falls, causing spring grains to suffer.

Grain development averaged slightly ahead of normal in the Dakotas and Minnesota as of July 21. Swathing of barley was well underway from South Dakota and west central Minnesota northward to central portions of the Red River Valley. Winter wheat harvest was nearly complete in south central South Dakota and getting underway in Montana around Billings.

Goodfellow said moderate temperatures and timely moisture during the last week in July and early August, during the critical filling period for spring grains, would be vitally important in maintaining present excellent production potentials in North Dakota and the Red River Valley.

Most North Dakota spring wheat, durum, barley and oat fields now range from milk to early dough across the southern half of the state. Crops are most advanced in the southern Red River Valley, where many grain fields are in the dough stage and swathing of barley is widespread. In northern North Dakota small grains range from heading to berry forming.

Heavy Stands

North Dakota spring wheat stands are heavy and extremely uniform over wide areas. Best stands are in northwestern border counties and the eastern half of the state. Wheat heads are of good size, with many filling extra kernels. Harvest of spring wheat should begin in southern North Dakota about the first week in August.

Durum wheat stands in North Dakota are excellent. In the heavy producing Triangle area north of McVille, Devils Lake and Lakota maturity averages about normal; however, a substantial portion of durum fields here were still in the boot stage last week. Earlier durum stands range from flower to berry forming.

Late evening silhouette, as combines work late to bring in the crop.

South Dakota wheat production prospects are excellent and possibly the best since 1968. Winter wheat yields of 35-40 bushels are common in south central and western areas. Many spring wheat and durum fields in northeastern sections are expected to yield 28-30 bushels.

Northeastern Montana spring bread wheat and durum prospects are better than average. Maturity of these crops now ranges from berry forming to milk, and yields of 25-28 bushels are expected.

Light Rust

Cereal rusts throughout the Upper Midwest are generally light and are not likely to be an important factor in small grain production this year. However, leaf spot diseases are common on spring grains and, with present generally favorable moisture conditions, they are likely to increase and may take some toll.

Plenty in Prairie Provinces

According to a preliminary estimate issued by the Dominion Bureau of Statistics, farmers in the prairie provinces increased acreage sown to all wheat in Canada for the 1971 crop by 56%.

The all wheat acreage in the prairies is estimated at 18,700,000 acres, compared with 12,000,000 in 1970. At the same time, seedlings were well below the 1969 total of 24,400,000 and the 1960-69 average of 27,062,800. In fact, except for 1970, it would be the smallest wheat acreage in the prairies since 1943.

The prairie wheat seedlings for 1971 include an estimated 2,460,000 acres of durum wheat, down 20% from 3,065,000 acres planted for 1970 and compared with 3,154,000 in 1969. The 1960-69 average durum wheat plantings were 1,870,000 acres. The durum acreage for 1971 includes Saskatchewan, 2,000,000 acres, compared with 2,500,000 last year. Alberta, 310,000, compared with 450,000 in the previous year, and Manitoba, 150,000 compared with 115,000.

Canadian Acreage

Farmers in Western Canada planted 18,700,000 acres to wheat this year, including 2,460,000 to durum. Last year's acreage was 12,000,000 with 3,065,000 acres in durum.

Canadian Durum to China

Reports indicate that Canada will double durum exports to China during the 1971-72 crop year. This would mean a market of between 65 and 70 million bushels.

Grain Stocks Down

Stocks of major grains on July 1, 1971 were well below a year earlier. Large declines were noted in sorghum grain, barley, soybeans, corn and wheat.

Stocks of all wheat were 17% smaller than a year earlier, with durum supplies off 31%.

Durum stocks totaled 53,600,000 bushels. Farm holdings of 36,400,000 were 39% below last year. Mills, elevators and warehouses held 16,633,000 and the Commodity Credit Corporation 553,000.

Durum Production Up

The July 1 estimate for durum production was set at 86,435,000 bushels, as follows:

California	650,000
Minnesota	1,020,000
Montana	4,425,000
South Dakota	3,450,000
North Dakota	76,890,000

North Dakota production is 76% above the 43,800,00 bushels produced last year. The acerage for harvest at 2,330,000 acres was 33% above 1970 but 16% below 1969. The average yield per acre at 33 bushels matches the record established in 1969 and is 8 bushels above last year.

August Report . . .

The durum crop report released in mid-August was down slightly, at 86,248,000 bushels.

Corn Crop

The Department of Agriculture estimated corn acreage for harvest this year as of July 1 at 64,470,000 acres, compared with 57,359,000 in 1970 and 54,598,000 in 1969. A private forecast issued earlier in the week had pointed to planted corn acreage this year at 73,423,000, an increase of 1,943,000 from the March planting intentions report of the Department and 6,253,000 up from 67,170,000 acres in 1970.

The current report of the Department contained no production estimate for corn. Assuming this year's corn yield equals to 1970 blight affected average of 71.7 bushels an acre, 1971 outturn would total 4,622,499,000 bushels, an increase of 512,707,000 or 12%, over the 1970 production of 4,109,792,000. Such an outturn would exceed both the 1969 outturn of 4,582,534,000 bushels and the 1968 total of 4,393,273,000. If the same calculations were made using the record high yield of 83.9 bushels recorded in 1969, the corn crop this year would aggregate a record 5,409,033,000 bushels, an increase of 1,299,241,000, or 32% over the 1969 total.

Blight Development

Blight developments failed to stem the liquidation in both Chicago futures and cash markets. The official statement of the National Federal-State Information Center for Corn Blight in Washington pointed to blight in 581 counties in 28 states, or an increase of 159 counties and two states from the previous week. The new states were New York and New Jersey. The report again noted that the over-all infection was light in most counties. At the same time, locally severe outbreaks were noted in Kansas, Illinois, Indiana and Ohio. In Illinois, for example, disease had spread to just about the entire state with eventual impact to be determined by weather balance of season. Blight also was statewide in Iowa, but the level of infection generally was low. Crop in the southern states generally escaped blight but most of the seed used in that area was blight resistant.

Corn Blight

Egg Production

The Nation's layers produced 5,938 million eggs in June, up 3 percent from June 1970. Layers numbers during June averaged 315.9 million, slightly more than a year earlier.

Egg production exceeded year earlier output in all regions except the South Central, where it was down 4 percent. Regional increases were: East North Central, 8 percent; Western, 7 percent; North Atlantic, 6 percent; South Atlantic, 2 percent; and West North Central, 1 percent.

Layers Down, Rate Up

Layer numbers on July 1 totaled 313.8 million, slightly below a year earlier and down 1 percent from June 1, 1971. Declines from a year earlier of 6 percent in the South Central Region and 2 percent in the South Atlantic more than offset gains elsewhere. Regions showing increases were: East North Central, 4 percent; North Atlantic, 3 percent; and the West North Central and Western, each 1 percent.

Rate of lay on July 1 averaged 62.2 eggs per 100 layers, up 3 percent from a year earlier but down 1 percent from June 1, 1971. The rate was above a year earlier in all regions except the West North Central, which was down 1 percent. Increased rates by regions were: Western, 7 percent; South Atlantic, 4 percent; North Atlantic and East North Central, each 3 percent; and the South Central, up slightly.

Egg Inspection

The House has passed and sent to the Senate legislation extending provisions of the Egg Products Inspection Act for another six months.

The proposal is designed to give egg producers in Hawaii and Puerto Rico additional time to acquire more pasteurization equipment for their plants.

The measure, which passed the House on a voice vote, would extend the deadline six months to Dec. 31, 1971.

Rep. Spark Matsunaga (D., Hawaii) said that in recent weeks Hawaiian egg producers have been forced to destroy substantial quantities of ungraded eggs without the time extension.

The Mandatory Egg Products Inspection Act went into effect on July 1, 1971 and all U.S. egg breaking and egg processing plants are now under continuous USDA inspection. This has no effect on egg pricing but does tend to make it more difficult to sell imported egg products in this country since from this date on the only egg products that can be imported are from countries whose plants have been brought into compliance with the Inspection Act. So far, no foreign plants have been so certified.

USDA Egg Mix Purchases

On June 23, the USDA announced the purchase of 1,656,000 lbs. of egg mix at prices ranging from 77.70¢ to 82, 62¢ per lb. This brings purchases to date in 1971 to 14,193,000 lbs. Tenders have again been asked for July 6th for product to be delivered in the period of September 1-15.

Egg Associations Merge

Members of the American Poultry and Hatchery Federation meeting in Denver, Colo., July 21, unanimously approved the agreement between APHF and the Institute of American Poultry Industries to unite into one organization —to be known as the Poultry and Egg Institute of America.

Discussions on joining of the two organizations have been going on for nearly two years. The action is regarded as in the best interests of the poultry and egg industry.

It is in harmony with economic trends in the industry. Companies engaged primarily in production have expanded into processing and marketing. Others, engaged primarily in processing and marketing, have moved into production.

Both organizations have members involved in all three of the industry's major commodities—eggs, chickens, and turkeys.

The 1971-72 board of directors for the Poultry and Egg Institute of America will consist of 33 members to be named by the present board of APHF, 33 to be named by the present board of the Institute, plus nine directors to be elected at-large by the 66 directors. This means that control of the Poultry & Egg Institute of America will be shared equally by industry members of the two organizations.

To assure continuity of service, it has been agreed that the officers of APHF in Kansas City and the officers of the Institute of American Poultry Industries in Chicago and Washington will be continued during a five-year transition period.

The first meeting sponsored by the new organization was the Marketing Conference in Chicago August 25-27.

Quebec Egg War

The Quebec Food Council, which represents all phases of food production and marketing in the province of Quebec, has acted to halt Canada's acrimonious "chicken and egg" war. It seeks Quebec government cooperation in assuring orderly egg marketing in the province.

The Food Council, and in particular the Quebec Association of Wholesale Grocers, is prepared to collaborate with the Government to help egg producers market their production.

Food wholesalers, retailers, chain stores and dairies represented by the council are ready to buy up to 50 per cent of their egg requirements from Quebec producers, provided that the eggs are guaranteed for quality and meet consumer demands in certain categories, that deliveries are rapid to ensure product freshness, and that prices are competitive with Canadian market prices.

Quebec presently produces about 60 million dozen eggs a year, while consumption in the province is roughly double that quantity. The industry's 50 per cent offer therefore would substantially take care of the entire Quebec production.

Fedco Operation

Under present permitted operations, Fedco, the Quebec egg marketing agency, distributes all eggs sold in the province and regulates their prices. One result of this is that Fedco-priced eggs are retailing 15 to 20 cents a dozen higher than in the basic Canadian (Toronto) market, reflecting Quebec's supply-demand situation.

Retailers have countered these high prices by importing Ontario and other "foreign" eggs in substantial quantities and selling them at lower prices that the Quebec priced product. Fedco inspectors have been confiscating any imported eggs they could find and recently border check-points were threatened as additional control.

Reprisal

As reprisal, Ontario and other provinces have been blocking sales of surplus Quebec-produced broiler chickens and have threatened further steps—hence the so-called "chicken and egg" war, which held dire implications for future inter-provincial trade. However, a proposed Manitoba marketing board intended to operate on similar lines to Quebec's Fedco unconstitutional by the Supreme Court of Canada. The result of a test case brought with the connivance of the Manitoban government, the court ruling effectively applied to Fedco as well.

The Food Council in its submission to the Quebec Government calls for a thorough revamping of Fedco because "the trade cannot subscribe to the present system . . ."

The council would like to see the best organized egg producers in Quebec permitted to sell their eggs freely in the marketplace, since the present Fedco system is "geared to the less efficient producer."

Plentiful Rice

If rice production continues its upward trend, causing the tone of the market to shift in favor of buyers, the United States and other exporting countries will suffer further from reduced sales, depressed world prices, and, therefore, lower over-all receipts. In some cases, exporters seeking markets are increasing their use of subsidies or shipments under special terms.

U.S. rice exports, which have maintained a relatively high level in recent years, declined from 1,850,000 metric tons in 1969 to an estimated 1,690,000 tons in 1970. However, due to acreage reductions of 10% in 1969 and 15% in 1970, total U.S. rice exports as a percent of production remained at the level of 64% recorded in 1969.

World rice production in 1970 reached 197,000,000 metric tons (excluding Communist China's output of about 96,000,000 tons). This fourth straight record crop exceeded the 1969 crop by over 3,000,000 tons and was 15% above the 1964-68 average.

Phony Macaroni

by Newhouse News Service

The Food and Drug Administration (FDA) want to call it macaroni. Sergio Toni says its a phony.

That's the crux of a tempest in a pasta pot that's brewing over naming a new high-protein product the General Foods Corp. has developed to help persons with protein-deficient diets.

The "Golden Elbows" are made of corn and soy flour instead of macaroni's traditional hard durum wheat. General Foods say they "look, cook and taste very much like regular macaroni."

But a curious coalition of wheat growers, noodle makers, consumer groups and Italian food lovers say the new product is not macaroni and elevating it to that status would be deceptive and confusing to housewives.

"It's just something impossible," says Sergio Toni, head waiter of one of Washington's top Italian restaurants. "Macaroni is all wheat. If you use corn meal to make pasta, it's just very, very soggy."

General Foods has tested its psuedo pasta on Brazilians, northern and southern urban and rural blacks and whites, American Indians and Appalachian and Ozark mountain whites—but no Italians—and says it won "very good acceptance."

The firm says the test groups were selected by the Office of Economic Opportunity as "representative lower income groups" who might benefit from such a high-protein product. It said OEO did not nominate any groups of Italians for the test.

Give Identity

The FDA proposed calling the Golden Elbows "enriched Macaroni with improved protein quality" because it wanted to "sanctify the product and give it an identity."

"Our interest is simply to recognize a product that looks and tastes somewhat like conventional macaroni but has a significantly higher protein content," said J. William Boehne acting assistant director of FDA's division of nutrition.

Boehne said both the FDA and the Department of Agriculture were interested in establishing the product's identity to help make it readily acceptable as a high-protein ingredient in school lunch and anti-poverty feeding programs.

Avoid Stigma

General Foods, which spent three years developing the product—at one time called "Goodles" says they could help with "the problems of undernourishment in the United States and around the world."

Ray McCoy, a General Foods spokesman, said Macaroni had "a high acceptance and is used by people of all incomes all over the world. We're trying to get away from the stigma of high protein products being an unfamiliar poor peoples food."

He said the corn and soy bean macaroni has half again the protein value of eggs and seven times as much protein as regular wheat-based macaroni.

But an official of the North Dakota State University of Agriculture and Applied Science said the General Foods product was "grainy . . . soft to the palate . . . and had the distinct taste of the corn and soya products."

Definition

Macaroni, n. ma'ka-roni: Thin tough paste made from wheat flour, formed into long tubes and dried; these are used as food when boiled.

Kathy Stabo

Durum Queen Enjoys Her Work

The duties of many beauty queens are as mythical as their titles. They have a crown placed on their head and that's it until it's time to hand it over to their successor at the annual pickle pageant.

A gal who gets elected queen of a group promoting farm products, however, is likely to find herself put right to work meeting consumers and telling them about the goodness of the products she represents.

Princess Kay of the Milky Way starts meeting the public immediately after her coronation at the Minnesota State Fair, and then she makes many appearances throughout the state on behalf of the dairy industry during her one-year reign. It's been that way since the Minnesota Dairy Association founded the program 17 years ago.

Good Will Ambassador

In the last half dozen years the North Dakota Durum Growers Association has adopted a similar program for Miss U.S. Durum, the organization's queen who is named at its Durum Show in Langdon each fall. The durum growers and the North Dakota Wheat Commission have joined in sponsoring Miss U.S. Durum's appearances at farm events throughout the state.

"Miss U.S. Durum appears at state farm events primarily — not county events unless they are close to her residence," explains Paul E. R. Abrahamson, administrator of the North Dakota Wheat Commission.

The current Miss U.S. Durum is Kathryn Rae Stabo, daughter of durum grower Charlie E. Stabo of Milton, N.D., and a freshman at North Dakota State University in Fargo. She grew up on her parents' 660-acre grain and livestock farm near Milton.

Talk Up Durum

Kathy's role during her public appearance is talk up durum and semolina and quality macaroni products and "she's been doing a very good job," Abrahamson says.

Kathy acknowledges that meeting the public has its "apprehensive moments, but I really enjoy it."

Her most recent appearance was at the North Dakota Winter Show at Valley City. This summer she's scheduled to be with the durum exhibits at the North Dakota State Fair at Minot and the Red River Valley State Fair at Fargo.

"I tell people about the different kinds of macaroni in our display," Kathy explains. "There are many, many kinds—hundreds of kinds. Durum is a very versatile grain. You can do so much with it.

"I also pass out quite a bit of information in the form of leaflets and little booklets.

Women Like Recipes

The women are especially interested in the many recipes that we hand out to them. They are fascinated by the shapes of the different kinds of macaroni."

Another of her jobs is to promote her area of the state—the famed Durum Triangle, Kathy says.

But it's not all work and no play being Miss U.S. Durum. Kathy was a visiting queen at the annual Miss Lake Region Pageant at Devils Lake and also took part in the Winter Wonderland festivities at Langdon. This event numbers snowmobiling curling, dancing, and spaghetti feeds among its many activities.

Active Girl

At NDSU Kathy is majoring in speech therapy and was a cheerleader for the Bison basketball team this past season.

In high school at Milton she was a cheerleader for four years, a district president of the Future Homemakers of America, editor of the school paper and co-editor of the yearbook. She also served as the Milton Lutheran Church organist for five years.

Kathy's hobbies are sewing, reading and playing the piano. She presented a piano solo as her talent number in the Miss U.S. Durum pageant.

New Commissioners

Through spring elections two new members have ben elected to the North Dakota Wheat Commission and one member has been reappointed by the Governor.

Andrew Headland, Jr., of Ypsilanti in Stutsman County was elected to represent wheat growers in south central District No. 3 replacing Steve Reimers of Carrington.

Ludger Kadlec of Pisek in Walsh County was elected in North East District No. 6 replacing Tom Ridley of Langdon.

Floyd Poyzer of Amenia has been reappointed by the Governor to the position of "Commissioner-at-Large." Poyzer has farming interests in Cass County and operates the Amenia Seed and Grain Company. He has served on the Board of Directors of the North Dakota Farmers Grain Dealers Association and has been on the Wheat Commission since 1965. He has served the Commission in various capacities including Chairman and as a director of Great Plains Wheat, Inc.

Italian Scientists Score Additives

Italian scientists have struck out against the food processing industry for foisting health-damaging chemical additives on an unsuspecting public.

At a conference on food additives in Turin, speakers said people today swallow about 400 chemical substances in their food without knowing it, and with no idea what the effects may be on health.

Prof. Enrico Belli, specialist in allergies, said the consumer must know not only why these substances are added and to what extent they are justified, with modern production techniques, but also how the human body tolerates them. "A heart sufferer," he said, "may carefully avoid coffee, but drink a cola which contains caffeine, without realizing the mistake."

He added that some subjects are hypersensitive to colorants, particularly red and yellow, which may cause shock "with manifestations of vomiting and diarrhea."

Belli said nobody had complete case studies on the pathology of additives, but "we can begin discussing the elimination of legally sanctioned additives which are considered innocuous."

Prof. Marine Finzi, a nutrition specialist at the University of Bologna, presented a tougher stand. He said rather than evaluate the effects of additives on individual subjects, the food processing industry should be discouraged from using them.

"It is not sufficient justification that the law permits additives," Finzi said. "If they are used to reduce production costs or disguise poor-quality products, they should be banned."

Albert F. Robilio

Albert Robilio

Albert F. Robilio, general manager and principal owner of Ronco Foods in Memphis died July 22 after an apparent heart attack. He was 62.

The company was founded by his late father, John S. Robilio, Sr. in 1920. Albert Robilio and the late Colonel Tom Cuneo who died in 1960, built the business to the point where they employ one hundred and ten persons, shipping some twenty-six varieties of macaroni products into twenty-eight states.

For several years Mr. Robilio was a member of the board of directors of the National Macaroni Manufacturers Association.

He was described as a man who never was a "joiner" despite many offers though he was a generous contributor to local charities.

Mr. Robilio was a communicant of St. Anne Catholic Church and held a fourth degree membership in the Knights of Columbus. He lived at 4275 Tuckahoe Road and had a vacation home at Lake in Arkansas.

He leaves four brothers: Raymond, John, Victor, and Silvio; and four sisters: Mrs. Louise Sarno, Mrs. Della Canepari, Mrs. Rita Radogna and Miss Ann Robilio, all of Memphis.

Grass Noodle Sales Manager

Raymond Raitio, Chicago, has been promoted to national sales manager of I. J. Grass Noodle Company, (subsidiary of Hygrade Food Products Co.). He had been regional sales manager for four years.

The announcement was made by Alvin Karlin, President and General Manager of the soup and noodle manufacturer.

Prior to joining I. J. Grass, Raitio was sales manager for Welch Grape Juice and was president of his own brokerage firm. He is a member of the Grocery Manufacturers Sales Executives.

O. E. Garber Creamette VP

Oscar E. Garber has been elected vice president-manufacturing of the Creamette Company of Canada, Ltd., it was announced by L. D. Williams, president. The Creamette Company of Canada, Ltd., is located at 283 Stanley St., Winnipeg, Manitoba.

L. M. Anderson Appointed

L. M. (Andy) Anderson of Memphis has been appointed General Manager of Ronco Foods by the Robilio family, principle owners of the company.

Mr. Anderson has been with Ronco for the past twenty-two years and has served as assistant general manager for the past twelve years. He is a former President of the Grocery Manufacturers Representatives.

New President At Hoffman-La Roche

Robert D. Clark has been named president and chief executive officer of Hoffman-La Roche, Inc. the U.S. pharmaceutical affiliate of Switzerland-based Hoffman-La Roche. Mr. Clark, executive vice-president and a director since 1968, succeeds Dr. V. D. Mattia, who died suddenly on July 4.

Prior to joining Hoffman-La Roche, Mr. Clark was associated with Warner-Lambert Pharmaceutical Company, being named a senior vice-presidet in 1967. He holds a master's degree in chemistry from Harvard University and a law degree from Brooklyn Law School.

Raymond Raitio

L. M. Anderson

Harry M. Slosberg

Harry M. Slosberg, Senior Vice President and Technical Director of Henningsen Foods died on July 10. He was sixty years old.

Born in London, his family moved to Minneapolis while he was still a baby and later to Chicago, Dr. Slosberg attended the University of Minnesota, the University of California and University of Illinois, where he received his Bachelor of Science degree in Chemistry.

He was in research and development at Continental Can where he contributed to gas packing of coffee in cans, gas packing of whole egg in cans to improve storage stability, the first successful canning of beer.

Technical Director

In 1946 after earning a Doctorate degree at Iowa State University he joined Henningsen Foods as Technical Director at Lamesa, Texas. Here he set up a research and quality control laboratory and pilot plant.

Contributions made under his directions were in the pasteurization of egg products, the improvement of stability of dried egg products, improving functional properties of egg whites for specialized uses, instant egg white and dehydrated chicken and beef products.

Dr. Slosberg is survived by his wife Esther, two sons, Richard and Jeffrey and a daughter Mrs. Jonathan Marcus.

Washington Meeting

Macaroni manufacturers meet with their representatives at the Hotel Washington, Washington, D.C., on Tuesday, September 21.

Pasta!

Lionel Braun gives recipes for white clam sauce, pesto, garlic and oil along with background in a recent issue of Penthouse Magazine. He reports:

The year was 1533 when Catherine de Medici journeyed from Florence to Marseilles to marry the young son of King Francis I. This niece of Pope Clement VII brought teams of Italian cooks with her, and the marriage had gastronomic as well as political importance. The trip to France from Italy was history's first recorded cooks' tour. They delivered to France the most sophisticated secrets of their culinary arts (including, incidentally, the fork) based on a craftsmanship evolved from the days of Roman orgies—when, as we learn from Petronius Lucian and Martial, even hedgehogs and wolves were great eating. Indeed, Maecenas was the first to roast the onager, a variety of donkey—imagine having wild ass at the table in the first century B.C.

The more typical Roman cuisine developed slowly, and while legend names Marco Polo as the discoverer of pasta, the fact is that a cook book appeared in 1290 containing recipes for vermicelli and tortilletti. Fettuccine Alfredo, supposedly created for Doug Fairbanks was known as Lagaho Cum Caseo when it was eaten by the Romans in 1200. And ravioli was being eaten in 1284, fully five years before Marco returned to Italy. Actually his singular gastronomic contribution was the opening of a direct spice route to the Far East. The Venetians quickly cornered the spice markets and dominated the trade until the Portuguese wrested it away some 100 years later.

Hazards

Most sad is that few restaurants serve pasta worth eating. It is overcooked and soggy with a second-rate sauce. Properly prepared pasta should be offered in a warm bowl, and only enough to warm up your appetite for the next course. The reason that most sauces are filled with tomatoes, or spaghetti is served with meatballs, may be that early Italian immigrants could only afford cheaper cuts of meat; the less costly cuts were doctored all day in tomato to make a ragu or heavy sauce. Any remaining tough meat was chopped and made in polpette (meatballs). As I lean to the lighter and more delicate flavors, heavy meat sauce is not my favorite, so I am partial to the cuisine from Central and Northern Italy.

Proper Cooking

Proper cooking of pasta is the least understood of all kitchen chores. Pasta should be cooked in a large quantity of rapidly boiling salted water and stirred often. After 15 minutes, you should test it several times between thumb and forefinger making certain it is not soggy. When it is almost tender, add cold water to the pot to stop the cooking, and drain thoroughly. The next is to serve it hot, and if you like it as I do, in the light and simple manner, have a hot casserole dish ready with grand sauces.


Spaghetti with Clam Sauce

Macaroni Winner

Everybody loves a winner! and macaroni is always a winner on several counts: economy, popularity, convenience, versatility and food value. Here is one of the winners from the Pasta Recipe Contest:

Macaroni Zucchini Casserole

- 4 tablespoons butter or margarine
- 2 tablespoons flour
- 1 teaspoon salt
- ⅛ teaspoon white pepper
- 2 cups milk
- 1 cup cubed Cheddar cheese (about 4 ounces)
- 1 cup cubed Swiss cheese (about 4 ounces)
- 2 cups elbow macaroni, cooked (8 ounces)
- 1½ pounds zucchini, sliced and cooked
- ½ cup fine dry bread crumbs

Melt 2 tablespoons of the butter in saucepan; blend in flour, salt and pepper. Gradually add milk; cook, stirring constantly, until sauce boils 1 minute. Reduce heat. Add cheeses; stir and heat until cheese melts. In 3-quart casserole layer half the cooked macaroni, half the zucchini and half the sauce. Repeat layers. Melt remaining 2 tablespoons butter and mix with bread crumbs; sprinkle over casserole. Bake in 350° oven 30 minutes. Makes 6 servings.

Salad Promotion

A summer salad promotion is under way at Bridgeman's creamery store and restaurant division of Land O'Lakes Creameries, in Duluth. Dell Kloek, manager, was winner of the Pasta Recipe Contest last winter.

The promotion is being plugged on television, radio and newspapers plus in-store distribution of the prize winning recipe. Here it is:

Garden Fresh Salad

- 1 7 or 8 oz. package macaroni rings
- 1 10-oz. pkg. frozen mixed vegetables
- 1 cup diced Cheddar Cheese
- 1 cup mayonnaise or salad dressing
- 1 teaspoon salt
- ½ teaspoon pepper
- lettuce leaves

Instructions

Cook macaroni in boiling salted water just until tender, about 5 minutes. Rinse with cold water, drain. In large bowl combine macaroni, vegetables and remaining ingredients, except lettuce. Toss gently to coat. Chill. Serve on lettuce leaves.

Dell reports Cheddar Cheese sales up sharply.

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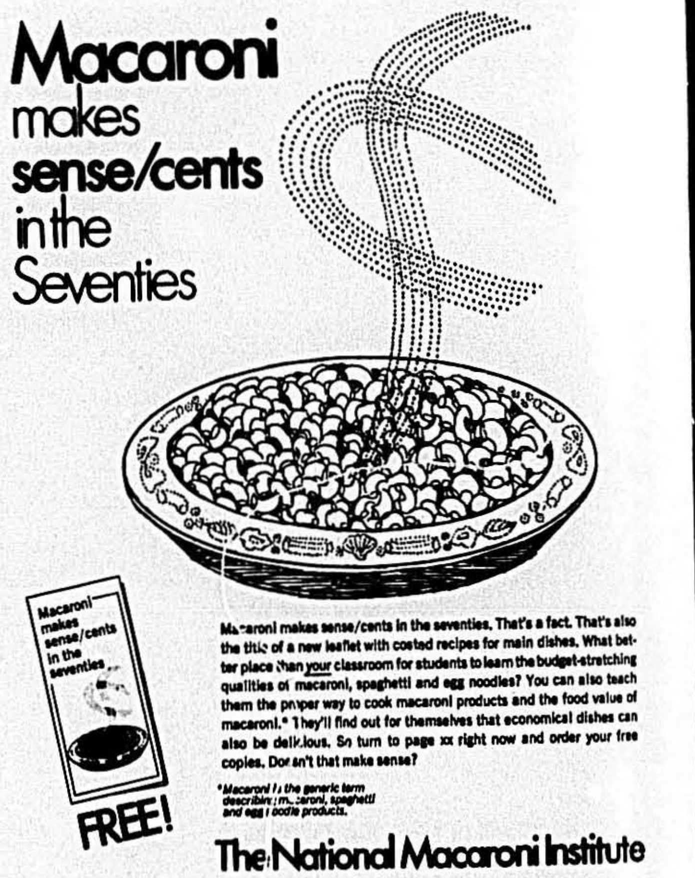
WANTED — Subscribers to the Macaroni Journal. Twelve monthly issues $6; add $1.50 for foreign postage. Rates go up at the end of the year. Macaroni Journal, Box 336, Palatine, Ill. 60067.



Clorox Makes It

Clorox Company of Oakland, California has been on its own for only two years following enforcement of the FTC order which ended its eleven year marriage to Procter & Gamble. Twelve P & G men who were on loan to the company cast their lot with Clorox. Now they have grown from one liquid bleach product to ten and boosted sales to the $100,000,000 mark.

The acquisition program began in the Spring of 1968 with Jiffee Chemical of Indianapolis, maker of Liquid-Plumber drain opener. Then came Shelco Co. of Massachusetts, which makes Jifoam aerosol oven cleaner.

In October, 1970, Harrell International came into the fold with spray cleaners and an aerosol bathroom cleaner. Litter Green cat litter made of chlorophyll-rich dehydrated compressed alfalfa was next.

In April, 1971, Grocery Store Products was acquired for 834,000 shares. In addition to Foulds macaroni in Libertyville, Illinois and Gold Medal macaroni in Los Angeles, the company produces Kitchen Bouquet, a flavor and color additive for soups, B in B brand canned mushrooms and Cream of Rice hot cereal. Sales totaled $17,400,000 in 1970.

In July it was announced that negotiations were going on for the acquisition of Oregon Freeze Dry Foods, an Albany, Oregon producer of a wide variety of food products.

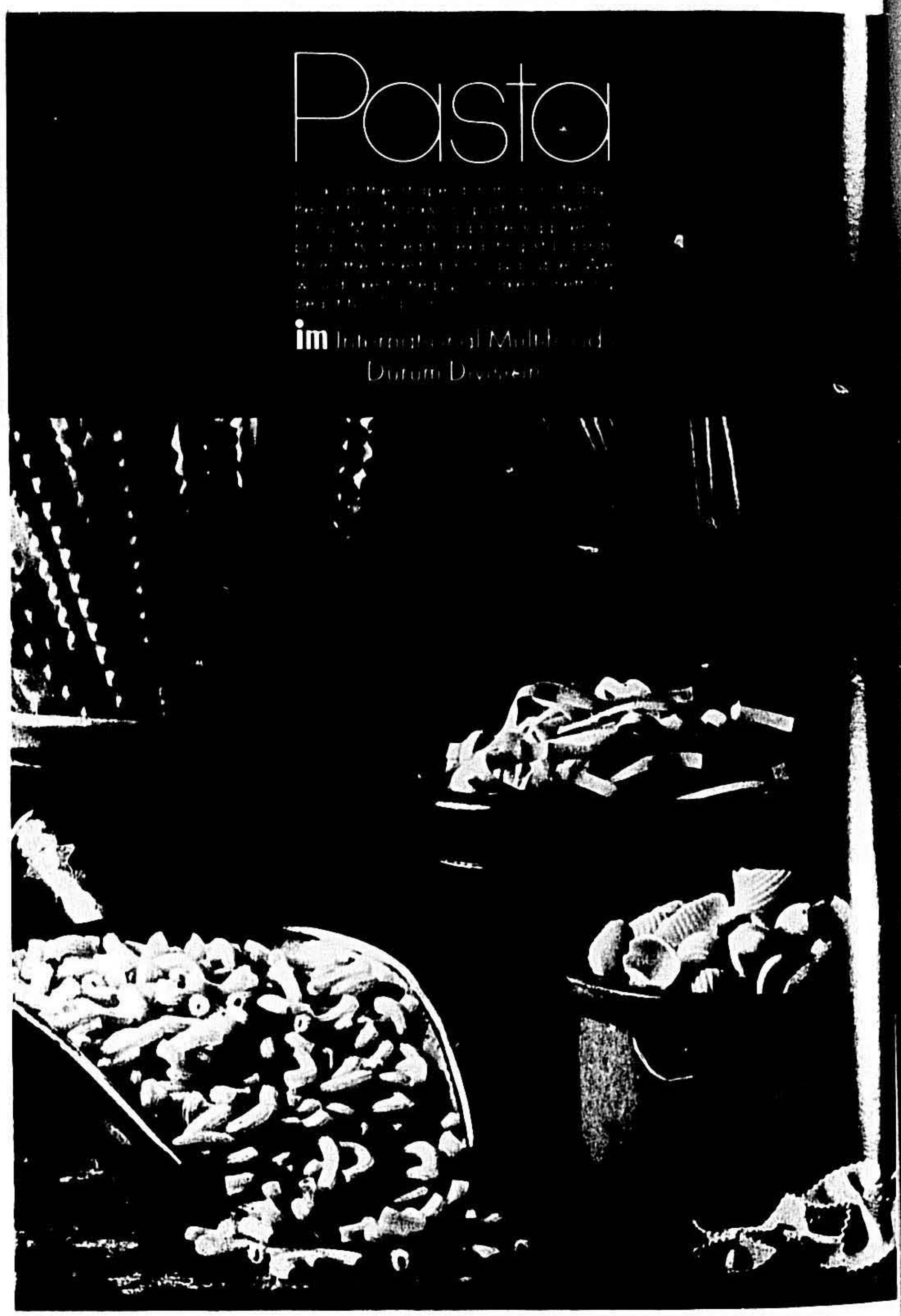
Thank You's

The Durum Wheat Institute presented prize winners in the Pasta Recipe Contest with attractive plates as a memento of their award. This letter came from one of the recipients, Jeannette Michael of Schensul's Cafeterias, Grand Rapids, Michigan:

"This letter is to thank you for the beautiful plate awarded me in your Pasta Contest. First time in my life I've ever won any thing.

"I was guest of honor at a lovely banquet at Point West, Holland, Michigan. The President of the Michigan Restaurant Association presented me with the plate, which I will cherish."

Another letter comes from Extension Home Economist Helen J. Wissner of Yuma, Arizona: "'Macaroni Makes Sense/Cents in the Seventies' as a very good pamphlet, one that many families in our area can use. Will you please send me an extra supply for general distribution? Thank you very much."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