

**THE
MACARONI
JOURNAL**

**Volume 55
No. 4**

August, 1973

Macaroni Journal

AUGUST, 1973



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The Macaroni Journal

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Cover Photo: Curried Spaghetti with Eggs is a compliment winning dish. Coconut and peanuts add flavor and texture contrast as accompaniments.

Price of Government Is Up, Too

What would you guess, if someone asked you to name the single category of goods or services that Americans spend the most on?

Food? That would be a popular guess, right now. Or perhaps housing?

Well, get ready for a shock. In 1971, we spent a total of \$332.6 billion to purchase food, clothing, housing and automobiles. The same year, we spent \$338.5 billion on local, state and federal government.

For some reason, only the Federal Government shows up in debate over "national priorities."

You can overlook a lot with that kind of fixation.

Consider growth, for example. From 1954 to the present, our Gross National Product—the value of all the goods and services we produce in a year—has grown 247%. Over that same period, the federal budget has grown 280%. And the state and local budgets have soared 589%!

Now let's take a look at national priorities, with and without the state and local budgets.

For fiscal year 1971 (detailed state and local figures are not available for more recent years) the Federal Government spent \$75.6 billion on health, labor and welfare programs; \$75.3 billion for defense, and \$5.7 billion for education.

Taken alone, those figures seem to show that we don't value education very highly. But, the Federal Government has little responsibility for education under our federal system, and the states and localities have no responsibility for defense.

The states, counties and cities spent \$55.2 billion for education in 1971, \$30.7 billion for health, labor and welfare, and almost nothing for defense.

Now let's add the categories together and see what kind of picture we get of true national priorities: \$106.3 billion for health, labor and welfare; \$75.3 billion for defense, and \$60.9 billion for education. It makes a difference.

In 1954, all levels of government combined spent about 31% of our national income. Today, the Federal Government alone spends 20% of national income, and the states and localities spend another 15% . . . a total of over 40%.

Comment on the Price Freeze

Editorial from the
Chicago Daily News

ONLY a couple of weeks into the Phase 3½ price freeze, trouble is breaking out all over the food industry. Already there is talk of lifting the ceiling price on poultry in order to keep the supply of chickens and eggs coming, and the production of other foods is sufficiently threatened to raise the long-range specter of food rationing.

Chickens are a clear case in point as to what is happening down on the farm. The price of processed chickens was of course frozen along with other foods in the retail stores. But to bring a chicken along to the stage where its drumsticks are worth chewing on requires a lot of feed. And the price of feed was not frozen. It has kept on rising until chicken feed is nothing to make jokes about any more. Poultry farmers have discovered that it costs more to feed a chicken than the price it can be sold for.

The result has been the destruction of a lot of baby chicks, and the pictures of the slaughter aren't pretty. Oldsters with long memories are reminded of the New Deal days when little pigs were "plowed under." But esthetics aside, the loss of the baby chicks now inevitably means less chicken and fewer eggs to eat in the months ahead, which in turn means a scramble to buy what's left and an irresistible upward pressure on the price.

Much the same thing is happening to the cattle and hog growers, whose feed costs rise while the price of meat is frozen. In this squeeze, there is no incentive to increase production, which in the long run is the only hope of bringing prices down.

The flour millers, too, warn that they can't buy wheat at increasing prices and sell flour at a frozen price. The supply of bread may be threatened. And so it goes.

The decision to freeze prices everywhere except at the grower level was a political one, as we pointed out at the time, rather than one grounded in sound economic practice. But the distortions already appearing and the shortages that loom ahead in the food market may turn it into a political as well as an economic disaster. People understandably complain bitterly when the cost of food goes up and up. But they aren't going to be singing any praises if the supply of food goes down and down.

Business in Brief

Chase Manhattan Bank
bulletin for June

The potential degree of success of the new anti-inflation program announced by President Nixon on June 13 will not be clear for some time. Success for the program will depend on the details of Phase 4 controls, which are now being developed; it will require Congressional action on other matters; and it will require the full support of appropriate monetary and fiscal policies.

If there is one fact that the U.S. experience of the past few years has made it clear, it is the complexity of the causes of inflation—and thus the necessarily broad range of measures that must be adopted to deal with it. It is a positive sign that the new program appears to recognize that fact.

As far as Phase 4 itself is concerned, to be effective its rules will have to be persuasively firm and diligently enforced. The unhappy memory of the five months of Phase 3 is still fresh. During that time, consumer prices rose at annual rates that ranged as high as 11.8% in one month. And wholesale prices rose even faster—by an annual rate of 22% between last December and May, 1973, threatening further price inflation at the consumer level.

The present freeze on prices will end in less than two months. If the new controls that replace it some time this summer are as tough as they should be:

- The prospect for continued moderation in wage demands will be greatly improved, reducing the danger of a faster upward wage-price spiral and thus an intensification of inflation.

- The U.S. dollar, whose value in foreign exchange markets was seriously eroded by world reaction to the ineffectiveness of Phase 3, will almost certainly benefit. The new freeze was greeted with obvious skepticism abroad; it will be up to Phase 4 to dispel foreign distrust of U.S. determination to restrain price inflation.

- Domestic financial markets—especially the stock market—may take heart. Those who deal in these markets have learned the hard way that inflation is bad for financial assets.

For all these reasons, a strong stance is essential. But even a well designed and well administered set of controls can by themselves only dampen current price pressures. Experience around the world clearly shows that controls are only temporarily effective when supplies of goods and services are limited and demand is strong and rising, as in the United States today.

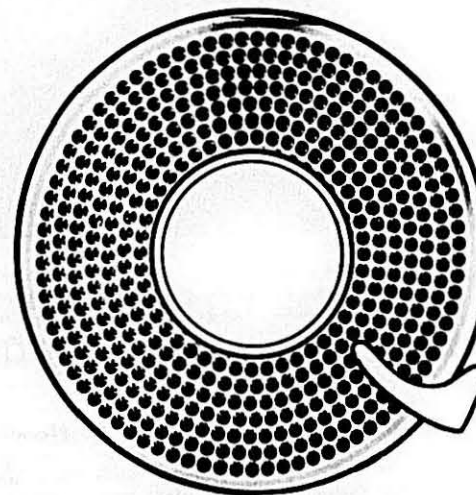
From Milling & Baking News

"In any ranking of the immediate abominations stemming from the freeze program, the situation facing flour millers is at the head of the list. The possibility exists that many of the nation's mills will have to be shut down by their managements in order to avoid the losses imposed by the freeze rules. Stunning and unbelievable as it may be, the Executive Order signed by President Nixon to implement the program defines a "transaction" as meaning prices at the time of shipment, not when a contract is entered into. By returning to this original Phase I definition, and disregarding the modifications in Phases II and III, the President presented flour millers with an impossible situation. Stated succinctly, most millers in the June 1-8 base period were still shipping flour against contracts entered into months before and at prices far under levels merited by the current wheat market.

"Hope for milling has to lie in the belief, naive as it may be, that the President did not intend to close the nation's flour mills by his freeze order. It is far easier to believe that the milling problem stems not from not understanding how the wheat market in 1973 differs radically from that prevailing in the first freeze of 1971 than to conclude that no one will hear the millers' position or will make the necessary changes. Millers across the country must follow the simple, but effective course of making sure that their senators and representatives understand how the freeze rules will damage flour milling. Experience of the past several years has shown that the Cost of Living Council is responsive to effective political clout, and flour millers, who gained a wheat price pass-through and other rulings in Phases I, II and III through common-sense presentations, are probably now about to have their political power tested."

WALL STREET JOURNAL states June 22: "Lifting the price freeze well before its 60-day maximum is being planned by the administration perhaps with an industry-by-industry thaw. Policy makers think the public needs to be convinced of their determination to damp inflation, and they worry about possible shortages and dislocations."

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AUGUST, 1973

Nourishing New Pasta Presentations

MACARONI, spaghetti and egg noodles furnish valuable nutrients. They are a fine source of protein teamed with other protein foods—eggs, fish, meat, poultry and cheese. Approximately 80% of all macaroni products are enriched, and supply B vitamins—niacin, thiamine and riboflavin plus iron. Carbohydrate content supplies energy.

There are so many ways to serve pasta, menu monotony is eliminated. Curried Spaghetti, a dish which cooks in one pot, serves as a tempting example. Green pepper and pimiento strips add flavor and color—curry powder seasons the combination. Hard-cooked eggs with a sprinkle of paprika are a nutritious, attractive garnish. Prepare the eggs in advance. Refrigerate until ready to use.

Curried Spaghetti is excellent with baked and broiled seafood. It is equally appealing with roast chicken or turkey.

Macaroni salads are a year 'round favorite. Try a vegetable-cheese version as a tasty change of pace. Celery, green pepper, peas and American cheese team with macaroni and a mayonnaise-cream dressing.

CURRIED SPAGHETTI WITH EGGS (Makes 4 servings)

- 1 cup chopped onion
- 3 tablespoons butter or margarine
- 2 teaspoons curry powder
- 3 1/2 cups chicken broth
- 8 ounces uncooked spaghetti, broken in half
- 1 medium green pepper, diced
- 1 can (5 ounces) pimiento, drained and chopped
- 4 hard-cooked eggs, quartered
- Salted peanuts, optional

In large 4-quart pot, sautee onion in butter until golden. Add curry powder and chicken broth and bring to a boil. Add uncooked spaghetti so that water continues to boil. Cover and simmer 15 minutes; stir in green pepper and pimiento. Cover and simmer 5 minutes more or until spaghetti is tender. (Almost all of liquid should be absorbed. If necessary, simmer uncovered just until most of liquid evaporates). Turn into serving dish. Arrange hard-cooked eggs over spaghetti. Serve with salted peanuts as a condiment, if desired. Serve immediately.

MACARONI VEGETABLE SALAD (Makes 6 servings)

- 2 cups (8 ounces) elbow macaroni
- 1 tablespoon salt
- 3 quarts boiling water
- 1 cup chopped celery



SMART SHOPPER RECIPE
PP. 497, 523

U.S. DEPARTMENT OF AGRICULTURE
CONSUMER AND MARKETING SERVICE
PLENTIFUL FOODS PROGRAM STAFF
WASHINGTON, D. C. 20250

- 1/2 cup diced green pepper
- 1 can (8 1/2 ounces) small peas, drained
- 1 cup diced process American cheese
- 3/4 cup mayonnaise
- 1/2 cup light cream
- Salt and pepper

Gradually add macaroni and 1 tablespoon salt to rapidly boiling water so that water continues to boil. Cook uncovered, stirring occasionally, until tender. Drain in colander. Rinse with cold water; drain again.

In large bowl combine macaroni, celery, green pepper, peas and cheese. Blend mayonnaise and cream in small bowl; pour over macaroni mixture. Gently toss mixture until ingredients are evenly coated; season to taste with salt and pepper.

Note: If desired, add 1 1/2 teaspoons dill weed to salad before tossing.

Italian Macaroni Salad

from Better Homes and Gardens

Here's a great substitute for potato salad:

- 4 oz. (1 1/4 cups) tiny shell macaroni
- 1/4 cup Italian salad dressing
- 1 cup cream-style cottage cheese
- 1 cup dairy sour cream
- 1/2 cup diced celery
- 1/4 cup diced green pepper
- 2 tablespoons milk
- 1 tablespoon sliced green onion with tops
- 1/2 teaspoon salt
- 1 hard-cooked egg, chopped

Cook macaroni according to package directions; drain well. While still hot, toss with Italian dressing; let stand 30 minutes. Add remaining ingredients and chill. Makes six servings.

Noodles Monterey

A California classic—Monterey Jack is a subtle but flavorful cheese that originated in the Monterey peninsula area. In this recipe for Noodles Monterey, the cheese is set in perfect harmony with rich sour cream and fresh butter. Green chives and red pimientos add color and zing.

- 8 oz. folded egg noodles (about 4 cups)
- 2 tbsps. butter
- 1/2 cup dairy sour cream
- 1 tbsp. freeze dried chives
- 1 cup grated Monterey Jack cheese
- 2 tbsps. chopped pimiento

Cook noodles as package directs until barely tender. Drain. While still hot, combine with butter, sour cream, chives, cheese and pimiento. Put into baking dish and bake 20 minutes in a 325 degree oven. Makes four servings.

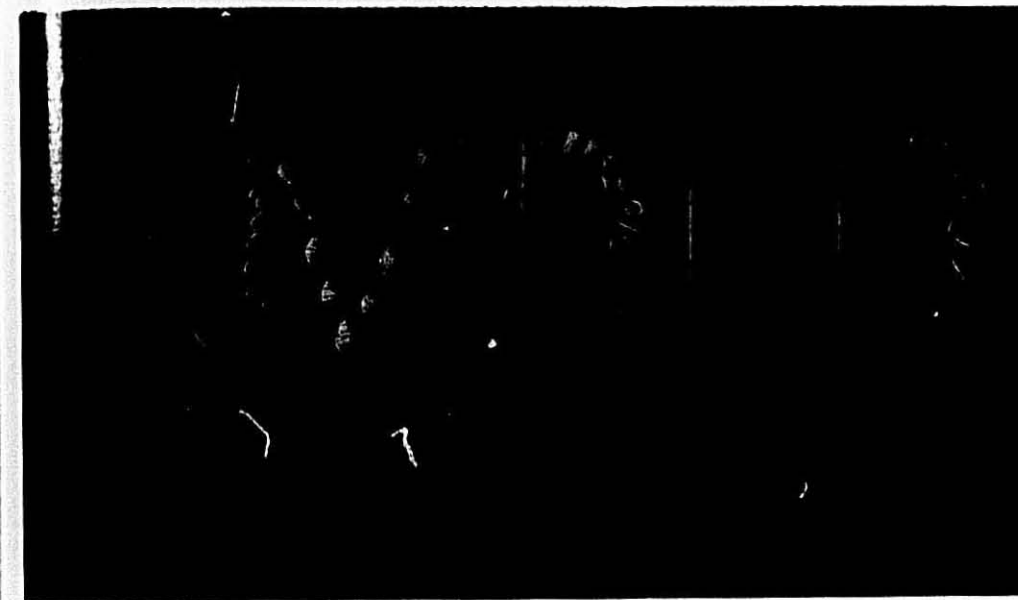
Summer Salad

A colorful ad for Creamettes in July Family Circle has a simple solution to the heat of July—the homemaker's least favorite month to be in a hot kitchen.

The ad features an appetizing photo of a chilled macaroni salad in a wooden bowl, together with the recipe for it.

(Continued on page 8)

THE MACARONI JOURNAL



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Summer Salad

(Continued from page 8)

A Creamette favorite, "Sea Island Tuna Salad" takes only minutes to prepare.

The ad offers tie-in opportunities for food stores. Other grocery items needed to complete the salad are mayonnaise (or salad dressing), tuna, (or ham, luncheon meat or chicken), canned peas, and mild cheddar cheese.

Tie-in materials, including four-color stack cards and shelf talkers, are available from the Creamette Company.

Kikko Roni Kabobs

Golden Grain Macaroni Company's big summer promotion features a cooperative tie-in between its popular Rice-A-Roni Fried Rice Mix and Kikkoman Soy Sauce.

Full-color ads, spotlighting both products in recipes for "Kikko Roni Chicken" and "Kikko Roni Kabobs," are to appear in June Family Circle, July Redbook, and in both Better Homes & Gardens and Ladies' Home Journal in August.

Additionally, 1000-line, two color ads will run in major newspapers around the country in June and July. The ads will have 10¢ store coupons, good for the purchase of any Rice-A-Roni product.

Both Golden Grain and Kikkoman are using the full-color ads in various promotions, including sales brochures. It is estimated that at least 50 million adult women will see the ads in the four national magazines alone.

Both companies plan a similar cooperative promotional campaign later in the year, at that time tying in Rice-A-Roni Long Grain & Wild Rice and Kikkoman Soy Sauce.

Sara Lee Ravioli and Chicken Cacciatore

The Kitchens of Sara Lee Food Service Division has introduced Beef Ravioli in tomato and beef sauce and Ricotta Cheese Ravioli in zesty home-style tomato sauce. Both new entrees feature pasta made with fancy durum flour, plump fillings, and "made-from-scratch" sauce.

The delicious filling of Sara Lee Ricotta Cheese Ravioli is a combination of ricotta and parmesan cheese, whole eggs, spinach and spices. Complimenting the delicate cheese filling is a "made-from-scratch" tomato sauce with just the right level of spices and parmesan cheese.

The filling of the Sara Lee Beef Ravioli is coarsely ground U.S.D.A. choice beef with a homemade texture. The



Beef Ravioli

meat is accented with parsley, onion and spices. The sauce contains more U.S.D.A. choice beef, tomato puree, olive oil and various flavorings and spices to harmonize with the Beef Ravioli.

In departure from previous packaging, Sara Lee Food Service Division is marketing the two new Ravioli products in half-steamable foil pans, rather than in full pans. Each pan has a net weight of five pounds and there are two half-steamable pans per case.

Sara Lee's version of the tasty "pillows" that originated in Genoa, Italy, can be served as a pasta course, main course, side dish or as a hot buffet appetizer.

Chicken Cacciatore

The Food Service Division is now marketing its entree Chicken Hunter Style under the name Chicken Cacciatore.

The name has been changed, but not the recipe, to more closely identify the product within the marketplace understanding of Chicken Cacciatore. Translated Cacciatore means Hunter Style.

Sara Lee's Chicken Cacciatore is packed in full foil steamable pans. Each pan weighs 12 lbs. and there are two pans per case.

Growth Stock

Chef Boy-ar-dee advertises institutional sizes of its canned products to many mass feeding operations that just don't have the volume to justify service through an institutional grocer.

The line includes: Meatless Spaghetti Sauce, Spaghetti Sauce with Meat, Spaghetti and Meat Balls, Spaghetti Sauce with Mushrooms, Meat Balls in Sauce, Beef Ravioli, Lasagna,

Beefaroni, Beef Stew, and Chicken Carne.

Hunt-Wesson Advertising

Seven Sauces for Seven Pastas is the headline of Hunt-Wesson advertising for their tomato sauce line.

Their seven sauces include: tomato sauce, tomato sauce special, tomato sauce with tomato bits, tomato sauce with mushrooms, tomato sauce with cheese, tomato sauce with onions, and tomato herb sauce.

The pastas pictured in their advertising: long spaghetti, elbow macaroni, rigatoni, gemelli, ziti, egg noodles and farfalle.

Those Package Meals Are No Deals

Pennie Sue Thurman, staff writer for the Chicago Daily News, says: "A home-cooked meal costs half as much and tastes twice as good as a meal prepared from packaged food."

To prove it, she cooked the same meal twice—once from packaged foods and once from scratch.

The menu: cheese puff appetizers, potato soup, lettuce salad with Thousand Island dressing, beef stroganoff, mashed potatoes, broccoli with cheese sauce, biscuits, brownies and coffee.

\$9.22 vs. \$5.81

The cost of the packaged meal was \$9.22. Most of it was discarded as waste cardboard and foil. From scratch, using butter and fresh vegetables and meat, the meal cost \$5.81.

The project was inspired by a column by Mike Royko, another Daily News writer, who noted that the sales of TV dinners and other heat-and-eat foods swung up as meat prices went up. He asked plaintively, "What ever happened to those huge pots of chicken soup swimming with noodles?"

The menu included more starve nutritionists might advise, but aged food tends to be starchy and based the menu on what could be packaged.

All the food was bought at the local Jewel supermarket where I ordinarily shop and, to my knowledge, none of the food was on sale that day.

The frozen beef stroganoff, \$1.09 for an individual 8-ounce serving, probably contained no more than four ounces of beef, according to a butcher in the meat department. Actually, it looked like even less on the plate and contained quite a bit of gristle.

Twelve frozen cheese puff pastry appetizers, which I approximated with 15 cents worth of processed cheese, but-

ter and flour from a "Joy of Cooking" recipe, cost 99 cents.

"I don't know where they found cheese that heavy," my husband said, lobbing the lump from one hand to the other.

The broccoli in the little plastic pouches wasn't bad. But the cost, 40 cents each for two packages, compared with 35 cents for a pound of fresh broccoli covered with 19 cents worth of cheese sauce.

Unlike the home-cooked meal, which left us all full nearly to discomfort, the packaged meal seemed to be mainly filler. The mashed potatoes had the consistency of wallpaper paste and sat like a rock in my stomach.

A consumer advocate's nightmare, the mashed potatoes were nothing but a powder which still had to be mixed with milk and butter.

After the second meal, we all agreed the difference in flavor was well worth the three hours spent in preparation.

But I'm a working woman, and the savings, which worked out to about \$1.50 per hour, would not justify the time were it not for the quality.

Comparison Cookoff

Dorothee Polson, food editor of the Arizona Republic, worked with Karen Christensen of the Arizona Beef Council with assistance from Mary Woolbridge's Experimental Foods Class at Arizona State University to find out if mixes really save time; if a homemade version would save money; and which would taste better.

Karen did a masterful job. She prepared six mixes; developed similar recipes in from-scratch versions; invited a taste-panel to test the results by the class; and correlated comments of both the tasting panel and the student cooks.

Time vs. Money

She found that overall, she saved \$1.78 with the homemade recipes, and one hour, 38 minutes with the mixes. She saves the convenience foods thus cost \$1.09 per hour.

Who's for you? It depends on your budget of time, money and cooking skill. It also depends on taste which was difficult to measure scientifically.

Of the twelve recipes, Dorothee Polson really liked only one: a Beef Stroganoff that turned out to be a mix. Karen Christensen came up with a bonus: noting as she worked with the recipes that most of them called for ground beef, onions and tomato sauce, she developed a basic ground beef mix to freeze and keep on hand for use in many dishes.

Selling Frozen Foods in Italy

Frozen foods get minimal play in Italian supermarkets, due in part to lack of customer acceptance. However, one Italian chain in Milan, Standa, has gotten good response from a two-week promotion pushing frozen dinners, entrees and side dishes.

The precooked, frozen items included stuffed pasta with tomato sauce, rice balls, veal and peas, veal and mushrooms, cutlets, new potatoes and miniature onions.

The pasta and rice were retailed at 34¢, the meats at 67¢ and the vegetables at 25¢. The pasta and vegetables had been marked down as much as 25 percent, while meats were marked down lesser amounts from regular prices.

"This was the first test of consumers' reactions to the products. Response was favorable, according to store directors, who asked for additional supplies of the items," said Mario Rubatto, president of Cipas, frozen food division of Ailmont, food manufacturer here. Ailmont is owned by Montedison, which also owns the Standa markets.

Skyrocketing Prices

"Italian housewives, hurt by skyrocketing prices of fresh food, are gradually accepting canned and frozen items," Rubatto said.

"Once consumption reaches at least the western European levels for frozen foods, production costs and retail prices should become more competitive."

According to Gino Sferze, chairman of Ailmont and of Standa, the supermarket chain will go public this summer.

The plans are being backed by Montedison, which has set up a subsidiary called Monteverda, specializing in cattle breeding in Italy and abroad.

Standa reported about \$600 million in sales for 1972.

Massachusetts Passes Labeling Regulations

On May 22, the Massachusetts Public Health Council voted on the proposed Massachusetts packaging and labeling regulations. The regulations, to become effective in stages, cover the following issues:

Ingredient Labeling: Labels for standardized foods shall follow the same format as non-standardized foods. This requirement shall become effective six months after filing.

Percentage Ingredient Labeling: In the case of fabricated foods where the proportion of an expensive ingredient or ingredients present has a material

bearing on the price or consumer acceptance, the label shall bear a percentage statement of such ingredients.

Open Dating: Perishables (60 day shelf life) shall be labeled with a pull date, and all other foods shall have an expiration date. Foods packaged in hermetically sealed glass bottles are exempted. In addition, if a packer or manufacturer labels a product with a lot identification code indicating the date of manufacture, the interpretation of this code must be filed with the Director of Food & Drugs. Compliance shall take place by Jan. 1, 1974 for perishables and Dec. 31, 1974 for non-perishables.

Nutrition Labeling: The nutritional content of food products shall be listed in accordance with the FDA nutritional labeling guidelines. The nutritional content of such products can, however, be a recipe-type determination as is prescribed in the U.S. Dept of Agriculture Handbook #8. Compliance shall take place by Dec. 31, 1974.

Supports Nutrition Labeling

Dr. Jerry L. Moore of the Pillsbury Company not only urges widespread support for nutritional labeling but suggests great potential gains for wheat foods from such an action.

Meal Planning

The Moore position mainly hinges on his belief that nutrition labeling is the forerunner of "a meal planning system" for individuals and families that will eventually supplant the Basic Four food group. Many wise people in the food business hold that the Basic Four concept has been to cereal's detriment, casting cereal products into the carbohydrate category. To replace the Basic Four, nutrition labeling must not only gain widespread use, but also must be accompanied by greatly expanded education of consumers and some appreciation of the knowledge already gained by housewives of the importance and meaning of good nutrition. He predicted, for example, that the housewife will quickly note that pancake mixes contain vitamins B and iron but do not have vitamins A and C, and that she will thus be encouraged to obtain foods containing the missing vitamins to be consumed with pancakes. He said that the aim of nutrition labeling should be to provide the consumer with objective information, thus allowing the product to sell itself on the merits of its values.

Pitfalls

In his enthusiasm for nutrition labeling, Dr. Moore does not overlook the pitfalls of a food manufacturer adopt-

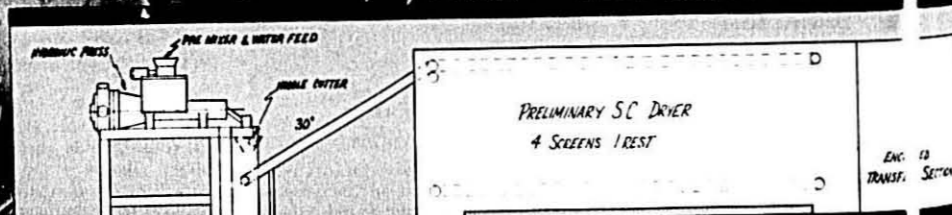
(Continued on page 12)

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Supports Nutrition Labeling

Continued from page 9)

ing such a program without adequate quality controls. In this connection, the Food & Drug Administration has issued a useful guide to compliance which sets out a goal of "moderately conservative" labeling based on a sound statistical approach that takes into account possible variances between packages. If these directions, which are of a common sense nature, are followed and processors assume the responsibilities involved in nutrition labeling, then the program does not have many inherent advantages. The whole matter hinges on educating the consumer.

Dr. Edwards Comments

"It has taken a long time and a great deal of work to develop a sound and beneficial nutrition labeling system. . . . No effort I can think of in FDA history has had more broadly based input or been more carefully considered.

"Nevertheless, we are not marking an end to our efforts here today, but a beginning. We now have a program on paper. It is scientifically sound and practically feasible. Whether it actually works to improve the nutritional well-being of Americans now depends, as I see it, on three vital points:

"First, the reason and the responsibility with which we in FDA implement the program that has been developed;

"Second, the degree to which industry accepts the program as an opportunity to be seized rather than a change to be opposed;

"And, finally—and perhaps most important—the willingness of the American people to use the new information on the nutritional value of foods that this program will make available to them."

Charles C. Edwards, M.D., Commissioner of Food and Drugs, at a press conference, announcing a 12-part program on food labeling, Washington, D.C., January 17, 1973.

The Purpose of Labeling

"The purpose of labeling is twofold: to inform the prospective purchasers as to what the product is and what it contains, and to sell the product to the prospective purchaser. We in the Food and Drug Administration do not worry too much about the second part, since we believe that the seller can usually be depended upon to use labeling that will sell his product to the consumer. We are, however, quite concerned with the first part, since one of the basic purposes of the Food, Drug, and Cosmetic Act is to insure that the label on

the package properly tells the consumer what the product is and what is in it."

Taylor M. Quinn, director, Division of Regulation Compliance, Bureau of Foods, at the Food and Drug Law Institute, Washington, D.C., December 13, 1972.

The Price on "Quality of Life"

In the three years since Congress passed the Occupational Safety & Health Act, the welfare of workers in the nation's mines and mills has become a major cost of doing business in the U.S. According to a survey released by McGraw-Hill, business expects to spend \$3.18-billion this year for employee health and safety—3% of all capital spending.

Add this investment in worker welfare to the .62-billion to control air and water pollution this year, and the total accounts for nearly 9% of business investment—money that in most cases yields no financial return. For the manufacturing sector, the figure is more than 13%.

Product Stewardship

In effect, business is responding to the public's demand for a higher quality of life, and both the trend and the spending are bound to continue. Companies may increasingly be required to see that their products are efficient users of energy, that they are easy to recycle or safe to dispose of, and that they do no harm to the consumer. Product-safety laws and the regulation of toxic substances are just the beginning of what Dow Chemical Co. calls "product stewardship."

People will undoubtedly argue over the wording of laws, the level of standards, and the economic impact on companies troubled by foreign competitors that are relatively free of quality-of-life requirements.

But the public clearly has placed new responsibilities on business, and business can and must respond in good faith. For its part, the public should know that corporate responsibility, stripped of its rhetoric, carries a hefty price tag—and the consumer will have to pay it.

World Malnutrition and the Need for Product Innovation

"There are no panaceas" to the problems of world malnutrition, "no easy and simple solutions to the problem," Martin J. Forman, Director of the Office of Nutrition, Agency for International Development (AID), has observed.

Speaking at the Food Engineering Forum, Dr. Forman said, "It is not, as some people allege, merely a matter of creating a new protein source from the sea, or from algae, or from leaves or from recycled sewage. A solution must be economically as well as technically feasible, and it must be in harmony with the cultural realities."

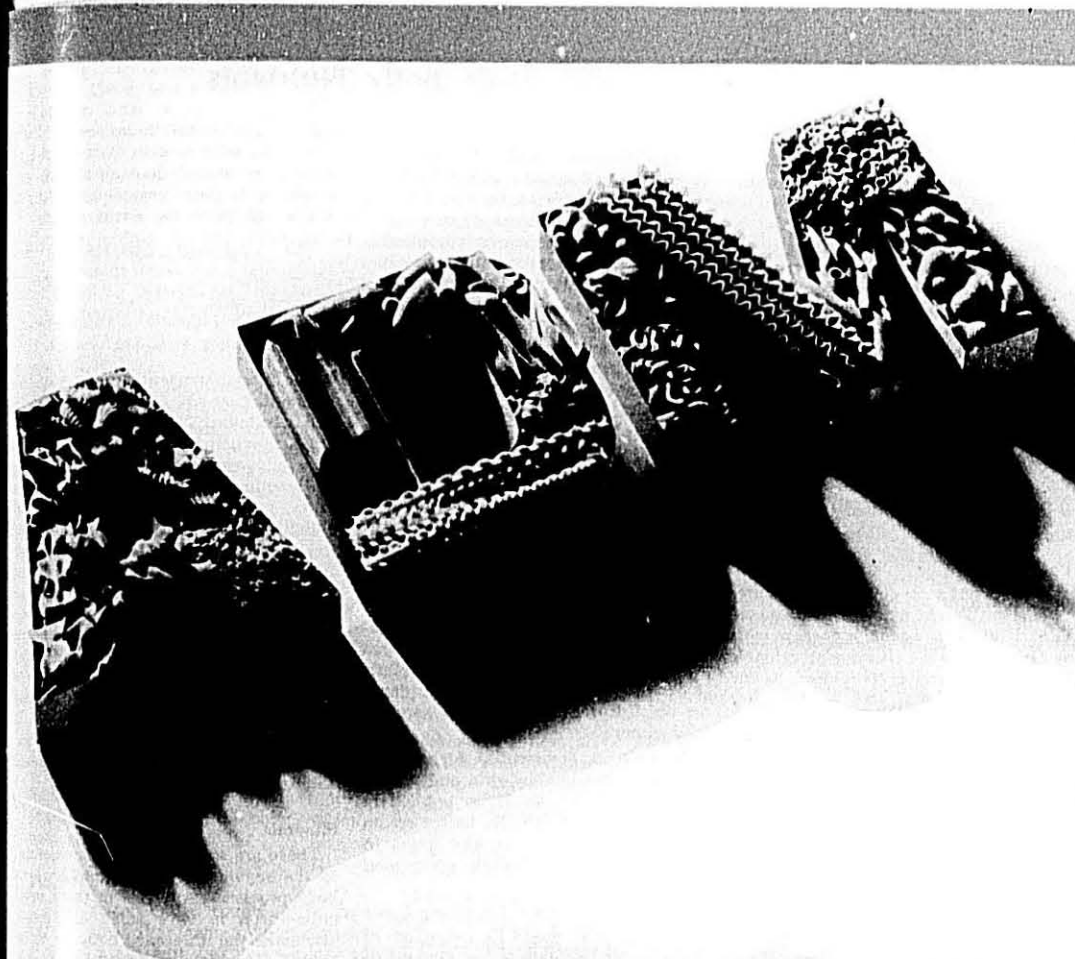
In the developing countries of the world, it is estimated that 30% of all children born fail to reach the age of five, mainly because of an inadequate protein-calorie diet. Young children require five times as much protein per unit of body weight as do adults, he emphasized, and a child's brain reaches nearly 90% of its ultimate structural development by the age of three.

Dr. Forman said plant geneticists have been able to crossbreed various food plants to create varieties with desirable characteristics, such as cereal grains. Corn varieties have been developed with improved amino acid characteristics.

An alternative to plant breeding is the fortification of staple foods with protein concentrates as well as with vitamins and minerals.

The former chief of the Food for Development branch of AID went on to explain that "Since the introduction of a new, low cost nutritious food is viewed as a high risk venture with low profit potential, as compared to other prospective ventures, most of the food products which might make a nutritional impact are doomed to the dead end of the research and development files. The only hope for change in this prospect is for the commercial food industry to modify its criteria for introducing new products or for governments to provide incentives to industry for doing so—or a combination of these possibilities."

"Governments could stimulate such efforts and bring about a real impact if they would offer some incentives to industry," Dr. Forman concluded. The most meaningful incentives would appear to be: (1) a guaranteed purchase of a portion of the production for use in government-sponsored feeding programs; (2) government-sponsored nutrition education programs geared to supporting industry, promotion of specific products; and (3) tax incentives such as duty-free import of manufacturing equipment and machinery, tax holiday for an initial period, or special lower tax rates for selected products. (For example, taxing a fortified beverage as a food instead of as a snack would in many countries enable a more nutritious product to be sold at lower cost and higher profit."



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You can expect nothing less than pasta-perfect flour from ADM.

We select only the finest Durum—quality mill it into that golden flour and the best Semolina you want. Clean. Consistent.

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A Food-Health Primer—The Six Basic Body Nutrients

by Mark Schwartz, Ph.D.

Remind your customers to be sure that their diet is balanced—and not just filling. It is important that they be aware of the six basic nutrients of the body: (1) carbohydrates, (2) protein, (3) fats, (4) vitamins, (5) minerals, (6) water.

Carbohydrates

Carbohydrates should provide about half the day's energy requirement. Carbohydrates that come from fruits, vegetables and whole-grain products are more desirable than those from soft drinks and "junk" foods because they furnish proteins, minerals and vitamins.

Fats

Fats are our most concentrated source of energy. Weight for weight, they contain about twice as much energy value as carbohydrates. Fats are also valuable because they carry certain vitamins and essential fatty acids, and because they give staying power and good taste to a meal.

Good sources of fat are meat, egg yolk, butter, cheese, salad oil, seeds, nuts and peanut butter. Ideally, we should restrict fat intake to approximately 30% of the day's calorie requirement.

Protein

Since protein is an important constituent of all body cells, everyone must have a good supply to build, repair and maintain all the tissues. Protein is also necessary to form hormones that regulate body processes and anti-bodies that fight infection. Some protein, moreover, is used for energy.

Proteins are combinations of about 22 basic nutrients called amino acids. Most of these can be manufactured by the body from other foods. Eight, which are called essential, cannot be made by the body and must therefore be obtained from the diet.

Food protein containing all the essential amino acids is known as *complete*, and it comes from animal sources: meat, fish, poultry, eggs, milk and cheese. Important, too, but incomplete is the protein found in whole grains, nuts and dried peas and beans. Studies suggest that combinations such as meat and potato, eggs and toast, whole-grain cereal and milk are excellent. The complete protein is used to enhance the value of the incomplete, making the combination complete.

Protein should constitute 15-20% of the daily calorie requirement.

Vitamins

Vitamins are organic substances that occur in small amounts in natural foods. They provide for chemical control of numerous body functions and play an important role in energy production, normal growth, reproduction, resistance to infection and general health. Most vitamins act as catalysts—substances which initiate or change the speed of chemical reactions. Almost all of the body's chemical reactions require the presence of catalysts if they are to occur. Without those substances, many reactions in life itself would not continue. Catalysts that promote reactions in living tissues are called organic enzymes.

Most plants can manufacture the vitamins they need, but man must get his vitamins from the food he eats. Unfortunately, a large portion of the food available has been processed to such a degree that many of the vitamins and minerals have been destroyed or their availability reduced. Therefore, food supplements should be considered as an "insurance" source of vitamins and minerals.

Vitamin A is essential for growth, for vision, for healthy skin and for resistance to infection. It is supplied in fish liver oil, whole milk, butter cream and most cheeses. It is also found in egg yolk, liver and dark green and yellow vegetables.

Vitamin D, essential for strong bones and teeth, is produced by the action of sunlight on the skin. If the amount of sunshine is limited, growing children should have supplements of this vitamin. Food sources include fish liver oil, liver and egg yolks.

Vitamins E and K, like A and D, dissolve in fat. Vitamin E helps to form normal red blood cells, muscle and other tissues, and it protects fat in the body's tissue from abnormal breakdown. It is found in vegetable oil and whole-grain cereals.

Vitamin K, necessary for blood clotting, is made by microorganisms in the intestinal tract and is also found in leafy green vegetables.

B & C Required Daily

Vitamins C and the B group or complex of vitamins are water-soluble and cannot be stored in the body. Amounts above what is used are rapidly excreted in the urine. Hence, requirements must be supplied daily by a balanced diet.

Vitamin C is necessary for the health of teeth, gums and blood vessels. It is also important in the formation of col-

lagen, a protein that helps support body structures such as skin, bones and tendons. This vitamin is obtained from potatoes, leafy green vegetables and fresh fruits, especially the citrus variety.

The vitamin-B complex includes many vital compounds: thiamin, niacin, riboflavin, pyridoxine, biotin, folacin, choline and cobalamin (vitamin B₁₂).

B Complex

The most important members of the B-complex group are thiamin, niacin and riboflavin. Thiamin facilitates energy production from carbohydrates and influences nerve function. A lack of thiamin may lead to nervous irritability, growth impairment and loss of appetite and weight. Niacin plays an important role in cell respiration and carbohydrate oxidation, and contributes to good digestion. A deficiency leads to a disease called pellagra. Riboflavin aids the utilization of protein, and is important to growth and general health. A diet deficient in riboflavin is evidenced by poor skin condition and itching eyes. Foods that are rich in B vitamins include milk, yeast, liver, kidneys, fish, eggs, vegetables, lean meats and fresh fruits.

Minerals

There are some 18 minerals essential to the regulation and maintenance of body processes. Any one of these minerals—even in very small amounts—can make the difference between well-being and weakness, between health and disease.

Foremost among the essential minerals are calcium, phosphorus, iron, copper, iodine, sodium and potassium. Calcium and phosphorus are necessary for the formation of strong bones and teeth. Calcium is also important in the irritability of the nervous system. Major sources of these vital minerals are milk, cheese, green leafy vegetables and nuts.

Iron

Iron is a major component of the hemoglobin of the blood. Since the amount of oxygen that the blood can carry is dependent upon the amount of hemoglobin in the blood, the importance of iron is evident. Deficiencies of iron can be avoided if the diet includes sufficient amounts of meat (particularly liver), eggs, green leafy vegetables, bread and cereals.

Copper aids the body's utilization of iron. The need for copper is small, and a well-planned diet will supply the necessary amount.

Iodine affects the function of the thyroid gland, and a lack of it in the diet can lead to a "simple goiter." Chief sources of iodine are sea foods, marine plants and iodized salt.

Sodium, essential in body fluids and tissues, is present in common table salt and in almost all foods. In addition, there is sodium in soft water, which may have to be avoided whenever low-sodium diets are prescribed for heart or other conditions. Most people are accustomed to ingesting more salt than is needed, and they would be wise to use less.

Potassium is required for healthy nerves and muscles. There is a moderate amount of potassium in meat and fish, in milk and coffee, although much more comes from vegetables, citrus fruits, canteloupe, bananas and apricots.

Water

Water is not usually thought of as a food, yet it is an essential part of all tissues. It makes up two-thirds of the body weight, and no human can live more than a few days without it.

Water is lost in sweat, through breathing, and by excretion through the intestinal tract and the kidneys. Replenishment comes from beverages and from solid foods which also contain water. As a rule, six to seven glasses of fluid a day in the form of water, tea, or juices will maintain the body's water balance.

Fiber

Fiber (often called roughage) is the part of food that cannot be digested. It is not a nutrient, but it is usually a desirable part of a balanced diet. Why? Fiber stimulates the intestinal muscles for proper evacuation. Moreover, it promotes the growth of useful bacteria in the intestine. Bulky foods help, too, to keep teeth clean and gums healthy.

Meat contains some fiber, but there is considerably more of it in fruits and vegetables, as well as in whole-grain breads and cereals. Lack of roughage often causes constipation.

Calories

Although a calorie is not a nutrient, the body's intake of calories must be balanced just the same. A unit of measure, a calorie is like a yardstick. Just as the length of an object is described in feet or inches, the energy value of a given food is expressed in calories. Similarly, the amount of energy expended in a particular body process or activity is also expressed in calories.

Every day an individual consumes hundreds of calories. In that same day he uses up hundreds of calories for each thing he does, from breathing to

sleeping. The body obtains these needed calories from two sources, the first of which is food. All foods except black coffee and clear tea contain calories. The second source is body fat.

This is where balance enters the picture. The food calories you eat must be just enough to offset your requirement for energy calories. If you eat more than you need, the surplus will be turned into body fat and pounds will pile up. Extra calories invariably end up as extra fat. This is always true, whether the extras come from carbohydrates, protein or fat, or from beef, bread, bourbon or blueberries.

Remember the importance of the diet: your health is in the balance.

Spaghetti Spurs Track Star

Mary Decker, an 85-pound will-o-the-wisp long distance runner, is silently moving up the Olympic ladder and building a reputation as a "whiz kid" in the women's mile and half-mile track events.

Mary, 14, a ninth grader at Portola Junior High School, in Orange, California, is taking all of the success in her stride.

She's setting new track records in the two events and leaving older and more experienced runners in her dust.

It's the Noodles

"I owe it all to spaghetti," she says. "It's the noodles . . . not the sauce. "There's a lot of quick energy in those carbohydrates."

She entered the adult sports world on her 14th birthday last Aug. 4. Since then, she has literally "run away" with the most of the gold medals in highly competitive long distance runs.

Within the last month, Mary has moved into the top ranks of American women runners in the half and mile track events.

The tiny track star is stunning most veteran runners with her quick take-offs and long-distance stamina in grueling regional, national and international track and field meets.

At the Mt. San Antonio Relays, Mary ran away with the gold medal in the women's mile with a time of 4:47—setting a meet record.

Also, she broke the track record for 14 and 15-year-olds in the 880 with a time of 2:38.

Last month, she grabbed off two first places at the Phoenix AAU Track Meet. She tallied 4:25 in the 1500-meter and 2:09 in the 800 meters.

In March, she competed in the USA-USSR Dual Track Meet in Richmond, Va., and won third place in the women's mile run with a time of 4:49. Her

time was beat by two Russian women track stars.

Her next goal is the Von's Classics at the Los Angeles Coliseum. Her only American competition appears to be Francie Larrieu, San Jose, who has recorded a 44:1.9 in the mile event.

Coach DeNoon

Mary's coach, Don DeNoon, is a teacher at Pacific Elementary School, Fullerton. In his spare time, he coaches about 100 girls, age 8 to 20, in an amateur track and field club called the Blue Angels.

DeNoon believes his protege has all of the qualities of an Olympic gold medal winner. "We have set a high goal for Summer Olympics in Canada in 1976," he says.

"We're planning to go there and win two gold medals," he explains. "There'll be one in the 800 meter and the 1500 meter run."

"Mary will be 18 then and in her prime. I'm convinced she will bring back those gold medals for America," he says.

DeNoon is starting a sponsor fund for the young runner. "We need to have money available on request for our expenses to compete in all of the pre-Olympic meets."

Natural Athlete

He said Mary's parents and grandparents are slim and have run in competitive sports. "Mary just takes to the sport naturally," he says.

Mary is the daughter of Mr. and Mrs. John Decker, 13422 Heather Circle, Garden Grove. She has two sisters and a brother.

The brown-eyed, auburn-haired runner stands a lithe 5-foot-1.

"She can run like a ball of fire," her coach continues.

"I remind her before each meet to eat lots of spaghetti," he laughs. "We both think it's the secret ingredient to her speed and endurance."

The Importance of Brand Identity

"A strong brand cannot be built overnight. Another manufacturer may follow your leadership in product innovation but he cannot duplicate your brand. Building a brand and sustaining it through packaging communications thus becomes a hedge against product duplication. And, in this sense, the package is more important than the product."

Walter P. Margulies
in "Packaging Power."

The Wheat Situation

From U.S. Department of Agriculture,
May, 1973:

1973 Crop May Be a Record

The relatively low carryin estimated for July 1973 and prospects for another record demand year have sparked interest in the 1973 wheat crop. The following are some of the conditions and developments affecting the crop:

- Wet weather limited winter wheat seeding in the Eastern areas.

- Winterkill struck wheat in the Pacific Northwest, especially Washington.

- Short soil moisture plagues the Pacific Northwest, and a spring cold snap in mid-April brought worries of freeze damage to wheat in the Southern Plains.

- There was concern about the appearance of soil borne and wheat streak mosaic in the Hard Red winter wheat crop. Some early signs of leaf and stem rust are also appearing.

- For many wheat farmers, there was water, water everywhere. This broke the long persisting drought in the Southwest, but in other areas it may be too much of a good thing.

- In January, the USDA announced the elimination of set-aside requirements for wheat. This permitted more spring wheat plantings.

Large Crop of Winter

A larger harvested acreage and the second highest yield on record result in an estimated record 1973 winter wheat crop of 1,282 million bushels. The 1973 harvested acreage at 37.3 million is 7% above a year ago. Yield per harvested acre at 34.3 bushels is up slightly from a year ago. Weather continues to have an important influence on the 1973 wheat crop.

The indicated HRW crop may total around 920 million bushels. This compares with the old record of 836 million bushels set back in 1958. Conditions across most of the HRW area continue good to excellent although crop development is behind a year ago due to cool wet weather.

Conditions in the Eastern soft wheat area continue fair to good. Floods and standing water are cutting into production prospects. Based on current indications, the 1973 Soft Red winter crop may total only around 175 million bushels, smallest since 1970.

Winterkill and dry weather have reduced prospects for the 1973 winter white wheat crop. Acreage has been reseeded to winter white varieties and additional acreage was likely to be seeded to spring white and Hard Red spring. If seedings reach expectations,

the 1973 white wheat crop could total around 200 million bushels, little changed from that of the past 2 years.

More Spring Average

Farmers in the spring wheat region, reacting to lifting of set-aside requirements and high prices, indicated 21% more spring wheat acreage. Dryness that had plagued the spring wheat area this spring has been alleviated by rains in late April and early May. Spring wheat seedings continue to make rapid progress and are currently well ahead of normal. HRS and durum acreages are indicated up 21% and 18% respectively. And with yields on trend, the 1973 HRS crop could total around 350 million bushels and the durum crop 90 million.

Early Seeding

The Crop Quality Council reports that seeding of spring grain is substantially ahead of normal throughout Upper Midwest states. Seeding progress has been most advanced in Minnesota and South Dakota where nearly all small grains were seeded by May 7. In North Dakota approximately 90% of all small grains were seeded by May 22. This is ahead of the ten-year average and much advanced over last year's late season, when only half of the North Dakota crop had been seeded by this date. Progress in durum wheat seeding has moved ahead steadily in contrast to the slow sporadic pace in 1972.

In Canada

In the Canadian Prairie Provinces spring seeding is near normal to a few days late. Reports indicate seeding was nearing completion in early June. Wild oats have been a problem and in many areas farmers delayed seeding in order to control infestation by cultivating. Soil moisture conditions across the provinces in early June were good to very good.

Grain Prices Soar

Prospects for cheaper food goes slipping down the drain as grain prices soar.

"We've got a world-wide food panic on our hands," declares R. H. Uhlmann, president of Standard Milling Co. in Kansas City, "and unless something is done we are going to have shortages in this country."

Iowa Governor Robert Ray predicts on national television "a meat crisis" and blames the controls imposed in early April. "With the freeze on prices, farmers are squeamish about producing more."

Feed Prices Up One-Third

The government index of feed stuff prices, which account for 75% of the cost of producing meat, milk and eggs, has risen 30% in the first two weeks of June and is nearly four times higher than it was a year ago. The index of feed grain prices, including corn, has jumped nearly 20% in the same period and is nearly double the year-ago level. The price of wheat in Kansas City has climbed 25% between May 1 and June 1 and is about 85% higher than in June 1972. Durum in the Minneapolis market rose from \$2.50 to \$2.80 a bushel for No. 1 Hard Amber Durum in the month's time compared to last year's \$1.75. Semolina rose from \$8.60 to \$9.60 cwt. compared to \$6.35 a year ago.

Some foreigners seem to think the U.S. might impose export controls, so they are buying ahead as much as they can," says a grain industry executive. Others contend that U.S. and foreign speculators have pushed prices higher than they should be.

Whatever the reasons, high-priced grains and feedstuffs are beginning to crimp the production of food in this country:

- Beef production is still running about 3% below a year ago although cattlemen are expanding herds.

- Pork production is running 5% lower than a year ago although it may pick up a 2 to 3% gain.

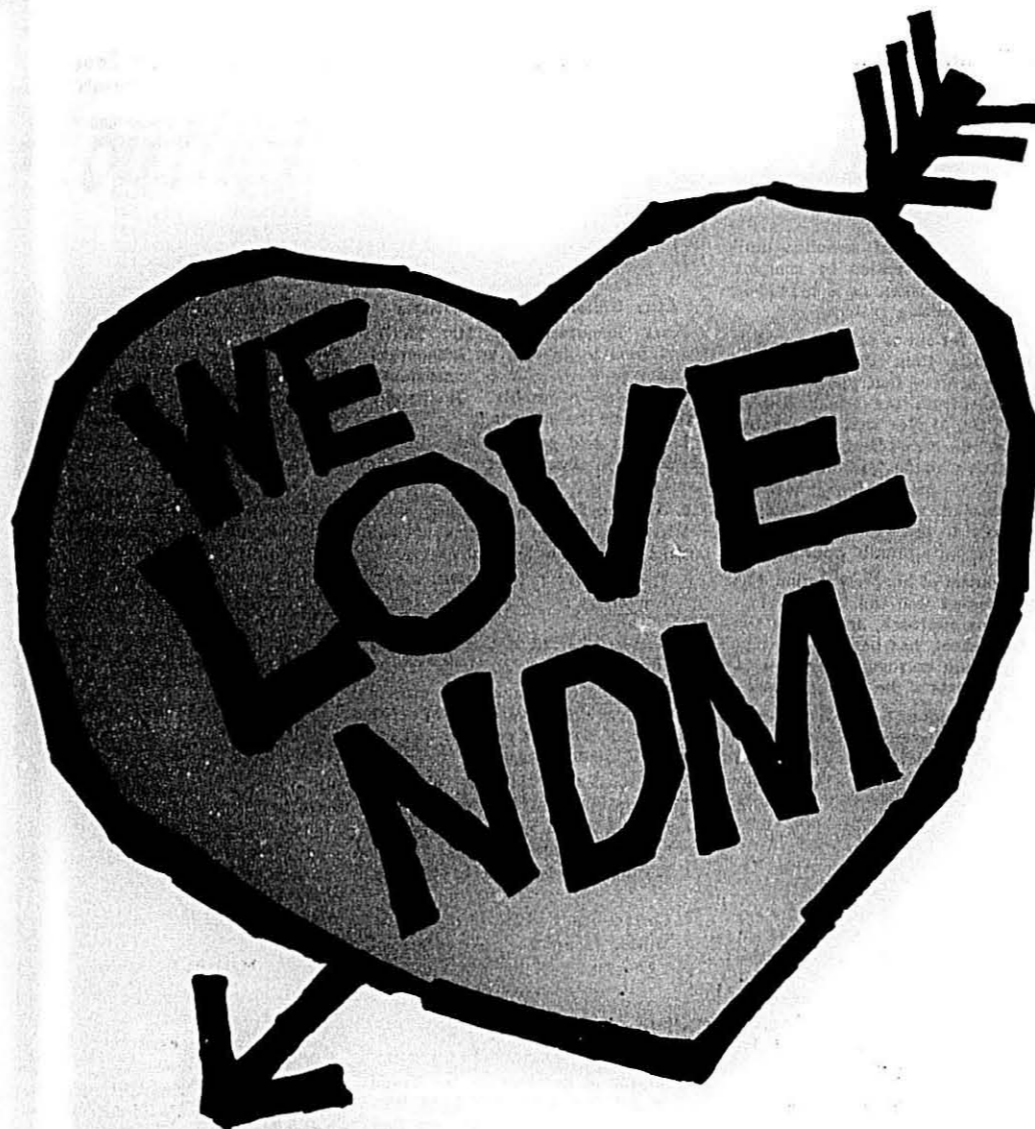
- Broiler chicken production is running 2% below a year ago and if costs don't decline soon there will be a further cutback.

- Egg output is down about 6% from a year ago and some egg farmers are cutting back on the number of layers they feed.

- What looked like a possible milk surplus recently now looks like 2% under a year ago with possible shortages developing.

- More than fifty independent bakers have gone out of business in the past eight months because of high costs and ceilings on bread prices, says George Rosenthal, president of Fink Baking Company in Long Island City, N.Y. The cost of flour jumped more than 18% in the month of May alone.

- The squeeze is on macaroni manufacturers as well. Wide swings in cash durum prices were followed by the mills without protection and buyers stood on the sidelines. Most macaroni manufacturers were covered to mid-July and the tendency was to delay inquiry until closer to harvest. Mills were not offering new crop as planting has just been completed.



Love Story

We get letters. People like you write to say how much they like our durum products.

They can always be sure of the same consistent high quality, time after time. Our new, modern milling facilities have quality control that is beyond compare. When you want the finest macaroni products, you start with Durakota No. 1 Semolina, Perfecto Durum Granular or Excellio Fancy Durum

Patent Flour. You'll find it's a love story with a happy ending.

the durum people



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New Techniques in Semolina Milling

Milling & Baking News recently carried a report by Bryan C. McGee, Henry Simon, Ltd., Stockport, England, given at the 77th annual technical conference of the Association of Operative Millers.

He pointed out that semolina until recently also was milled by complex systems or was taken as a byproduct from a flour milling system.

"We have set out to achieve equal or better results from shorter, simpler systems to achieve that previously obtained only from the long, complex systems," Mr. McGee said. He emphasized that the "rewarding feature" of the research was the "establishment of mathematical relationships between various factors" allowing an "analytical approach to replace the former 'ad hoc' and 'miller's thumb' approach."

At the outset of his presentation, Mr. McGee stressed that the key development in this approach, apart from the basic flow sheet, has been the setting up of optimum corrugation profiles in the various parts of the milling process.

"These techniques," Mr. McGee emphasized, "have been exhaustively tested and proved in various mills in France, Greece, Madeira, Bolivia, Canada, Scotland and now very soon in a very large mill in Pennsylvania," providing, he maintained, a "very broad base of experience under a wide variety of conditions."

"We have tried to show how the application of a scientific rethink has led to improving milling results," he said. "The essentials of this system are a good cleaning system with 'continuous flow' conditioning, the 'new technique' milling flow sheet, and the use of the correct corrugation profile."

Italy Still Leads Production

According to Mr. McGee, production of pasta is increasing rapidly in many countries over the world. He noted that Italy still led the world in 1971 production with 1,685,000 tons, and a per capita consumption of 68.2 lbs per year. The United States was second in production with 585,000 tons and 6.6 lbs per capita, and France third with 298,000, and per capita consumption of 13.2 lbs. Germany turned out 191,000 tons and consumption was 6.6. Netherlands produced 33,000 tons with per capita consumption of 5.5. In the United Kingdom, production was 23,000 tons and 0.8 lb per person, while in Belgium and Luxembourg, it was 20,000 tons and 4.4 lbs.

Macaroni Exports Up Slightly While Imports Soar.

Figures are in from the U.S. Dept. of Commerce on 1972 imports and exports. They show:

Year	Durum Mill Grind (bu.)	Gain	Macaroni Exports	Macaroni Imports	Domestic '000 Consumption	Per Capita
1966	29,038	—	1,708,000	13,671,300	1,378,000	7.0 lbs.
1967	28,538	-2.5%	1,540,000	17,722,633	1,345,485	6.7
1968	28,368	-0.6%	1,278,499	18,839,446	1,410,000	6.9
1969	29,762	4.5	1,524,928	22,876,359	1,521,741	7.4
1970	32,052	7.6	1,381,099	27,601,965	1,599,433	7.7
1971	32,236	0.5	1,468,944	29,207,752	1,670,000	8.0
1972	33,611	4.2	1,863,540	42,238,505	1,740,140	8.33

Lists Uniform Quality Criteria

Pasta manufacturers, Mr. McGee noted, seek to produce an economical, uniform product with a "consistently high standard of quality." Quality criteria include the following:

1. Bright gold yellow color with the absolute minimum of discoloring specks.
2. Absolute freedom from grit, which can lodge in the diet causing splits and streaks or result in 'painful eating.'
3. Freedom from bran particles to avoid breakage of 'long goods,' such as spaghetti.
4. A low microbiological count for long shelf life.
5. Consistent mixture and protein content for even hydration of even hydration of semolina particles and extrusion of the dough.

Mr. McGee maintained in turn that these objectives can be achieved by:

1. Correct blending of the various types of durum available.
2. Scrupulous cleansing of the durum.
3. Correct conditioning of the wheat.
4. Milling to produce correct granulation and purity of the semolina.

Call for Balanced Agricultural Export Program

Testifying at hearings on the Trade Reform Act (H.R. 6767), Harold M. Williams, president of the Poultry and Egg Institute of America, called for a balanced agricultural export program.

He said a balanced program would include finished broilers, ducks, turkeys, and egg products as well as feed grains.

It would provide thousands of jobs in growing and processing, he said.

Don't Undercut Labor

Exporting only raw agricultural products can undercut U.S. labor, Williams told members of the Ways and Means Committee. "There is little labor involved in corn or soybeans," he said. "But every pound of chicken includes 5 to 7 cents worth of labor. That adds up to \$50,000 to \$70,000 worth of labor per million pounds."

The trade association executive urged that U.S. negotiators at the current round of trade negotiations insist that agricultural and industrial products be considered at the same time.

He pointed out that the Kennedy round resulted in tariffs being reduced about a third.

Agreements reached then resulted in tariff rates averaging 8.3% on manufactured and semi-manufactured goods coming into the U.S., 8.4% on goods coming into the European Community (EC), and 10.9% on goods coming into Japan.

There was no change on tariffs on poultry and eggs except in Japan. There the duty had been 10%. In anticipation of these negotiations, Japan had increased it to 20%. During the negotiations it had been reduced to 15%—all of which resulted in our settling for a 50% increase, not a 25% decrease.

Levies on our products are not approximately 42% ad valorem on whole eviscerated chicken; 35% on whole eviscerated turkey; 65% on turkey thighs; and 79-80% on dried whole eggs.

Markets Developed

Williams reviewed the development of export markets.

Before 1956 we exported very little poultry meat.

In 1958 we exported about 42-million pounds, less than 1% of our total production.

We increased exports steadily to a peak of 271-million pounds in 1962—about 3.8% of our total production.

Total value of poultry meat, including canned meat, accounted for \$1.8-million. Eggs, egg products, baby chicks and other poultry accounted for the balance.

Dollar Sales

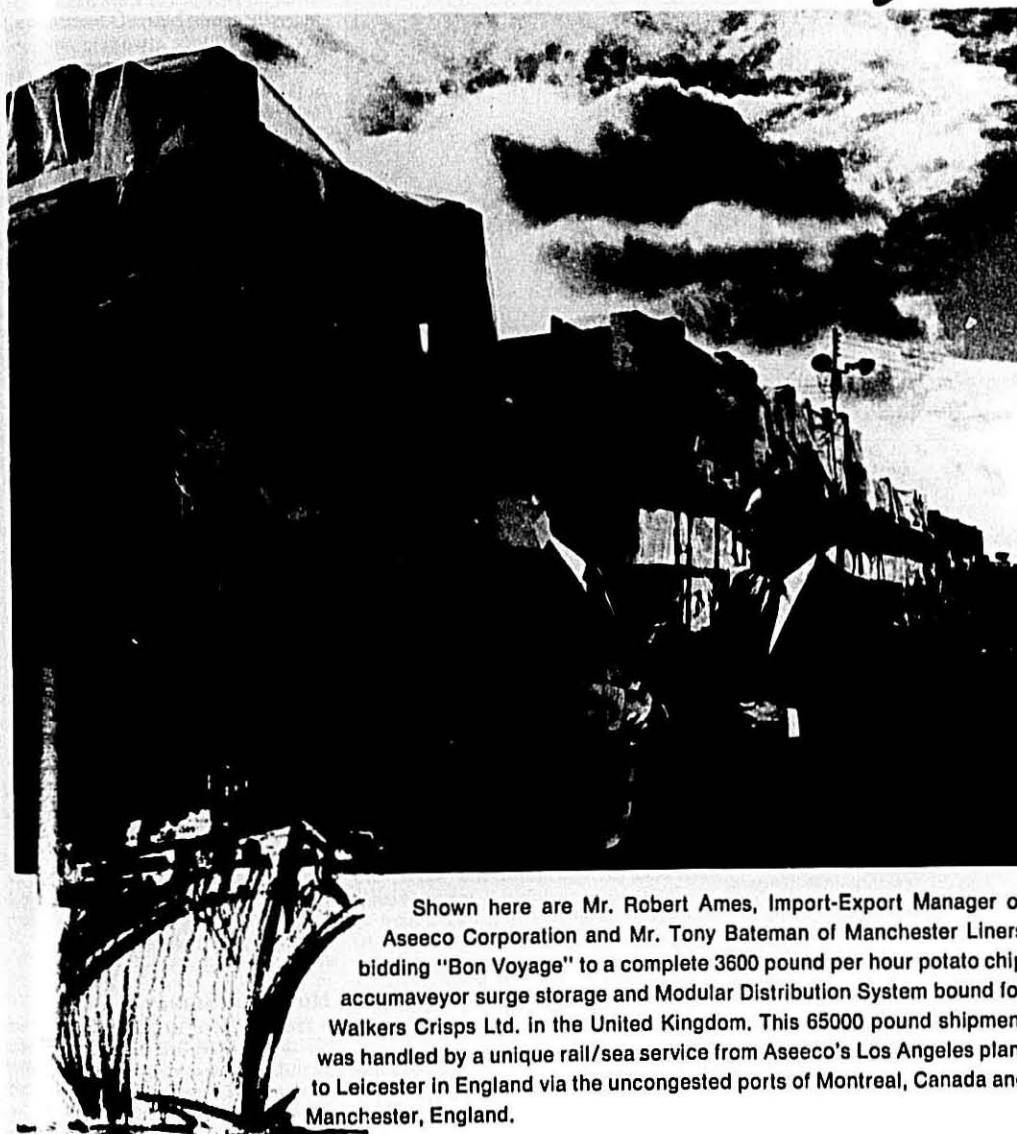
Williams reminded the legislators that these products were produced under the full impact of competition and sold for dollars.

He said there were no subsidies or price support programs, although price-supported grains were used to produce the poultry.

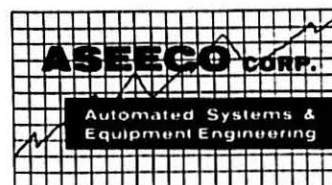
(Continued on page 24)

ASEECO

on the move internationally!



Shown here are Mr. Robert Ames, Import-Export Manager of Aseeco Corporation and Mr. Tony Bateman of Manchester Liners bidding "Bon Voyage" to a complete 3600 pound per hour potato chip accumulator surge storage and Modular Distribution System bound for Walkers Crisps Ltd. in the United Kingdom. This 65000 pound shipment was handled by a unique rail/sea service from Aseeco's Los Angeles plant to Leicester in England via the uncongested ports of Montreal, Canada and Manchester, England.



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Automated Systems & Equipment Engineering

Who's To Blame for High Food Prices?

By Isabel Du Bois, Chicago Daily News Home Economics Editor

IN the last few months retail food prices have risen dramatically.

Data compiled by the Bureau of Labor Statistics indicate that average prices rose almost 8 per cent on a seasonally adjusted basis between December, 1972 and March, 1973, the largest increase in over 20 years.

Who's the villain?

Who Do You Ask?

During a panel discussion for food editors held in Dallas in conjunction with the 38th annual Super Market Institute (SMI) Convention, William R. Deeley said, "The villain? It depends on who you talk to. And at this point there are enough suspects to make Sherlock Holmes turn in his magnifying glass."

Deeley is president of Southern California Alpha Beta Acme Markets.

"Prices are going up," he said. "And so are wages. And so is our standard of living. As a matter of fact, prices have been going up for at least 150 years."

"We've said good-by to the 12-cent meal. But then, we've also said good-by to the \$6 a week wage. And to the time when a man could keep a town house, a country house and seven servants on \$3,000 a year."

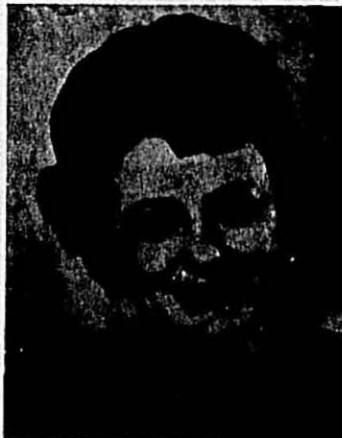
Running through the list of possible villains, Deeley explained that labor is not the culprit. You can't put the blame on the farmer or the rancher, he said. The farmer has been on the short end of the stick for years.

And food retailers can't be blamed. Supermarket profits, as a percentage of sales, are about the lowest in the corporate world. In 1972, profit was about .55 per cent. In 1965, before inflation, the average rate of return was 1.41 per cent.

"This brings us to the last suspect, the American consumer," Deeley said.

"The American consumer has demanded convenience, safety, luxury, fantastic variety and guaranteed quality. All of these things cost more. Which is why we are paying more for food. This is not to say she is a villain. But, to put things in proper perspective, the American consumer is not the victim she feels she is.

"In a 10-year span, from 1961 to 1971, when medical costs jumped 54 per cent to 165 per cent, when postage stamps jumped from 3 to 8 cents, when movie prices jumped 101 per cent, when the price of a hotel room tripled—to name just a few increases—the food bill for



Isabel Du Bois

the American home went up just 29 per cent.

Consumer Wants Convenience

"The consumer today wants convenience. That's a demand we have to supply. New equipment has to be developed. Frozen, freeze-dried, canned, concentrated, sugar-free, diabetic, natural, dietetic, low-cal, no-cal, low-fat, fat-free—these are the food terms of the 70's.

"The nitrogen bath, see-through packaging, leaner meat, fancier foods—these all cost more money to raise, produce, package, store and deliver. They cost more and the consumer must pay more. Somebody else has cleaned, packaged, prepared and even precooked the meal in some cases.

"And perhaps consumers' values are a little mixed up when it comes to complaining about high prices. It's hard to understand why a family will refuse to buy steak at \$2 a pound but won't bat an eyelash at serving a \$4 bottle of wine with a spaghetti dinner.

"Out at the parking lot—why is everybody griping about their \$30 of groceries when they're buying a \$6,000 car that costs \$500 more than last year?

"The recent jump in food prices has produced a lot of complaints, a lot of looking around. And the knowledge now that there are no villains. No melodramatic solutions. Food in our country has improved in quality, in quantity, in convenience, in availability. And yet, in a sea of rising prices, food still costs the average American citizen less of his income than anywhere else in the world."

Higher Meat Prices

Reasons for the recent sharp upswing in beef prices were explored during still another panel discussion held for food editors attending the recent SMI convention.

Harold W. Harrington, president, Harrington Feed Yards, Grand Island, Neb., said, "The sharp upswing came when the world-wide demand for protein was felt. When the devaluation of the dollar came, along with the high demand, the price of beef imports rose. Devaluation meant this country was in a less favorable position to compete for available meat supplies."

Other factors cited by Harrington as contributing to recent high beef prices were bad weather since January and government restrictions on the growth hormone, diethylstilbestrol (DES).

"This year weather cost us a million head of cattle and the consumer 10 cents a pound. The ban on DES cost another million head of cattle this year.

"We will have cheaper beef," Harrington said, "if people realize that the livestock industry isn't like manufacturing nuts and bolts. We are a biological industry."

Harrington predicted that in relation to present-day income "cheaper beef will come within a two-year period, with some price relief coming in December or at least by February, 1974."

Meat Eaters

In 1952 the average American ate 62 pounds of beef; by 1959 he was eating 89 pounds and by 1970, 114 pounds! Plus 70 pounds of other red meat and some 60 pounds of poultry. In accordance to the Department of Agriculture, the average American eats nearly 250 pounds of meat each year.

Nutrition Survey

Findings of a 10-state nutrition survey in 1968-70 called the Schaefer study have been released by the Department of Health, Education & Welfare. They reveal:

- (1) A significant portion of persons studied were malnourished or had a high risk of developing nutritional problems;
- (2) Adolescents between 10 and 16 showed the most evidence of malnutrition;
- (3) Persons over 60 showed evidence of gradual under-nutrition which was not restricted to the poor;

(4) The nutritional status of children varied in direct proportion to the education of the homemaker;

(5) There was evidence that many persons made poor food choices and poorly used the money they spent on food.

Consumer Confidence Slips

Worried about rising food costs, Chicago-area consumers are voicing a drop in confidence about their personal finances, current business conditions, and the future economy compared to a year ago.

That was the key finding in Continental Bank's recent Family Financial Survey, a quarterly sampling of 500 Chicago-area families' attitudes about business conditions, personal finances, and how they manage their money.

Conducted during the recent national meat boycott and after President Nixon's announcement that a ceiling was being placed on meat prices, the survey also questioned consumers about their reactions to food prices, family food buying habits, and food protests.

Although the survey showed no drastic drop in confidence about consumers' family financial conditions, fewer respondents viewed their conditions as "better" and more said they were "worse" than in April 1972.

But consumers became more pessimistic when questioned about current and future business conditions. Almost half of the respondents (47%) said business conditions were worse than a year ago, while only 19% said they were better. Some 35% said business conditions one year from now will be worse, compared to 19% in April 1972. Similarly, the total of those expecting better or the same conditions dropped from 65% in 1972 to 48% in 1973.

Controls Disliked

When price controls continue to be in effect among Chicago-area residents, only 27% now see the controls as "somewhat effective" in fighting inflation, while 43% did one year ago, and 56% call them "hardly effective" compared with only 39% in April 1972.

Some 88% of the respondents said they feared the effect rising food prices may have on the future economic stability of the U.S., and 80% said such fears were warranted.

More than a fourth of the respondents (27%) said the government is responsible for rising food costs, while 16% attributed the rise to wholesalers, and 11% blamed food processors.

However, 79% said the Federal government should take stronger measures to control food prices and 86% said

their greatest concern in rising food costs was the price of meats.

Changing Patterns

Respondents also were asked about their attempts to control their own food expenditures.

More than half (58%) said they have changed their "eating out" patterns to save money during the food crisis. Of those, 54% said they reduced their restaurant meals, 25% had eliminated restaurant meals, and 21% said they had switched to lower-priced restaurants.

Some 71% said they have changed their food shopping habits as a result of food-price increases. Of these, 71% said they reduced or eliminated more expensive foods and 9% said they shopped at different stores than they did before.

As a result of higher prices, more than half (53%) said they would use fewer pre-mixed or convenience foods. Some 69% said they'll use less beef, 61% said they'll use less veal, and 52% said they'll use less bacon because of food prices.

Poor Hard Hit

When asked about their family food spending, more than half (52%) said they spend between 10% and 25% of their family income for groceries. The survey affirmed a basic economic law regarding percentages of income spent for food: as the level of income decreased, there was an increase in the percentage of respondents who said they spend 20% or more of their income for groceries. In effect, higher food prices strike hardest at lower-income families.

Regarding food shopping habits, 68% said they were familiar with the unit pricing method of shopping (price per unit, such as per pound, per ounce, etc.), and of those 79% said they use the system.

When asked about protests of food costs, 34% said they would "demonstrate" if prices continue to rise. On related questions, 46% said boycotts would cause meat prices to go down, 82% said they would participate in such a boycott if they knew it would be effective, 64% said they have declined to buy food as a protest against high prices, and 81% said boycotts are helpful in drawing attention to food costs.

Poor Products, Ad Claims Irritate Consumers Most

Misleading or exaggerated product and advertising claims irritate consumers most, according to a survey by the Council of Better Business Bureaus.

The council issued results of a "national consumer referendum" it conducted in May. More than 12 million questionnaires asking consumers to check "what business practices annoy them the most" were sent out, and more than 67,700 responses were received.

Topping the list of most "annoying" were "products that don't perform as represented," which was cited by 31% of those responding, the council said. Second, with a 23% response, was "advertising that misleads or claims too much."

The third most "annoying" problem, cited by 20% of the respondents, was "poor personal service in stores." Other problems mentioned were "misleading labels, directions or packing," poor repair service, poor handling of complaints, billing errors and warranty misunderstandings.

The types of information consumers want most, according to the survey, are "what's in a product" and "how to get help when something goes wrong."

New Packaging and Labeling Guidelines

A report by the National Business Council for Consumer Affairs entitled "Guiding Principles for Responsible Packaging and Labeling," authored by NBCCA's Sub-Council on Packaging and Labeling, has been issued. Chairman and Vice-Chairman are James McFarland, Chairman of the Board, General Mills; and Robert Rders, Chairman of the Board, The Kroger Company.

The NBCCA report followed a very careful inquiry into consumer packaging and labeling complaints, including review by, and helpful comments from, such consumer organizations and individuals as David Swankin of Consumers Union and Jim Turner of Consumer Action for Improved Food. Comments were also received from the Food and Drug Administration and the Federal Trade Commission.

These are some of the questions consumers are asking:

Is "Brand X" the best buy? What is the cost per ounce?

The answer: **Unit Pricing.**

Is the product fresh? Beyond which date should it not be sold?

The answer: **Open Dating.**

Is the product nutritious?

The answer: **Nutritional Labeling.**

What is in the product?

The answer: **Ingredient Labeling.**

How should the product be cared for?

How should it be stored?

The answer: **Care and Use Directions.**



In Semolina and Durum flour, quality has a color. Pure, flawless gold. The color of King Midas Semolina and Durum flour.

It's the color we get in Semolina and Durum flour because we begin with the North Country's finest Durum wheat, and mill it in facilities designed specifically for the production of Semolina and Durum flour.

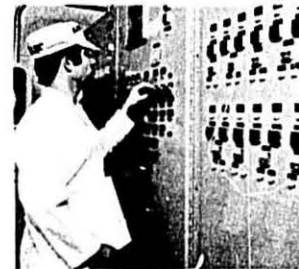
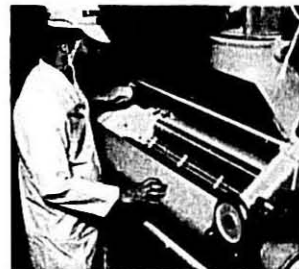
It's the color you get in pasta when you begin with King Midas Semolina or Durum flour, and it's your assurance that you've got the right start toward pasta with fine eating characteristics.

And from the time our golden King Midas Semolina and Durum flour start on their way to becoming your golden pasta, Peavey is following through with the fastest, most reliable service possible. And we're working to be better. Our new King Midas Semolina and Durum flour mill at Hastings, Minnesota, rounds out a distribution network second to none.

It still comes down to this. We want you to keep putting Peavey in your pasta... right along with your pride.

the Pure, Golden Color of Quality.

King Midas Semolina and Durum Flour from Peavey, for Pasta with "The Golden Touch." Pure Golden Color. Great Eating Characteristics.



At the new Peavey mill in Hastings, Minn., as in all the King Midas Semolina and Durum flour mills, Durum wheat receives all the extra milling, cleaning, purify-

ing and filtering processes that make Durum run on a Semolina mill something special... processes that mean pure, golden pasta with fine eating character-

istics. And at the Peavey mills, automation of virtually all processes means that quality levels are maintained — all the way. We wouldn't have it any other way.

Peavey Company, Flour Mills, Minneapolis, Minn. 55415



PEAVEY COMPANY
Flour Mills

Balanced Export Program

(Continued from page 18)

The largest market for U.S. poultry was in West Germany, Williams said. But on July 1, 1982 the European Economic Community's Agricultural Policy (CAP) went into effect.

"From that point on," he said, "the Common Market countries developed highly protectionist mechanisms and used them to exclude our poultry and eggs.

"As we put new items into their markets, they changed classifications, put on high gate prices, then added basic levies and topped them off with supplemental levies."

As an example, Williams cited the 15.9% import tax on whole chickens, which was increased to a total levy of 43%.

The tax on chicken backs and necks for which we had built a good demand was raised from 15% to 320% of the value of the product.

This policy effectively denied German consumers the right to buy and use reasonably-priced meats.

The Basic Question

"The question is," he said, "how long can the farm bloc in the European Community subvert the interests of their consumers?"

Levies imposed unilaterally and arbitrarily violate the principles of the General Agreement on Trades and Tariffs, and the principles of fair play and comparative advantage.

It nullifies the basic purpose of international trade.

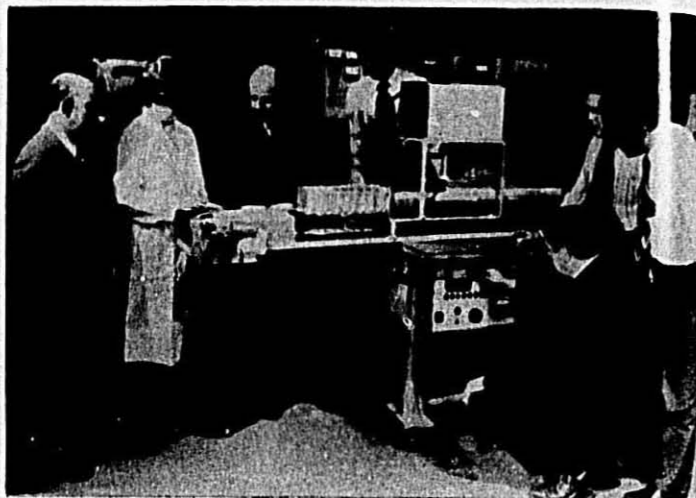
"It's extremely important that we face up to this issue because it's a matter of principle," Williams said. "International trade is growing at double the rate of the Gross World Product.

Knits the World

"Trade knits the world together. "If the United States permits trade in poultry and eggs to be thwarted in this arbitrary fashion, the basic principles of trade are violated and none of our products is safe from a similar fate.

"Inflation is a world-wide threat. We must deal with it on a world-wide basis. We must not permit tariff walls to interfere with the proper use of our resources.

"As global resources diminish in relation to potential demands, our best hope is to base production on comparative advantage and follow through with creative marketing to provide consumers around the world with the best possible food values.



Short course group studies pilot project.

"Implementing the Trade Reform Act of 1973 can be a giant step toward this objective. We urge its enactment," Williams concluded.

Microwave Symposium in England

The International Microwave Power Institute will hold its 8th Annual Technical Symposium on September 10-13, 1973 at the Loughborough University of Technology in England. Engineers, scientists and users of microwave energy from many different nations will attend the meeting to hear papers and exchange ideas on the latest developments in the industrial microwave field.

The program has sessions covering microwaves in the Food Industry, Biological Effects and Safety, Microwave Heating Applications, Instrumentation Systems, Power Generation and Transmission, Ovens, and Medical Applications.

A feature of every annual meeting is the Short Course intended to be of a tutorial nature for persons from diverse processing industries who have little or no background knowledge of microwaves but who are potential users of this unique form of energy. The course and the symposium equip individual to better evaluate the potential application of microwave energy to his own field. He is given a comprehensive text and if he also joins IMPI, he will receive the Institute's regular publication, The Journal of Microwave Power.

The photo shows a short course group studying a pilot production conveyor-

ized microwave oven system while it is processing food samples.

Technical Society

IMPI is a technical society that was formed in 1966 to foster the exchange of ideas in the science of microwave energy. Over the years it has proven to be the catalyst that has helped science and industry adapt microwave energy for important applications in such fields as food, chemical, rubber, forestry, medical and printing, to name a few.

A copy of the program and registration details can be obtained by writing IMPI, P.O. Box 1556, Edmonton, Alberta, Canada or the Course Organizer, Mr. H. Barber, Dept. of Electronic and Electrical Engineering, Loughborough University of Technology, Loughborough, Leicestershire, U. K.

Don't Cry "Wolf"

"... We should be careful not to cry 'wolf' needlessly or too often. The public and the media give special weight to statements from anyone who is a scientist, provided they make news. Scientific credibility can easily be lost by exaggerated claims and extravagant statements. We need to provide a voice of reason, not just of alarm. As scientists, we have the responsibility to speak up, but we also must know when to stop talking."

—S. Fred Singer, Chairman, Committee on Environmental Quality, American Geophysical Union, quoted in Science.

National Macaroni Week
October 11-20, 1973

THE MACARONI JOURNAL

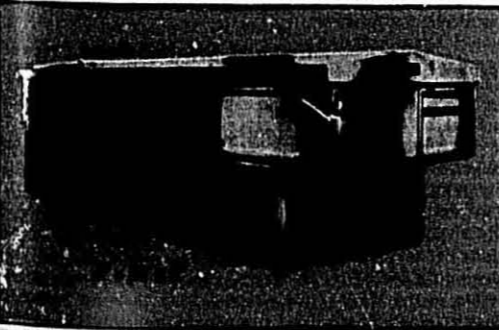
MICROWAVE



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- It dries ten times faster.
- It reduces dryer maintenance to about one hour a week (all stainless steel).
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- It can double or triple production.
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- It generally can be installed without shutting down the line.

AND NOW the latest development incorporates (1) preliminary drying, (2) drying, and (3) controlled cooling all in one 8x23x15 foot unit . . . taking only 1/5th the space required for conventional drying. U.S. Patents Pending



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Independents Fare Well

Independents appear to have fared well from both a profit and sales standpoint last year, according to the National Association of Retail Grocers' operations analysis.

Average operating profit for the participating group of independents was 1.21 per cent of sales, while sales increased an average 13.59 per cent, according to Frank D. Register, Nargus executive director. He noted that the average operating profit for the 10 leading corporate chains last year was 0.6 per cent of sales. Average return on investment for the independents was 26.14 per cent.

Register said a record 73 member companies, representing 191 stores, took part in the study. Participating stores do more than \$402 million in sales.

Gross Profits

The leading department from a gross profit standpoint was bakery, with the average store reporting a 53.5 per cent profit with a high of 60.1. But bakery labor costs also were the highest of any major category, averaging 33.4 per cent and ranging from 27.4 per cent to 38.1 per cent.

While the grocery department had the lowest gross profit margin, averaging 17.6 per cent with a high of 21.4 per cent, the department also had the lowest labor costs, averaging 5.7 per cent of sales and ranging from 3.6 per cent to 8.8 per cent.

The meat department gross margin averaged 23.5 per cent, with a top figure of 23.7 per cent, but the labor cost was averaged 8 per cent for the group, with a low of 5.8 per cent and a high of 10.5 per cent.

Total store gross profit averaged 19.8 per cent; the best figure was 23.1 per cent.

Produce gross profit averaged 29.3 per cent, with a high of 34.1 per cent. Labor costs averaged 9.9 per cent, with the low and high being 5.7 per cent and 14.2 per cent.

Productivity Index

Since the Nargus group had labor costs averaging 55 to 65 per cent of operating costs, Register considers productivity an important measure of store operations. Average labor cost for the total store was 8.1 per cent of sales. Percentages reported ranged from 7.2 per cent to 11.5 per cent.

Another index of productivity, sales per man hour, averaged \$40.37 for the stores represented in the survey, with the best figure \$55.09.

The grocery department was the leader in sales per man hour averaging

\$65.69 and having a top of \$85.11. Meat averaged \$46.77, with a high of \$55.02; produce, \$33.10 and \$41.97; bakery \$8.72 and \$9.86.

Sales Per Customer

Average sales per customer totaled \$6.75, compared with \$6.36 in 1971. The highest sales per customer figure was \$8.28. Sales per square foot averaged \$4.84, up from \$4.63, the high being \$6.73.

Grocery continued to dominate the sales mix, with the average store doing 64.7 per cent of its volume in this category, and the highest percentage was 71.3. Meat contributed an average 22 per cent and a high of 26.8 per cent; produce, 6.9 per cent average, 8.8 per cent, high; bakery, 2.8 per cent average, 3.5 per cent, high.

A&P Posts Loss

Great Atlantic & Pacific Tea Co. paid heavily to recapture its pre-eminent position in supermarket sales, incurring a \$51.3 million net loss for its fiscal year ended Feb. 24 and a \$1.3 million net loss for its fourth quarter.

The company's chairman, William J. Kane, had told the annual meeting in June 1972 that A&P would "perhaps return to profitability in the fourth quarter," but a profitable footing proved elusive. The fourth quarter's \$1.3 million deficit compared with a net loss of \$1.6 million for the like period a year earlier. Sales climbed 20% to a record \$1.68 billion from nearly \$1.4 billion a year before.

During the last two weeks of fiscal 1973, A&P suspended television advertising. Industry sources estimated that the cut in these expenditures could have amounted to more than \$300,000.

The concern resumed full scheduling of its TV commercials the day after its fiscal year ended. A spokesman declined to say how much the company saved from its two-week cancellation.

A&P's full-year net loss of \$51.3 million compared with net income of \$14.6 million, or 59 cents a share, in fiscal 1972.

Still No. 1

Sales, however, rose 15.6% to a record \$6.37 billion from \$5.51 billion, enabling A&P to pass Safeway Stores Inc. for the No. 1 spot in supermarket sales. For calendar 1972, Safeway, based in Oakland, Calif., reported net income of \$91.9 million, or \$3.55 a share, on sales of \$6.1 billion.

In reporting the year-end figures, Mr. Kane said that conversion to the WEO units was a "major factor in enabling us to regain business" and that the

"trend in our sales and profit-loss picture is encouraging."

Mr. Kane noted that the cost of converting A&P stores to WEO units is "behind us," and stated: "The sales momentum we have developed should help us to attain our top priorities of return to profitability and resumption of the payment of cash dividends." During the year, A&P opened 82 new stores and closed 404 smaller, outmoded units.

Criticized in the past for its old, small stores, A&P said in its earnings statement that increased emphasis is being placed on development of larger stores under a \$100 million capital facilities improvement program.

How to Succeed

Supermarket chains think one way is to close a lot of stores.

A&P in the last five years has closed 1,306 old stores. In the current year, it expects to get rid of another 420. In a "major store closing program" National Tea Co. shut 177 National supermarkets last year and is selling its majority interest in Loblaw Inc., a chain of about 160 stores. Kroger Co. continues to close more stores than it opens. It had 59 openings last year, 126 closings. This year it has opened 23 new stores, but closed 41. Safeway Stores this year expects to nearly complete phasing out all its stores opened before 1950. It will add up to some 90 closings, compared with 94 last year.

Casualties are mostly small, old markets which aren't worth remodeling. A&P stores closed in the past five years averaged less than 10,000 square feet; the chain's newest run around 20,000 square feet. But old stores aren't automatically doomed. "We're looking at profit, not age," says a National Tea official.

Smaller, still-growing chains don't have the closing problem. Chicago-based Dominick Finer Foods didn't shut one of its 46 stores last year. This year's expected toll: One store.

Canada Studies Food Price

The Canadian government announced it will establish a board to investigate food prices, but officials made it clear the board won't be able to do much more than tell people that food prices are rising.

The board was established on the recommendation of a House of Commons committee studying food prices. In March, Canada's consumer price index rose 6% from the year before. The food component jumped 11%.

UPC Will Create Electronic Market

Adoption by the U.S. grocery industry of a standard accounting code symbol to allow instant machine reading of product identification in supermarkets and food stores is expected to stimulate a new market for electronic retail point-of-sale systems that could total \$7 billion world-wide over the next ten years.

Charles S. Adams, a Litton Industries vice president and group executive for Retail and Revenue Systems, made this projection after the Uniform Grocery Product Code Council chose a Universal Product Code symbol designed by a grocery industry committee to be read automatically by new point-of-sale electronic systems being developed for the food retailing industry.

Last December Litton and the Zellweger Group of Uster, Switzerland, signed an agreement for the exclusive worldwide production and sale to supermarkets of such systems. Litton's Sweda International division, which will market the new system, is one of several companies already supplying electronic point-of-sale systems to department stores and general merchandisers.

"The grocery industry's decision will now allow point-of-sale system suppliers to direct their resources to the requirements of one standard symbol," Adams said. "The choice of the symbol opens the market for all point-of-sale system suppliers at the same time."

At present the price of a supermarket item is read visually by a checker and entered manually on a cash register keyboard. The new code symbol printed on each item will permit price and complete product identification to be registered electronically—speeding the checkout process and virtually eliminating the possibility of error.

Better Control

Introduction of the code by the grocery industry this year will provide food retailers with better control of costs, inventory and store operations, Adams said. Studies have indicated that implementation of the automated Universal Product Code could give the grocery industry net savings of more than \$150 million a year in operating costs by 1976.

The symbol is expected to be printed by manufacturers on most items sold in supermarkets and grocery stores, and be in full use nationally in 1975.

Litton Industries, headquartered in Beverly Hills, Calif., is a major multinational corporation specializing in products, systems and services for business, defense, marine, industrial and professional markets.

Scanner Boosts Kroger Productivity

Kroger Co. increased front-end productivity 45 per cent and saw average gross sales rise 9 per cent in the Cincinnati store, where the chain has been testing an electronic checkout system with fixed scanners, made by RCA Corp., since last July.

The most negative of the test appeared to be customer reluctance to accept price marking on the shelf only, not on individual packages.

Workshop Report

Robert L. Cottrell, director of industrial engineering for the Cincinnati-based chain, outlined results of the test, the longest run to date with fixed scanning equipment, at a workshop session on electronic register systems at the Supermarket Institute convention.

Cottrell defined front-end productivity as sales dollars per manned checkstand hour including the hours when baggers were used. In addition to the average increase in productivity and sales, the test store, in Kenwood Plaza shopping center, recorded a peak week the week before Christmas, in which sales increased 40 per cent and productivity was up 64 per cent.

Cottrell noted that, while the length of the checkout line varied only slightly from before the system installation there was a "significant improvement" in customer waiting time. "Every day of the week, the average time the customer spent in line was significantly less than in the pre-test period."

While some industry observers have questioned whether customers would place products with the machine-readable symbols face down on the conveyor belt, Cottrell said that problem did not materialize. Kroger used audiovisual units and signs at the checkstand requesting that customers place the bull's-eye symbol down. "Customer cooperation in this regard was excellent."

Sensitive Consumer Issue

Kroger did run into consumer resistance when the chain stopped price-marking some items. For the test, 95 per cent of the items sold in the store were labeled manually with the bull's-eye symbol. Since one benefit of scanning systems is to abolish the need for price marking (the system "looks up" and records the price by interpreting the symbol), Kroger sought to test consumer reaction when prices were marked, along with a description of the item, on the shelf only.

"The most sensitive consumer issue in this entire program is removal of prices," Cottrell said. The chain gradually stopped marking prices, first in

an 8-ft. section of detergents, then expanding until all dry groceries were priced only with shelf labels. Prices were not removed from frozen foods or perishable products.

Cottrell noted after the workshop that, although 144 customers surveyed felt strongly about the lack of item pricing, all of them said they were continuing to shop at the store.

Other Results

Reporting other results of the test, Cottrell said two facts would impose additional costs on retailers using automated checkstand systems.

First, the need to side-scan bottles and cans, which probably will not be symbol-marked on the bottom, will require an additional four hours of checkstand time per week. He termed this increase "insignificant," however, compared to the cost of bottom-marking cans and bottles.

Second, Cottrell mentioned the cost of maintaining the system's price file. In the test, manually entering all price changes required 14 manhours of work a week, though Cottrell indicated this could be reduced with design changes. Kroger also used magnetic tape to change prices once a week.

During the test, over 3 million items were scanned without a misread, Cottrell said.

Jewel Experience

During the same workshop, Vernon Schatz, vice-president, information systems, Jewel Cos., Melrose Park, Ill., discussed his firm's experience with the ESIS electronic register, developed by Jewel and Nuclear Data Corp. and recently sold to Bunker Ramo Corp.

Schatz said Jewel has ESIS (an acronym for Electronic Store Information System) in 54 stores and had run close to \$210 million in merchandise through the terminals.

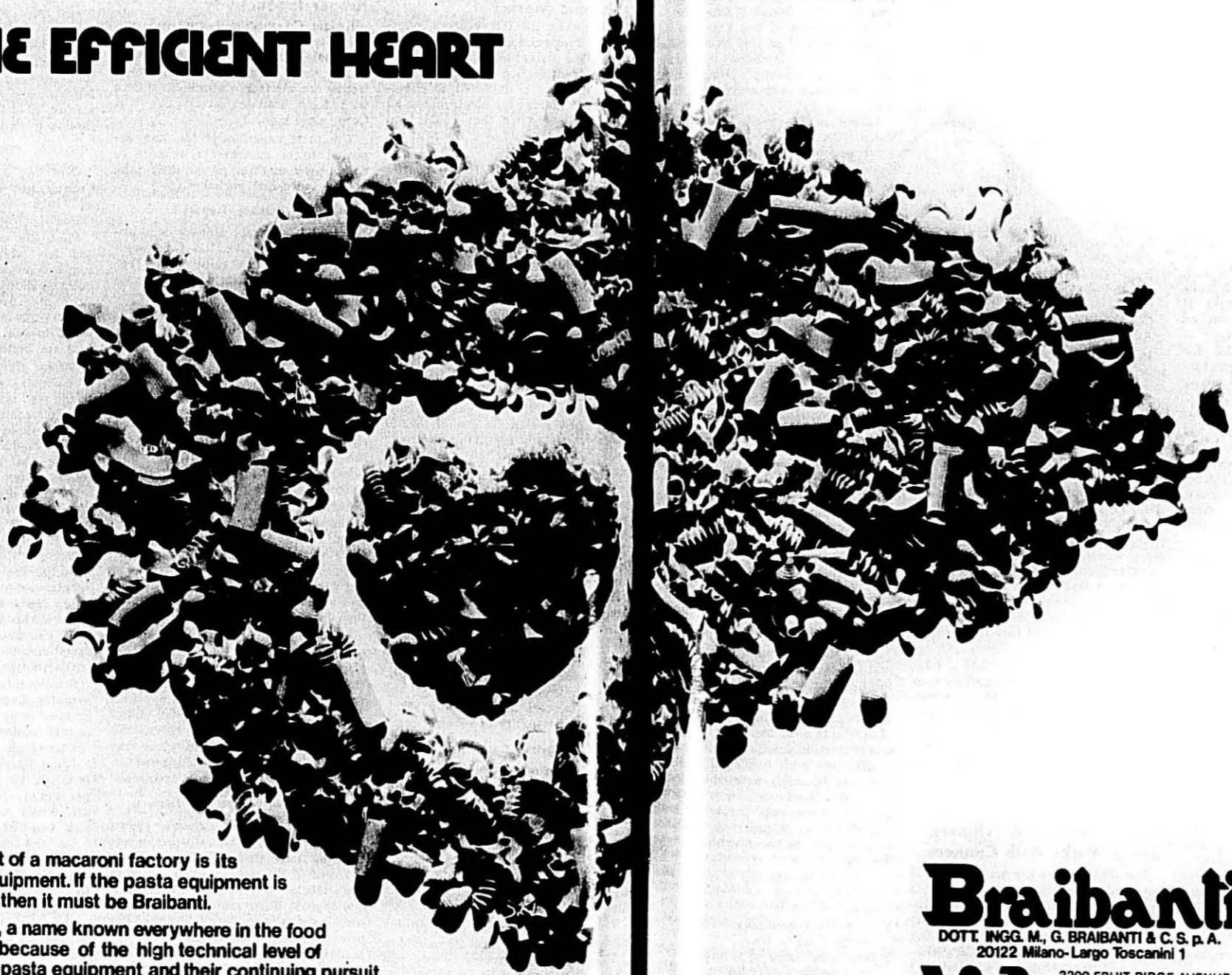
Jewel figures the systems have resulted in hard savings averaging 0.32 per cent of sales. The range for that figure, which represents before-tax savings, was 0.22 to 0.37 per cent of sales.

On the opening day of a store equipped with ESIS, Schatz said, sales averaged \$800 per terminal per hour. He stressed, however, that "this throughput capability is only valuable to the degree you can take advantage of it." Jewel's standard for rings per minute now is 25 per cent higher than on conventional registers. Schatz said.

With the system—which is composed of electronic registers and a mini-computer to record data, but has no scanning equipment—the Jewel executive said two baggers were needed to keep up with the checker at peak times.

(Continued on page 30)

THE EFFICIENT HEART



The heart of a macaroni factory is its pasta equipment. If the pasta equipment is efficient, then it must be Braibanti.

Braibanti, a name known everywhere in the food industry because of the high technical level of Braibanti pasta equipment and their continuing pursuit of excellence and efficiency. Braibanti is one of the select group of world-wide food machinery companies associated with Werner/Lehara. Together, we can do almost anything.

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Scanners Boost Productivity

(Continued from page 27)

Since the system permits recording of gross margin figures for a store by the hour and by the day, Schatz said, Jewel "hopes to shorten the time it takes a new store to get to the break-even point by careful analysis of the gross margin reports."

Sales of Processing Equipment Will Double

Sales of food processing, packaging, machinery and equipment will double to almost \$2 billion by 1980. Sales growth is currently good and is projected to reach \$1 billion for 1973. This anticipated upsurge is based on a number of factors the most important of which is that food producers are labor intensive. In such circumstances it would clearly be more profitable for the food producers to upgrade production machinery and install labor-saving equipment.

A new 143 page analysis and forecast of this market through 1980 has just been released by Frost & Sullivan, Inc., a market research firm based in New York. The report includes forecasts for food processing machinery, food packaging machinery, line transport equipment, process and pollution control for ten end use markets.

Sales forecasts through 1980 are provided for 28 food products as it is evident that the market for food machinery is dependent on increases in food consumption and the health of food processing companies.

One of the more important conclusions of the report is that this industry—now totaling 475 companies and 800 plants—is one of the most stable segments of the capital equipment market. According to Frost & Sullivan the food machinery, process, package and handling industry holds excellent expansion and diversification opportunities.

Foreign Opportunities

Foreign market opportunities are evaluated and indicate a great potential for American food machinery manufacturers. Although Europeans have developed ingenious food machinery they have low unit production. American machinery has a high processing rate and the high-speed equipment produces a greater volume in a shorter time.

Also noteworthy is that till now European manufacturers have not produced convenience foods in substantial amounts. Indications are, however, that snack foods will be very much a part of the European food industry in the immediate future.

In Europe and the United States all of the projections anticipate rising food consumption, new product development and innovation in processing and packaging food products that will require investment by food companies in new expanded and more automated facilities.

The report contains a forecast by end user through 1980 and identifies good growth prospects for the following end users:

Meat and Poultry Products
Dairy Products (except butter and fluid milk)
Frozen Foods
Specially Flour Mixes
Cookies and Crackers
Bulk-Packed Confectionery Goods
Vegetable Oils
Beverages (particularly soft drinks)
Sea Foods (particularly frozen)
All Snack-Type Foods

In general producers convenience and snack-type food products hold the best sale prospect.

Meat Industry

The report examines one of the most controversial end-users—the meat industry. According to Frost & Sullivan, an effective solution to the inflationary rise in meat prices is possible if there could be industry wide change over to the latest processing and quick-freeze equipment. With the new machinery, meat would be pre-cut, dressed and quick frozen for immediate delivery to the consumer in shops and supermarkets. However, to be successful, the consumer, the American housewife, would have to be convinced that frozen meat retains its taste.

"The User Markets," include a forecast of the food processing and packaging machinery market for 1975 and 1980 for meat, poultry, dairy, canned, cured and frozen, grain mill, bakery, sugar and confectionery, fats and oil, beverages and miscellaneous including snack foods and foreign markets.

Food Processing Machinery Group Works With Cannery

The Food Processing Machinery and Supplies Association (FPM&SA) has presented \$36,050 to the National Cannery Association in recognition of its contributions to the Food Processing Industry, and in support of NCA's technical sessions held during the National Exposition For Food Processors. With this presentation, FPM&SA has given \$48,050 to its industry counterpart organization this year.

The presentation was made in Washington during a joint meeting of the Board of Directors of the two asso-

ciations in May. FPM&SA contributed \$25 for each NCA member-representative at the 1973 National Exposition for Food Processors in San Francisco last January. A total of 1442 NCA member representatives attended the NEFP, which is the Industry's largest annual trade show and is sponsored by FPM&SA.

Earlier in the year, FPM&SA had given NCA a \$10,000 grant earmarked for research in food processing, environmental control, and product recall. Last year, FPM&SA gave a total of \$33,100 to NCA.

The 1974 National Exposition for Food Processors in being held in Atlantic City, January 27-30.

Lubricating Equipment

Keeping the machinery in food packing plants properly maintained and lubricated has never been easy; extremes of heat and cold, food acids, brine solutions, detergents—plus sometimes continuous around-the-clock operation with inexperienced crews—have all contributed to make lubrication a tough job even with the finest lubricants available.

Greases have to be fluid enough to flow through complex lubricating systems, yet tacky enough not to be "flung off" fast spinning parts. The possibility of excess grease getting into food is only part of the problem. Grease can also be a problem if it shows up as a film on the outside of packages, soiling them, or preventing labels from being attached.

Tougher Regulations

Now, the application of recent FDA and USDA regulations are making the job lubricants have to do even tougher.

The FDA regulations of most interest are contained in 21 CFR 1.2553 "Lubricants with Incidental Food Contact." These regulations state, in part: "Lubricants with incidental food contact may be safely used on machinery used for producing, manufacturing, packing, processing, preparing, packaging, transporting, or storing food, subject to the provisions of this section:

1. The lubricants are prepared from one or more of the following substances:
2. Substances generally recognized as safe for use in food.
3. Substances used in accordance with the provisions of a prior sanction or approval.
4. Substances identified in this subparagraph . . ."

Medicinal Oils

Medicinal white oils, such as those covered by the U.S. Pharmacopoeia.

THE MACARONI JOURNAL

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Packing and Packaging
Mechanical Handling
Food-Processing Industrial Machinery



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have been available for many years and are used in limited applications in food processing plants. However, compared to conventional lubricants, they are deficient in lubricity, rust protection, and oxidation stability. Their use in existing machinery as a replacement for the current lubricants, would result in reduced performance and service life.

Meat & Egg Packers

In addition to the FDA requirements above, the USDA is responsible for specifying acceptable lubricants for processing poultry, meat, rabbit and egg products. It issues an annual publication called "List of Chemical Compounds" which lists by product name and manufacturer lubricants and other materials which may be used. Lubricants permitted to have incidental food contact are classified as "A" and other lubricants as "BB." The "AA" lubricants specified by USDA meet the same "incidental food contact" requirements of the FDA.

Complete Line

A complete line of industrial lubricants conforming to both FDA and USDA regulations and developed to solve the specific lubrication problems of food processors has been announced

by Chevron Oil Company. Products include Chevron FM Grease in grades, 000, 0, 1, 2, and Chevron FM Lubricating Oil in grades 0X, 19X, 22X, and 80X.

These products use highly refined base oils and approved additives to attain performance levels comparable to conventional lubricants. This includes such important properties as lubricity, rust protection, and oxidation stability.

Food processors wishing more information on these lubricants should call their nearest Chevron representative, or write: Mr. H. L. Childress or Mr. H. J. Davis, Chevron Oil Company, 225 Bush Street, San Francisco, California 94101.

Book Review

"Hygiene in Food Manufacturing and Handling" by Barry Graham-Rack and Raymond Binstead has been published in the second edition by Food Trade Press Ltd., London. The 184 page book costs 4 pounds, about \$10.

Ever since taking sensible care of mankind's food supply became known as food hygiene, a number of authors have attempted to write definitive books on this important subject. Al-

most without exception they have finally produced books on food-borne disease rather than books of positive advice on food care. One of the notable exceptions was the first edition of "Hygiene in Food Manufacturing and Handling." This book did get to grips with the real nub of the matter because the authors appreciated that food hygiene is rather more than the prevention of notifiable food-borne disease, and they did offer direct advice on improving hygiene in food factories and other food premises, in language that had clear meaning.

The second edition of this book stays with these principles and is improved in many aspects regarding the food technology involved. Perhaps the most difficult of all food care problems lies in the rapid changes in food processing and handling techniques. This new edition has been completely revised, enlarged and is profusely illustrated. It deals only in passing with medical connotations, but concentrates on the effective design of food processing premises and equipment. The effective cleaning and maintenance of these premises and items of equipment thus becomes the paramount factor as it will be found as the central feature of this book.

Labor-Management Body Needed

A new national policy designed to improve labor-management relations in the supermarket industry was proposed at the Super Market Institute convention.

Robert O. Aders, chairman of the board of The Kroger Co., which operates the third largest supermarket chain, submitted a proposal for a long-range tripartite system composed of labor, management and public representatives to work in two major areas:

The proposal would provide a framework in which local bargaining would be subject to some kind of overriding national surveillance—a review mechanism which would help keep costs and inflation under control, prevent local bargaining from breaking down and make strikes or lockouts redundant.

It would provide a means by which national supermarket leadership and national food union leadership can communicate with each other and exercise influence over labor-management relations on a nationwide basis. To this, he would add a third-party presence to insure the representation of the public interest.

"The retail food industry is courting disaster unless decisive action is taken," he said.

Retailing is Local

Mr. Aders emphasized that he does not advocate national bargaining. "Food retailing is a local business," he commented, noting that wages, fringes, working conditions and other factors must be determined locally where competitive influences and prevailing wage rates can be a part of contract decisions.

Mr. Aders termed most strikes and lockouts "unnecessary, a needless waste, and no longer an effective part of the collective bargaining process." Instead, he urged stronger communications, explaining that union members need to know the basic economic facts of the supermarket business and how their demands relate to a company's long-range success and to their own job security. Both management and labor must make changes which will serve the public interest as well as our own," he said.

"There is such an overwhelming public interest to be served through good labor-management relations in the food industry that the public can no longer afford to leave matters exclusively to the two parties in the collective bargaining process," he stated. There is growing evidence that not only com-

pany management but also government and labor, at the national level, is increasingly aware of the needs, he noted.

Trends to Trouble

Several trends were cited by Mr. Aders as "clear road maps to trouble" for the retail food industry unless interrupted. They include:

—Rapidly escalating wage costs (up 64% in the past 10 years) along with a much slower rise in sales per man hour (up only 48%).

—Growing percentage of gross margin and of sales which are needed to cover store labor costs. These represented 37% of gross margins in 1963 and 47% today. As a percentage of sales, store labor is up from 7.4% in 1963 to 8.4% today.

—Steadily dropping pre-tax profits, which accounted for 9.1% of gross margins and 1.8% of sales 10 years ago. By 1972, they had dropped to 7.2% of gross margins and 1.3% of sales.

—Strikes and lockouts which are economically unaffordable by either the company or union members. "Lost sales and lost wages are like the top of the iceberg in the cost of strikes," he said.

—Unreasonable work rules and unnatural restrictions on improved technology. These must change if the supermarket industry is to be profitable, strong and healthy, he said.

Working Model

The newly established Food Industry Wage and Salary Committee of the Cost of Living Council was suggested as a working model of such an approach to food industry labor relations. This committee serves as a reviewing authority for contracts and pay practices in the food industry with respect to their effect on economic stabilization and intends to assist in bringing about more harmonious labor-management relations and to help avoid, or at least curtail, strikes and lockouts. It includes four members from the food industry, of which Mr. Aders is one, four from labor and four public members.

Proposal

Mr. Aders proposed establishment of a super market industry leadership group to develop this concept and work with their union counterparts to bring about stabilized labor-management relations in the retail food industry.

"I believe that super market industry management and labor leadership are ready for this change—and mature enough to make it work," he said. "Together we can develop an Industry-Labor-Public partnership that will build for us all a better future."

—Alfred P. Sloan

Checklist

"Checklist: How The Union Organizer Rates Your Company," is the latest study released by University Research Center and available to executive free. The report covers 329 companies studied over a 5-year period by Dr. Matthew Goodfellow, Director of the Center.

Key Areas

The study found 13 key areas on which union organizers concentrate in campaigns to unionize companies. The organizers direct their campaigns at any weak spot in these 13 areas, the report says. The 13 key areas are:

- Number of shifts
- Female-Male ratio
- Housekeeping
- Wage rates
- Incentive pay
- Overtime practices
- Seniority
- Promotion policies
- Job transfer
- Fringe benefits
- Treatment
- Money
- Discipline & grievance procedures

Self-Analysis

The report describes the 13 key areas in detail, and makes suggestions on how companies might make a self-analysis of their own vulnerability. Recommendations are made on how to eliminate weak spots in those 13 key areas.

Of the 329 companies studied, 270 were manufacturers, 18 wholesalers, 34 retailers and 17 service (banks and insurance). Employee size ranged from 196 to 4,800. Of these 329 companies over this 5-year period, 273 experienced some kind of union activity, and 10 had to sweat through on NLRB election with the following results: 102 companies lost and 67 won.

University Research Center is not-for-profit research organization supported by about 5,500 industry members in all fields of business. Single copies of the report are available free to any executive by letter request to Dr. Matthew Goodfellow, Director, University Research Center, 121 West Adams, Chicago, IL 60603.

Anticipating Change

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SMOOTH SELLING

by George N. Kahn, Marketing Consultant

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SETTING AN EXAMPLE

From the very beginning of his career a salesman should start setting an example. He should concentrate on being a leader, not a follower. He should develop good habits early.

This means he cannot always go along with the crowd. He may even have to risk unpopularity among some people. The salesman who just wants to "get along" isn't too careful about his reputation. He goes along with prevailing ideas of morality. This means that he thinks little of padding his expense account, dealing fast and loose with customers and taking shortcuts whenever he can. Of course many salesmen take this way of life to the end of their days. But they are not the top producers, the successful men.

The other road is harder. The man who sets an example cannot compromise with high standards. He believes that a promise to a customer is a sacred oath. He believes that his firm deserves his complete loyalty. He believes that orders come through hard work and creative thinking. His colleagues may scorn him at first but later they will come to respect and admire him. He will be setting an example for them. He is being watched all the time.

Example For Customer

The salesman should also strive to set an example in his dealings with buyers. Remember that the customer sees many salesmen. Some please him, others irritate him and there are still others to whom he is indifferent. Lucky indeed is the salesman who stands above the crowd, who catches the eye of the buyer. Customers have their favorite salesmen. Also, they tend to look upon these salesmen as outstanding examples of the best in the selling profession. And they tend to give these men their orders.

The customer will lean toward the salesman he trusts and admires. A firm relationship between salesman and buyer takes a long time to develop but once it is cemented it can last for years. The customer eventually begins to compare all salesmen with his favorite one. Their manner, bearing,

efficiency, knowledge, etc., are all measured against these qualities in his No. 1 choice. Inevitably the others are found wanting.

The customer is not running a popularity contest. He has not made his selection on the basis of a winning smile or a firm handshake. He chooses his favorite salesman because of far more substantial characteristics — integrity, dependability and honesty. You can be that favorite salesman if you work at it.

Look To Others

Before a salesman can set an example he must find one. Look around you. Who are the men you admire? Why do you admire them? Is it because they are successful? If so, study them carefully. What makes them successful? What qualities do they have? If you can't get a clear reading from a distance, go up and talk to them. Ask them to describe their attitude toward selling and their sales methods.

I also remember a young fellow in my own company. This man, fresh out of college, disdained any contact with older men in the firm. "These has-beens can never teach me anything," I overheard him say to another employee.

One day I assigned him to substitute for an older man with one of our best accounts. The regular salesman had been taken ill.

The next day the head of the client company called me and said:

"George, that fellow you sent over yesterday was a big disappointment. I have nothing against youth but he rushed in here as if he were selling hot diamonds. He was almost rude in dealing with my advertising manager."

I asked the client to send me a written report of the incident. It arrived the next day. I called in the young man and showed it to him. His face reddened as he scanned it.

"How much notice are you giving me?" he asked.

"I'm not firing you, Dick," I replied. "I've got a better idea."

I told him that I wanted him to accompany the regular account execu-

tive when he visited that same client. When the older man recovered a few days later the two made the call together.

Dick was a changed man when he saw me the following day.

"Mr. Kahn," he said, "that was a revelation. Bert (the regular account man) was masterful in handling that man. He made one of the best presentations I have ever seen. He was brilliant. I can't tell you how much I learned from him. It was an experience I'll never forget."

Dick became one of my top executives. He set an example for others in the firm. Dick's experience recalls to me these words of Sophocles:

"One must learn by doing the thing; for though you think you know it until you try."

The Salesman's Image

When we talk about setting an example, there is one other area we must include. Each salesman should consider himself a personal ambassador for his calling. There is no question but that selling needs a better image. Too many people are victims of the old stereotype of the salesman—a vulgar, low-comedy character selling snake oil to yokels.

To sum up: In all ways the salesman should set an example—for his customers, colleagues, the public, his firm and even his children. This should become for him a way of life. In this way can he carve for himself true success in his career.

Are you setting an example? If you can answer yes to at least six of the following questions you undoubtedly are—and a good one.

1. Do you think it important that the salesman set a good example? Yes No
2. Do you work at setting a favorable example? Yes No
3. Are you a pace-setter in your firm? Yes No
4. Are you sworn that you are being judged by your superiors, colleagues and customers? Yes No
5. Do you try to set a good example in your non-working hours? Yes No
6. Do you feel you have a responsibility in creating a good public image of the salesman? Yes No
7. Are you convinced that you must have qualities other than a winning smile to set a good example? Yes No
8. Do you look around for others to admire and emulate? Yes No
9. Do you see room for improvement in your manner and actions? Yes No



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Information on reprints to be found on page 38.

Changes on the Packaging Scene

Radical changes are on the horizon for the packaging industry in the next five years, with new crises likely to develop out of the energy shortage, diminishing supplies of materials and rising prices.

Consumerism

The consumerism movement, as Malcolm W. Owings, vice-president and general manager, Continental Can Co., put it has become a "runaway locomotive of change" that is badly in need of direction.

Owings and several other industry speakers addressed the American Management Association's National Packaging Conference and Exhibition at McCormick Place, Corporate, salesmarketing, production, manufacturing, package engineering and purchasing representatives attended concurrent sessions. They viewed a \$20 million exhibit by some 300 companies, featuring new products and product refinements.

The \$34 billion packaging industry, already besieged with Government regulations and consumer group demands, will become more acutely affected by inflation, high labor costs and declining birth rates, as well as material shortages and power crises. Delegates were told.

Caveat Emptor

The Government was charged by James L. Hayes, AMA president with generating a whole new era of "caveat emptor" in the guise of helping the consumer, and consumer groups for "misguided efforts" to attack the packaging industry.

But through it all, packagers, suppliers and distributors came through with new economic and functional designs involving glass, metal, plastic and paper products—in short, new strategies to meet new demands and crises.

Hayes charged the Government with "over-communication" which, he asserted, is "no communication at all." Legislation merely posting agreements to satisfy public needs is "naive," he suggested. If what a label says is chemically correct but the buyer doesn't know chemistry, for example, the label does not convey truth.

Hayes' point raised perhaps a minority view that packagers are being persuaded to tell the consumer and buyer more than he or she cares to know on the label.

While packages as a marketing tool, proper labeling and solid waste were all covered during the show, reduction of pilfering, in stores and in transit,

and the Universal Product Code commanded retailers' attention primarily.

The computer-lined code, promising substantial savings in administrative costs and possible prevention of shoplifting forays, will be adopted shortly and packagers were urged to switch to it or be left out in the cold. Objectives and mechanics of the code were outlined at a session. Changes in packaging are expected to alter consumer practices, when finally utilized by manufacturers, wholesalers and retailers, as noted.

On Display

Cost savings by use of the code will permit several product and service innovations, many of them displayed at the packaging conference exhibit:

Vacuum-packed meats that will remain fresh without being frozen.

Tear-free and even edible wraps.

Pop-open frozen food pouches that open before overcooking.

Ultra-violet techniques for bonding packaging material multi-layers to provide more protection for food and drugs while cutting pollution.

High-density plastic as a substitute for scarce paper fiber to protect foods.

A new anti-pollution plastic that turns to dust when exposed to light.

New plastic envelope both lighter and stronger than conventional Kraft mailing envelopes.

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the nearly \$2,000,000, or 59¢ a share, a year earlier. Full year projections should show an increase of at least 40%.

Mr. Levine said most of the profit improvement is coming from a lumber and plywood market that is holding up better than anticipated. He also said that paper and packaging is stronger than anticipated.

Stapler Saves Space and Time

Food Processing magazine recently carried a story on a problem solved by Ronco Foods of Memphis, Tennessee. They had had a downtime and space problem in the packaging room where finished packages were put into shippers.

The plant produces about 400 cases of long goods and about 1400 short cuts in an 8-hour day. The bottoms of shipping cases were formed, stapled, and placed near gluing machine operators for filling and sealing. The preformed cases were bulky and occupied valuable space. Gluing equipment was unreliable, creating costly downtime in the busy packing area.

Top & Bottom Staplers

The problem was solved by installing eleven air-operated top and bottom case staplers: seven for long goods and four for short cuts. One operator forms and fills random sized cases and simultaneously staples top and bottom of the case with a foot-pedal operated stapler.

The height adjustment on Bostitch staplers automatically adjusts to accommodate containers varying as much as eight inches in height without changing the setting. It will take various board thicknesses as well from 3-flute to double-wall board. Model D17 ST top and bottom staplers are described in Bulletin 826C from Bostitch, a Textron Co., East Greenwich, R.I. 02818.

Manager Andy Anderson says downtime is now negligible and considerable space has been saved by eliminating stacks of preformed cases.

The Package or the Product?

"Is the package more important than the product? People don't buy packages, they buy products. Yet products are easy to duplicate and the differences between brands are subtle. The right package will not only accent the subtleties but make them believable. It is no exaggeration to say that the product is at the mercy of the package. The product is what people buy, but it's the package that brings the product to life."

Walter P. Margulies
in "Packaging Power."

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When ordering the various articles of this series, address orders to the George N. Kahn Company, Marketing Consultants, Sales Training Division — Service Department, 155 Fifth Avenue, New York, N.Y. 10010. Listed here are the titles of the first 24 lessons in the "Smooth Selling" Sales Training Course.

When ordering, please mention the name of this publication.



L. M. (Andy) Anderson, General Manager, Ronco Foods (right) accepts AAAI's 24-Carat Selling Award for Ronco Foods television campaign. Presenting the award is Bennett Wood, Vice President of Greenhaw & Rush Advertising, who produced the award-winning spots.

Ronco Commercials

Three television commercials for Ronco Foods of Memphis were awarded the top prize in the international advertising competition.

Sponsored by Affiliated Advertising Agencies International, a network of agencies representing 43 major American cities and 17 foreign ones, the awards were based on how well the advertising worked as a selling tool for the advertiser.

The Ronco commercials were honored with the 24-Carat Selling Award, the highest prize in the television campaign category.

Featuring international performer Vasilii Lambrinos, the commercials for spaghetti, macaroni, and noodles were produced by Ronco's agency, Greenhaw & Rush, at Shelton Production Company in Atlanta. Lambrinos' Italian accent brings authenticity to Ronco's advertising theme line "Ronco—that's Italian for good eating."

H. D. Hale to A D M Board

H. D. (Joe) Hale, president of ADM Milling Co., Shawnee Mission, Kas., has been elected to the board of directors of Archer Daniels Midland Co., it was announced following the regular quarterly meeting of the ADM board.

Mr. Hale joined ADM Milling Co., a wholly-owned subsidiary of Archer Daniels Midland Co., in 1970 as vice-president. He became president in August, 1971. Prior to joining ADM, he was associated with Western Star Mill Co. as assistant to John J. Vanier, widely known milling and grain executive. He joined Western Star in 1951.

A graduate of the University of Kansas, Mr. Hale is a director and member of the executive committee of the Miller's National Federation. He also is a

director of Kansas Wheat Improvement Association and Crop Quality Council, and serves on the board of Good Foods, Inc., Gooch Feed Mill Corp. and Smoot Grain Co.

Robert P. Greenlaw has been elected Executive Vice President. He was Financial Vice President and Treasurer.

Lloyd Skinner Re-Elected

Lloyd Skinner, chairman of Skinner Macaroni Company, Omaha, was re-elected to the Board of Trustees and Executive Committee of the National Small Business Association at its annual meeting in the Nation's Capital.

Mr. Skinner's firm is one of 40,000 NSB member companies in 500 fields of business covering manufacturing, wholesaling, retailing, service and professions. The Washington-based non-profit organization represents the small business community in government relations. It promotes and encourages the small business sector of the economy, which comprises 97 percent of all U.S. companies.

Mr. Skinner is a former president and board chairman of NSB. He is a member of the executive committee of the National Marketing Committee, U.S. Department of Commerce; director and past president of the National Macaroni Manufacturers Association; a director of the Grocery Manufacturers Association, Mississippi Valley Association, Nebraska Clergy Economic Association, Omaha Chamber of Commerce, Crop Quality Control Council, and Midwest Employers Council, of which he was a founder.

Mr. Skinner has worked closely with the Junior Achievement of Omaha; the National Conference of Christians and Jews, the National Arthritis Foundation, Boy Scouts of America, the Nebraska Council on Economic Education, other civic, business, and religious organizations, and he is a member of the National Committee for Small Business Tax Reform.

New Presidents

General Mills has elected E. Robert Kinney president and chief operating officer. He was executive vice-president and chief financial officer.

Kinney succeeds James A. Sumner, who has been named vice-chairman and chief development and finance officer.

American Home Products Corp. has elected John W. Culligan president. He was executive vice-president.

William F. LaPorte continues as chairman, a post he has held in addition to the presidency since 1965.

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