

**THE
MACARONI
JOURNAL**

**Volume 64
No. 11**

March, 1983

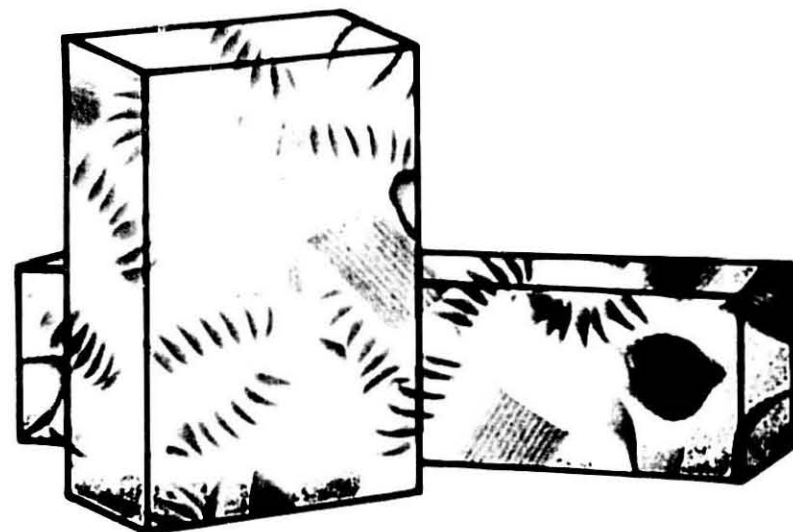
Macaroni Journal

(ISSN 0024-8894)

MARCH, 1983



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Ocean Garden Spaghetti

By Robert M. Green, Editor
The spaghetti is a staple of the Italian diet. It is a food that is loved by many people. The spaghetti is a food that is easy to eat and is very filling. It is a food that is healthy and is good for you. The spaghetti is a food that is delicious and is a great source of energy. It is a food that is loved by many people and is a staple of the Italian diet. The spaghetti is a food that is easy to eat and is very filling. It is a food that is healthy and is good for you. The spaghetti is a food that is delicious and is a great source of energy. It is a food that is loved by many people and is a staple of the Italian diet.

How Many Ways Can a Bumble Bee?

By William S. ...
The bumble bee is a very important insect. It is a pollinator and is essential for the reproduction of many plants. The bumble bee is a very hardworking insect and is a great source of honey. It is a food that is loved by many people and is a staple of the Italian diet. The bumble bee is a food that is easy to eat and is very filling. It is a food that is healthy and is good for you. The bumble bee is a food that is delicious and is a great source of energy. It is a food that is loved by many people and is a staple of the Italian diet.

Analyst Reviews Pasta Market

Between 1976 and 1981, manufacturers' sales of pasta-related foods increased at an average rate of 9.3% per year, from \$1.1 billion to \$1.7 billion. 1982 sales are estimated to have reached \$1.9 billion, an 11.5% rise over the previous year. These are among the key findings in a new research study, *The U.S. pasta market: A strategic marketing analysis and biennial review*, published by Business Trend Analysts, Inc., a research and publishing firm in Commack, N.Y.

The report projects a 6.2% rate of price growth in conjunction with a 3.2% annual rise in volume, forecasted to bring manufacturers' sales to \$4.6 billion by 1992. While the long-term outlook for the pasta industry is encouraging, the report also stresses the impact of demographic trends on the growth rates of products within the industry, which can vary significantly. The decline in the size of the family has favored products oriented towards convenience, while the continued health-consciousness of the American consumer has enabled marketers to capitalize on the high-energy benefits of complex carbohydrates. However, the expected "mini baby boom" during the latter part of this decade may once again shift product mix, and the products which are the movers and shakers of today may be replaced by those oriented toward younger consumers.

In addition to an analysis of the overall market and detailed statistics, analysis and forecasts on the many submarkets, the report also provides detailed coverage of advertising trends, patterns of distribution, pricing, export activity, import penetration, consumer demographics, industry economics, individual company financial performance, corporate news, and more. Over 200 pages in length, the study is designed to substantially increase the working knowledge of the corporate executive in all facets of the business.

The report was carried out through the extensive research facilities of Business Trend Analysts, complemented by extensive interviews with leading industry experts. Typical users of BTA studies include corporate presidents, long-range planners, executives, market research personnel, product managers, sales managers. It sells for \$450.



Adoption Proceedings—Joseph Viviano, San Giorgio president, Keith Lebo, Superintendent of Lebanon Schools and William Kell, Northwest principal, discuss plans for the Adopt-A-School program. San Giorgio can be seen in the background.

San Giorgio Adopts Northwest

People are getting excited in the northwest part of Lebanon these days. Neighbors are blazing new trails in educational and industrial cooperation.

Superintendent of schools for the Lebanon School District Keith Lebo is excited: "It's just a great opportunity for mutual exchange and cooperation."

Northwest Elementary School principal William Kell is excited: "This is one of the best new ideas in a long time."

All Help with Education

President and chief executive officer of San Giorgio-Skinner Company Joseph Viviano is also excited: "We've put too much of the burden of instruction on the teachers all these years. This is a chance for more of us to help shape young minds."

What's all the excitement?

It's the Adopt-A-School program now being organized by representatives of Northwest Elementary School and its neighbor from around the corner, San Giorgio.

And no one else in this area seems to be doing quite the same thing.

Once all the plans are complete, the Hershey Foods subsidiary will have established a special working relation-

ship with Northwest. Basically, the idea is to bring industry and students, especially elementary students, together.

Representatives of San Giorgio will actually come into Northwest classrooms, perhaps even to teach classes. The emphasis, however, will not be on imparting technical information to the students. Rather, the representatives will use their own experience to help students understand basic concepts of business and economics.

Businessmen are Human

As Viviano said, "Students, especially the younger ones, should know that businessmen are human too."

The original idea and much of the early enthusiasm came from Viviano, who is a member of Americans for the Competitive Enterprise Systems, Inc. ACES has been working for some time with secondary students. Viviano saw an opportunity for a mutual exchange of ideas and personnel at the elementary level.

A planning committee was formed, composed of Kell, several members of the Northwest teaching staff and two representatives of San Giorgio—plant manager Ann Bierbower and controller Larry Reitenauer. Both people have been given time at San Giorgio to work with Northwest.

The planning committee has already begun to develop several topics that will involve San Giorgio representatives at Northwest.

Kell emphasized four such topics. First, since many of the parents of Northwest students work at San Giorgio, an obvious beginning might involve discussion of the responsibilities in a large plant.

More specifically, the students might examine a typical day on the job by a San Giorgio employee. The presentation could be heightened by use of video tape.

Second, the students could use the business concept of product pricing to understand just how the price of a particular product is determined. In other words, the students would learn how much of a product's retail price goes to what part of its development.

Third, the students could examine the subject of quality control. How are customers assured of quality in a product? What are the plant and government regulations concerning packaging and labeling?

Fourth, the students could increase their own awareness of school safety practices by examining safety in industry. The use of large machinery would emphasize the importance of safety procedures.

Lebo added that while immediate plans call for exchange of personnel, other types of mutual cooperation could be possible before too long.

After all, he pointed out, many of the procedures that a school must follow are exactly the same as those followed by industry. In particular, he sees industry as capable of making important suggestions relative to a school's distribution procedures and marketing.

With the increasing difficulty of raising sufficient revenue for schools through the traditional means of millage and government subsidies, public schools need to keep costs down wherever possible. They also need to look to other sources of providing much needed services. Lebo, Viviano and Kell believe that private industry can provide useful models as well as important suggestions.

Hershey Track and Field Program

Hershey Foods Corporation announced the move of its National Track and Field Youth Program to Hershey, Pennsylvania, from Charleston, West Virginia, where the program was founded and where the National Finals have been held for the past five years.

In announcing the move, William E. Dearden, vice chairman and chief executive officer of Hershey Foods, said, "We enthusiastically welcome this program to Hershey because it is a further extension of the philosophy of our founder, Milton S. Hershey, whose concern for young people led to the founding of Milton Hershey School. We're confident that the citizens of Hershey will share the same enthusiasm in welcoming the program as the citizens of Charleston have shown in the founding and nurturing of the program."

The largest program of its type, the youth program was started in 1975 as a local track meet in Charleston, West Virginia by Dr. Donald Cohen. In remarking on the move, Cohen said,

"From Milton S. Hershey to the present, Hershey Foods Corporation has been committed to promoting the health and well-being of the nation's youth. I'm confident that the tradition will continue with the move of the program to Hershey."

In 1977 Hershey became sole funding sponsor of the program and today it has grown to an event of national scope which has involved several million youngsters from all 50 states and the District of Columbia. The Hershey Program is designed for children between the ages of 9-14. The children are introduced to physical fitness through track and field events which come naturally to them such as running, jumping and throwing.

Five Participants per State

Local, district and state meets are held in all 50 states and the District of Columbia during the months of May, June and July. At least five children from each state will participate in the National Finals.

This year the finals will be held in Hersheypark Stadium on August 13. More than 500 regional team members and chaperons will receive an all-expenses-paid trip to Hershey. The children will arrive on August 11 and will be housed at Elizabethtown College during their visit. Other special events planned for the participants include a trip to Hersheypark and a banquet involving celebrity athletes, such as Rafer Johnson, former Olympic gold medalist and national spokesperson for the program.

Time for Fun

"Ample time is also allotted for just having fun," Dearden said, "since the philosophy of the program is that it should be more than a track meet. It should promote friendship and sportsmanship as well as physical fitness."

The Hershey program is conducted in cooperation with regional offices and state societies of the National Recreation and Park Association, the National Track and Field Hall of Fame and the President's Council on Physical Fitness and Sports.

Name Change

Merlino's Major Italian Foods has changed its name to Merlino's Macaroni, Inc. The change is to emphasize their singular commitment to the pasta industry.

Home Economics Student of the Year Award

An all-new National Home Economics Student of the Year award program which recognizes students' outstanding home economics projects was announced by Grace E. Richardson, Director of Consumer Affairs at Chesebrough-Pond's Inc., and W. Page Thompson, Publisher of Co-Ed and Forecast magazines, a division of Scholastic Inc.

This new award program is sponsored by Chesebrough-Pond's Inc., through four of its brands, Aziza cosmetics, Bass footwear, Cutex nail care products and Ragu Pizza Quick sauces. It will give students in home economics an opportunity to win scholarship awards with a grand prize of \$5,000; second prize of \$2,500 and third prize of \$1,000. There will also be 50 individual state winners who will receive a Certificate of Merit and \$50 dollars worth of Aziza, Bass, Cutex and Ragu Pizza Quick products.

The award program is open to home economics students in grades 7-12 who must submit a written report with accompanying photographs on an individual, school or community project they initiated as a result of knowledge and skills acquired in home economics classes.

Rewards Skills Use

"Chesebrough-Pond's believes it is important to recognize students for making other individuals, their school, or their community better by using the important skills learned in the home economics classroom," said Ms. Richardson.

The award program and entry blank will be featured in the February issues of Co-Ed, a student publication and Forecast, a home economics teacher's magazine. The winners will be announced in the September issues of these Scholastic publications.

"This is the first recognition by a major corporation of the important role home economics plays in developing skills which enable students to make meaningful contributions to others, their schools and to their communities," stated Mr. Thompson.

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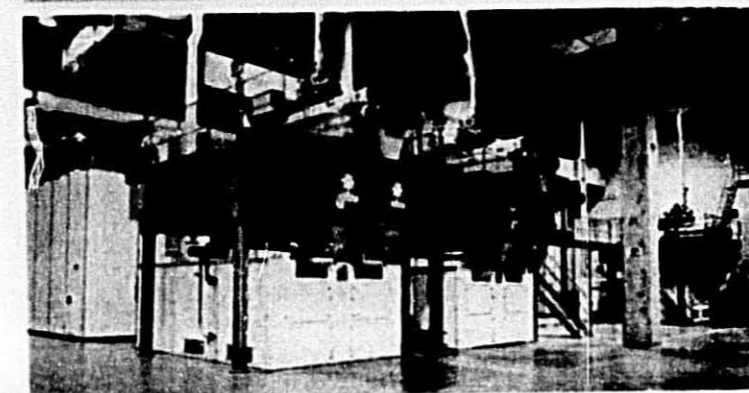
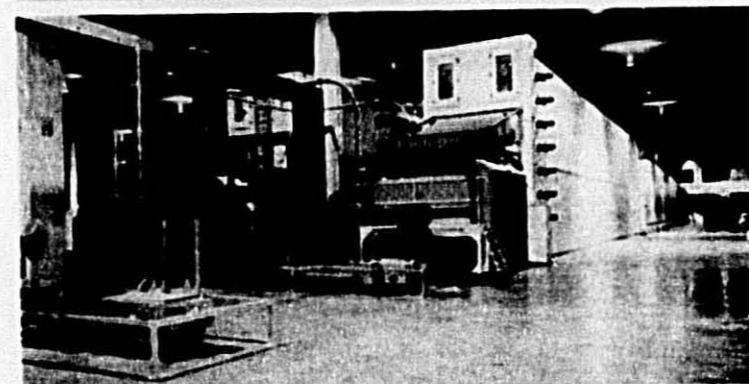
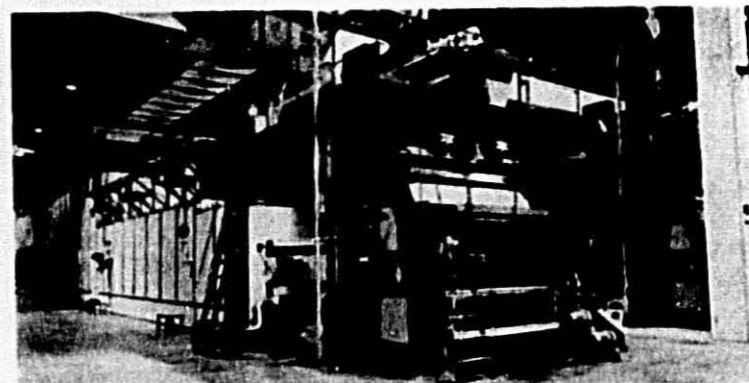


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- 10 in U.S.A.
- 8 in JAPAN
- 5 in PORTUGAL
- 5 in SPAIN
- 4 in GERMANY
- 4 in U.S.S.R.
- 3 in VENEZUELA
- 2 in POLAND
- 2 in SWITZERLAND
- 1 in AUSTRIA
- 1 in BOLIVIA
- 1 in CZECHOSLOVAKIA
- 1 in FINLAND
- 1 in GREAT BRITAIN
- 1 in GREECE
- 1 in INDIA
- 1 in IRAN
- 1 in HOLLAND
- 1 in RUMANIA
- 1 in TURKEY

113 of which 53 are for long pasta,
60 are for short pasta . . .

. . . besides innumerable lines operating at INTERMEDIATE TEMPERATURE



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with
"HIGH TEMPERATURE"
lines

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Chesebrough-Pond's Dividend

Directors of Chesebrough-Pond's Inc. approved a 7.0 percent increase in the regular quarterly dividend and in so doing assured the company's 101st consecutive year of dividend payments.

The new quarterly dividend, payable March 25, 1983 to shareholders of record March 4, 1983, is equal to 46 cents per common share, compared with the prior rate of 43 cents per common share. At the new rate, 1983 will be the company's 24th consecutive year of increased dividend payments.

"We are proud of our dividend record," said Ralph E. Ward, chairman and president of Chesebrough, and particularly pleased that the increases in our dividend rate have consistently kept pace with rises in the inflation rate, even in a tough economic environment."

Chesebrough-Pond's Inc., headquartered in Greenwich, Connecticut, is a diversified worldwide manufacturer and marketer of banded consumer products for the entire family. Among the company's best known brand names are Ragu, Health-tex, Prince, Bass, Weejuns, Pond's, Adolph's, Vaseline, Cutex, Intensive Care, Cachet, Wind Song, Aviance, Chimere, Prince Matchabelli, O-tips, Aziza and Rave. Worldwide sales for 1981 totaled \$1,565,050,000.

Buitoni Sales Divisions Restructured

William P. Smolka, vice president, marketing and sales, Buitoni Foods Corporation, announced a reorganization of Buitoni Foods sales and marketing departments. "These changes will permit the Company to operate at maximum efficiency, while providing growth and expanded responsibility for key individuals," Smolka said.

In order to enhance coordination, all sales, including retail, private label and food service, have been consolidated within one area. "This will insure consistency of philosophy for Buitoni's product areas, maximizing long-term growth opportunities," he added.

Ed Cirigliano remains vice president of private label and will report

to Smolka, as the key liaison for this area.

Retail and food service marketing responsibilities are joined with all dry products, reporting to Ed Serban, marketing manager—dry grocery. Reporting to him is Keith Baeder, assistant product manager—dry grocery. Tom Heffron will assume responsibility as marketing manager for both the retail and food service—frozen foods divisions. Tim Altaffer will report to Heffron, as assistant product manager.

Bulk Pasta to Blend with Retail

Smolka noted that sales of bulk pasta and private label products will be gradually blended into retail sales, headed by James T. Powers, Buitoni national sales manager. Wagner Myers and Bill Schlobohm will be division managers for the national sales of frozen food service and will report directly to Smolka.

In recognition of the importance of new product development, research and development and quality assurance will also report to Smolka.

"Although clearly technical functions, the success of new products relies on clear marketing objectives and consumer input at all stages of development," the Buitoni executive commented. "This shift in reporting relationship will enable us to target our efforts specifically to move Buitoni aggressively forward in the marketplace."

Paperboard Production Economic Indicator

"Paperboard production is a particularly good coincident indicator of economic activity, because it is used for packaging most goods ready for shipping," says economist Irwin Kellner of Manufacturers Hanover Trust Co. He notes that employment in the paper and allied products industry rose in both November and December. Moreover, paperboard production jumped 6.3 percent in November, and weekly numbers indicate it continued to climb in December. "It's just one more sign," he says, "that the economy is finally starting to turn around."

H. Eugene Blattman Named President of Foremost-McKesson Foods Group

Thomas E. Drohan, president and chief executive officer of Foremost-McKesson, Inc., announced the appointment of H. Eugene Blattman as president of the company's Foods Group, effective March 1.

Blattman succeeds Norbert W. Markus, Jr., who has resigned from the company to establish a professional service and consulting business in consumer packaged goods.

Blattman, 46, has been vice president of the company's Operations Resource Group since June 1981. He has been with Foremost-McKesson since 1975 when the company acquired Gentry International of Gilroy, California, where he served as president and general manager for four years. Gentry is a leading processor of dehydrated vegetables.

His other positions with Foremost-McKesson include vice president of C. F. Mueller Co., Jersey City, New Jersey, the nation's largest pasta manufacturer; vice president and general manager of Grocery Products Development, and vice president of marketing and development of the Food Ingredients Division.

In announcing the resignation of Markus, 57, Drohan said that Markus will be available to him for special assignments for several months and will be working with Blattman to effect an orderly transition.

Foremost-McKesson has sales of about \$4 billion in value-added distribution and proprietary products and services. The company is the leading distributor of drugs and health and beauty aids, wines and spirits and chemicals. In addition to the Food Group's Food Ingredients business—Mueller's pasta and Sparklets, Alhambra and Crystal bottled water, the company's proprietary products and services include Armor All, a leading auto care product, a number of wine and spirit's brands, Pharmaceutical Card System, the leading processor of third party prescription claims and Pharmaceutical Data Services, a major supplier of prescription data. The company's Drug and Health Care Group sponsors Valu-Rite, the nation's largest voluntary group of independent drugstore retailers with some 1,800 members.



Fussy critics always give good reviews when the cook serves up good tasting, wholesome noodle dishes.

**The cook with
fussy customers
has to use
her noodle.**

Sometimes the people hardest to please are sitting right around the family table. So the smart cook really uses her head...and serves up good-tasting noodle dishes.

But the best noodle dishes begin long before they reach the table. They begin on the farms of the northern plains, where the nation's best durum wheat is grown.

From this durum wheat, Amber Milling mills fine pasta ingredients...Venezia No. 1 Semolina, Imperia Durum Granular, or Crestal Fancy Durum Patent Flour.

At Amber Milling, we're serious about pleasing our customers. We know you're fussy about quality. So we deliver semolina and durum flour that makes it easier for you to please all your "fussy" customers. Specify Amber!



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Durum Wheat Studies on Fiber and Its Effect on Pasta

Rhoda Kordonowy, Graduate Research Assistant in the Department of Cereal Chemistry & Technology, North Dakota State University, Fargo, is working on a project to produce good quality pasta from semolina and durum bran blends and to characterize the effects of added bran on the quality of pasta products.

Justification:

The U.S. Department of Agriculture and the U.S. Department of Health and Human Services recommend consuming greater amounts of complex carbohydrates in our diets. Bran is a good source of complex carbohydrates and other nutrients.

This research is based upon addition of durum bran to semolina and evaluating the effect it has on pasta quality and nutrition. Routine quality assessments of the spaghetti were measured, in addition to mineral analyses of Ca, Fe, Mg, Mn and n. Phosphorus will also be measured.

A taste panel will be conducted, in addition to phytase and phytic acid studies. Phytic acid is present in bran at levels of approximately 5%. It is considered deleterious to general health by binding certain minerals.

Work Completed:

In the first phase of this research, raw materials were analyzed physically and chemically, processed into spaghetti, and the subsequent product was analyzed for general cooking quality, protein content, and minerals.

Preliminary studies were used to determine the level of bran incorporation and the particle size needed to yield a good spaghetti product. This work was reported in the previous yearly report (1).

Durum wheat varieties used were: Mexicali, grown in Arizona; Mexicali, grown in California; Vic, grown in North Dakota; and Crosby, grown in North Dakota. The wheat was milled on a Miag pilot mill floured for durum wheat.

Pulverized bran was blended with semolina at levels of 10, 15, 20, 25, and 30%. The bran/semolina blends were extruded using a DeMaco continuous semi-commercial scale vacuum



Rhoda Kordonowy

pasta extruder. The higher levels of bran/semolina blends were premixed for five minutes rather than the usual three minutes to prevent uneven coloration in the spaghetti. Mixographs of the bran/semolina blends showed they took longer to reach peak development than the 100% semolina samples, thus the longer premix did not decrease other qualities of the processed spaghetti.

Samples with bran added dried without apparent stretching as determined by spaghetti diameter measurements.

Cooking quality of the samples was determined by cooking 12 minutes in distilled water. Cooked weight, cooking loss, and firmness were measured. As the percentage of bran increased, the cooked weight and firmness decreased slightly, and cooking loss increased. Cooking quality of all samples was within an acceptable range.

Samples with bran incorporation had higher protein levels than the 100% semolina samples, because protein levels in bran are higher than in the endosperm. Cooked spaghetti samples had higher protein levels than the uncooked spaghetti. This may be primarily attributed to loss of starch into the cooking water, leaving a more concentrated protein in the cooked spaghetti.

Growing Locations Important

Mineral contents of wheat are highly dependent on growing locations. Calcium, iron, magnesium, manganese and zinc were analyzed by atomic absorption spectroscopy using a wet digestion method. Of the four durum wheats analyzed, the California grown whole wheat was higher than the others for

Ca content. All whole wheat samples were about the same for Fe content. The North Dakota grown whole wheat samples were higher than the other samples for Mg. The California grown whole wheat sample was lower than the other samples for Mn content. The Arizona grown whole wheat was higher than the other whole wheat samples in Zn content.

As expected, the mineral concentration of bran/semolina blends were higher than the 100% semolina, with the 30% blends having the greatest concentrations. Cooking losses of Ca and Mg were lowest for the 30% bran samples and increased with less bran. The 100% semolina samples had the greatest losses of Ca and Mg.

Bran added samples did not show a cooking loss for Fe. The 100% semolina samples did show a slight loss in Fe content. Cooking did not have an observable effect on Mn contents.

All samples showed an increase in n content after cooking. The 100% semolina samples showed the highest increase. There was no real trend observed in the increase. The increase might be partially explained by loss of starch in the cooking water, again resulting in a concentration effect.

Water solubility of various minerals influences the effects observed from cooking the spaghetti.

Work Remaining:

The second phase of this project involves a taste panel of the processed pasta. Phosphorus analyses of the raw and cooked samples will be measured.

Fiber analyses of the cooked product is presently underway.

Phytase and phytic acid measurements and selected characterization studies of the raw and cooked samples will be conducted. These studies will also be conducted at various stages of processing the spaghetti.

Reference:

1. Kordonowy, R. Research project: utilization of durum mill feed streams for increasing dietary fiber in durum pasta. *Macaroni Journal*, Vol. 63, No. 12, 27 (1982).

The future of the pasta industry.



**Our New
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The DeMeco Hi-Temp One dries any type of short goods in 4½ hours or less at 170°F. And since it doesn't attain drying temperature electrically, the energy savings are considerable when compared to microwaves. Just two-thirds the size of its predecessor, Hi-Temp One saves valuable space.

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March 21 - 22 - 23 - 24, 1983

MONDAY, MARCH 21

Arrivals — 6:00 p.m. Reception; 7:00 p.m. Dinner

TUESDAY, MARCH 22

- 8:00 a.m. Welcome and Coffee
- 8:05 a.m. Feeding Short Goods and Noodles — Peter Kenford, Aseco Corp.
- 8:45 a.m. Form, Fill, Scaling — Bill McDonald, Triangle Packaging Machinery
- 9:15 a.m. Form and Fill — Don Jones, Hayssen Manufacturing Company
- 9:45 a.m. High Speed Cartoner and Pouching — Joe Stevenson, Pneumatic Scale
- 10:15 a.m. Cartoning, Scaling and Filling — Tued Husak, Clybourn Machine Corp.
- 10:45 a.m. Case Loading — Tony Bruno, Packaging Machinery Company
- 11:30 a.m. Load buses
- 12:15 p.m. Luncheon at Board of Trade Country Club, Woodbridge
- 2:00 p.m. Tour Primo Foods, Ltd., Weston
- 3:00 p.m. Tour of Industrial Areas — North and West Toronto
- 5:30 p.m. Return to Hotel — Evening Free

WEDNESDAY, MARCH 23

- 8:00 a.m. Welcome and Coffee
- 8:05 a.m. Long Goods Feeding System — Gene Teeter, Meyer Machine Company
- 8:45 a.m. Weighing and Cartoner — Peter Pottetti, Hesser
- 9:15 a.m. Cartoner — Ponzio, Redington, Inc.
- 9:45 a.m. Cartoner — Ted Husak, Clybourn Machine Corporation
- 10:15 a.m. Checkweighers — Robert R. Wischhusen, Hi Speed Checkweighers
- 10:45 a.m. Case Loading Cartons — Theodore Trump, International Paper Co.
- 11:30 a.m. Load buses
- 12:15 p.m. Luncheon at The Old Mill Restaurant
- 2:00 p.m. Tour of Lancia-Bravo Foods
- 5:00 p.m. Return to Hotel — Evening Free

HURSDAY, MARCH 24

- 8:00 a.m. Welcome and Coffee
- 8:05 to Noon Human Relations Seminar — Speakers on Quality Circles to be announced.
- Noon Adjournment — Departure

Rooms at Toronto Hilton Harbour Castle are \$80 for a single or double plus 5% tax. Make reservations directly: One Harbour Square, Toronto, Canada M5J 1A6.

Registration fee for Seminar including meals, materials, and transportation: \$100 for members; \$200 for non-members. Please make check payable to National Pasta Association.

TORONTO IS CLEAN, SAFE AND FUN

It's so clean."

That's the most common remark made by first-time visitors to Toronto, one of the premier cities of Canada. Located on the northwest shore of Lake Ontario, Toronto is so spotless that it seems as though the city was built by the Walt Disney people. It certainly can't be real.

But real it is. The streets of Toronto are both clean and safe, attracting middle-income residents instead of chasing them off to the suburbs. Its subway and bus system serves as a model of fast and efficient transportation. At the same time, this paragon of urban virtue manages to entertain its residents and visitors with gourmet restaurants, elegant shopping malls and good theater.

With just a smidgen of smugness, residents of Toronto are eager to remind those who might not have noticed just how tidy and terrific their city is.

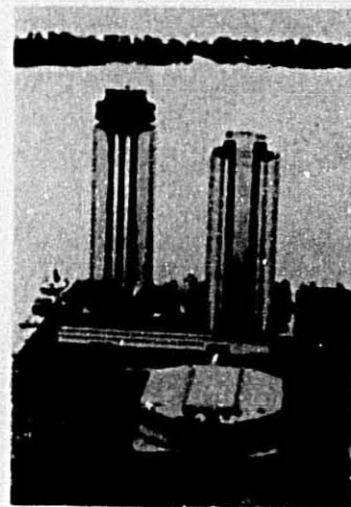
"There's a joke going around now," one city booster said. "It asks: 'How can you tell a Torontonian?' The answer, 'He's the one with all the garbage stuffed in his pocket. You know from picking it up off the streets.'"

"Toronto the Good"

While not exactly top drawer humor, the joke underlines the basic feeling of the residents. That is, they are proud of the city they affectionately call "Toronto the Good," and they'll do whatever they can to work together to maintain that pristine image.

This sense of wholesomeness and cleanliness does not mean Toronto is so pure that it's dull. There's plenty to do here, from taking a ride to the top of the CN Tower, the highest free-standing structure in the world, to visiting Ontario Place, a recreation complex that's also the site of one of the finest children's playgrounds anywhere.

There's Harbourfront, 92 acres of entertainment and recreation, including art galleries, restaurants, a craft center and theater programs. Fort York is a restored settlement founded in 1793, and Casa Loma is a medieval castle, built by an eccentric millionaire, that has 98 rooms, 21 fireplaces and secret passageways.



Toronto Hilton, Harbour Castle

The Ontario Science Centre contains more than 500 exhibits, and you can visit the Royal Ontario Museum, which has the finest collection of Chinese antiquities in North America. For zoo lovers, there's the 710-acre Metro Toronto Zoo.

But beyond the obvious tourist attractions, of which there are many, there's more to this city. Much more. Because it is so safe here, visitors can dare to branch off the beaten path and find their own adventures. In Toronto, you really don't have to worry about losing your way and ending up in an area of questionable character.

Toronto is a city of neighborhoods. Its ethnicity weaves in and out of streets and avenues, forming a brightly colored tapestry of cultures and people. From the Portuguese fish market to Caribbean restaurants, Toronto is filled with establishments representing many of the world's nationalities.

Smell the Curry

Walk through the east end, near Gerrard Street and Coxwell Avenue, and you'll hear the sounds of the East Indian community, complete with sitar music. The smell of curry fills the air. Stores sell silks, carpets and incense. Restaurants serve exotic dishes like tanjori and samosa.

On the west side is Little Italy, where almost all of the city's 450,000

Italians live and work. This is a great place to wander when the weather is warm, stopping at the various cafes that line the streets, munching on cannoli and sipping espresso.

There's more. In Toronto, all you have to do is name a nationality and you'll find a representative community or, at the very least, a restaurant.

For example, there's the Sultan's Tent, which serves traditional Moroccan cuisine. Seated on couches surrounded by cushions and pillows, you're in for a real Middle Eastern experience. Start with b'stila, pieces of cornish game hen mixed with egg, onion, lemon, saffron and almonds, wrapped in paper-thin pastry and covered with powdered sugar and cinnamon. The combination may sound weird, but it's really delicious.

If that's a little too ethnic for your tastes, order the maftoul, rolls of pastry stuffed with beef. Soups include harera, a lamb stock with tomatoes, chick peas and lentils. There are five salads from which to choose, including zucchini and carrots with coriander.

Belly Dancers, Too!

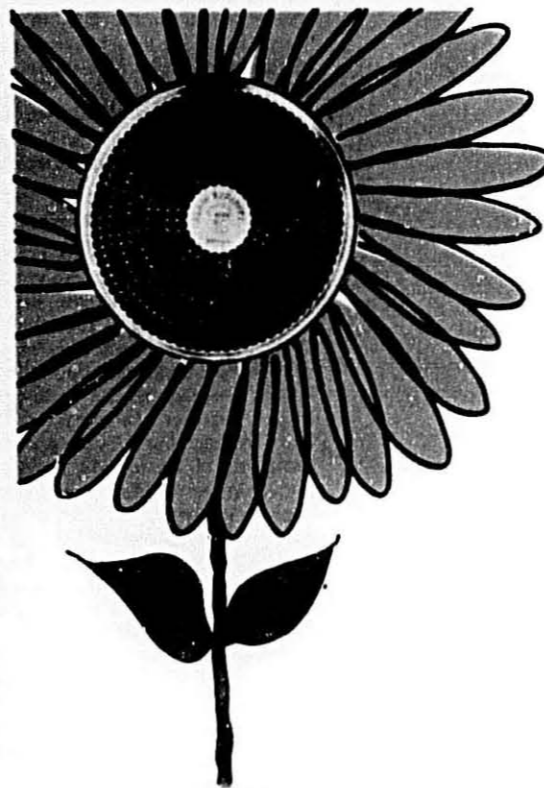
For the main course, you might order chicken with lemon and olives, couscous or lamb with honey, raisins and almonds. Dessert is called briwat al hobb and consists of pastry triangles with almonds, dipped in honey. The entire five-course meal costs \$14.50 to \$19.95 per person and includes being entertained by an exotic-looking belly dancer and a Moroccan band.

Moroccan food might not appeal to you, but there's a whole world waiting for you in Toronto. Chinese restaurants like the Pink Pearl offer dim sum dining. For Hungarian cuisine, there's L'Europe. With its starched white tablecloths and tie-back curtains, this restaurant has a very European ambience. Order the paprikash or the goulash (both \$4.25 for the luncheon portion) and you won't go wrong.

Exploring the different ethnic neighborhoods and restaurants is not the only fun you can have in Toronto. Shopping, for instance, is particularly good here. With the value of the U.S. dollar stronger than ever in Canada, American shoppers immediately get a 20 percent discount on whatever they

(Continued on page 16)

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Toronto is Clean

(Continued from page 14)

buy. Add to this the fact that Canadian store owners, like their American counterparts, are trying to stir up a sluggish economy by having more sales than ever before.

If that's not incentive enough, consider the fact that Americans can get a rebate on the 7 percent sales tax by mailing a proof of purchase and tax refund form to the Canadian government.

Buys on British Imports

Because of a special trade agreement under which Canada does not have to pay an import tax on items from the Commonwealth countries, you'll find really good deals if you buy imports from the United Kingdom. On a recent trip to Toronto, a men's store called Mores was selling Harris tweed sports coats for \$100. With the 20 percent, that reduced the price for an American to about \$80. Those coats sell for twice that price in the United States.

One of the more popular shopping areas is the village of Yorkville near Bloor Street, the Michigan Avenue of Toronto. This former rural settlement is filled with trendy boutiques, sidewalk cafes and art galleries. One of the best stops in Yorkville is the Guild Shop, an outlet for the work of about 3,000 local artisans. You'll find everything from carved Canadian geese to batiked silk scarves here.

Yorkville is Expensive

Prices at the Guild Shop range from a couple of dollars to thousands. On the whole, the Yorkville area is extremely expensive, making it the best spot in town for an afternoon of window shopping and browsing.

When discussing shopping in Toronto, it's mandatory to mention Eaton Centre, the Canadian version of Woodfield. This glittery spot for devoted shoppers has more than 300 stores under a vaulted glass roof. Most of the merchandise looks familiar, but, with the discount you get with U.S. money, this is an excellent place to pick up a few items you've put off buying.

But the most exciting shopping excursion in Toronto is the St. Lawrence Market in the Old York section of the city. As a tourist, you might not be interested in purchasing fresh produce or home-baked goods, but it's certainly

fun to browse through this massive open market, buying small samples of this and that. Stop for a handful of giant pistachio nuts at one of the kiosks or buy a freshly baked roll at another.

The best part of the St. Lawrence Market, however, is watching the people. They come from all sections of the city to buy goods or sell their wares, haggling with the merchants over the price of an item or the quality of the goods. You'll see old farmers selling eggs right next to a hip-looking chick selling sunflower seeds. Families bring their children. Everyone fits in, and everyone has a terrific time.

In a way, the market is a microcosm of Toronto, with people working together, appreciating one another's differences. The only common denominator is the fact they share a love of their city.

Of course, there's another way in which the market represents the city of Toronto. It's so clean.

Warnings of a Trade War

The United States can no longer bear the burden of world market distortions caused by European Community agricultural subsidy practices. Thomas A. Hammer, former deputy Under Secretary of Agriculture for international affairs and commodity programs, told 500 British farmers and agribusinessmen at the 37th annual Oxford Farming Conference Jan. 11.

Mr. Hammer said that "tensions between the U.S. and the E.C. over this trade policy has risen to dangerous levels, and it now appears a major trade confrontation is inevitable."

Mr. Hammer is an agricultural advisor to the Washington-based law firm of Heron, Burchette & Ruckert, where he is involved in three of the five agricultural disputes against the E.C. pending decision before GATT. During his tenure with U.S.D.A., Mr. Hammer participated as the Department representative in several negotiations with the Community on agricultural trade.

In commenting on the ongoing export policy dispute between the U.S. and the E.C., Mr. Hammer noted the situation reached "crisis proportions" following the GATT meeting in Geneva last November. "We acknowledge the sovereign right of all countries to pursue internal policy objectives for their agricultural sectors," he said.

"But these same countries have a responsibility to ensure their internal programs do not create external instability."

Mr. Hammer explained the U.S. now is questioning why its agricultural exports declined for the first time in over a decade, while E.C. farm exports reached record levels. "If the U.S. was losing exports to the E.C. in a free trade market, we would have no choice but to examine our own shortcomings and correct them," he said. "However, we believe our agricultural trade losses are due entirely to artificial support rather than to shifts in comparative advantage."

Specific Dramatic Increases

Mr. Hammer cited several examples of ways in which E.C. exports have increased dramatically over the past 10 years due to export subsidies. The E.C. has advanced from a net importer of grain to a major net exporter, challenging Australia as the world's third largest exporter. In sugar, poultry, dairy and eggs, the E.C. has gone from being one of the world's largest importers to the world's largest exporter, annually exporting 5 million tonnes of sugar and capturing 25% of the world's broiler market and 60% of the dairy market, he said. As a result, the E.C. has dramatically increased its profits as well, Mr. Hammer said.

Between 1970 and 1980, the unit value of E.C. exports rose from \$400 a ton to \$1,225 a ton while U.S. unit values rose from \$170 a ton to only \$265 a ton, he said. Mr. Hammer cited 1982 E.C. export subsidy appropriations of \$1.2 billion for grain \$107 million for poultry and eggs, and \$1.9 billion for dairy as evidence of its resolve to continue agricultural subsidy practices, regardless of their impact on world trade.

"The United States has traditionally endorsed an agricultural export policy of minimal interference in world trade and continues to advocate the world wide elimination of subsidies which disrupt and endanger fair and effective competition," said Mr. Hammer. "Nonetheless, we will soon be forced to institute a program of countervailing subsidies without which U.S. farmers cannot compete successfully on the world market. In fact, legislation was introduced in the final weeks of the 97th Congress to address this situation, and already the subsidy issue is on the agenda for the 98th Congress."



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E.C. Farm Prices Rise

According to data compiled by the Statistical Office of the European Community, average prices received by farmers in the E.C. in 1982 increased 11.9% over the previous year, while the cost of goods and services used by farmers gained 9.7%. This was the first time in four years that prices to farmers moved up at a faster rate than the cost of goods and services. Wide variations were noted among the 10 member states. In Britain, Ireland, West Germany, France, Belgium and Denmark, both farm prices and prices of goods and services moved up in 1982 at approximately the same rates. In Greece, Luxembourg and Italy, farm prices rose more sharply than costs, while in the Netherlands prices to farmers gained only 3.2%, while costs advanced 4.9%. The sharpest rise in farm prices was in Greece, at 22.4%, while costs in that nation were up 14.8%.



James R. Stolle

Minnesota. He and his family live in Plymouth, Minn.

Minneapolis-based Multifoods is a diversified food company operating principally in the United States, Canada, Venezuela, Mexico and Japan, with annual sales of more than \$1.1 billion.

Multifoods Grain Division VP

International Multifoods Corporation announces the promotion of James R. Stolle, division vice president and assistant general manager, Grain Division, to vice president and general manager, Grain Division.

Stolle succeeds Earl N. Sonnesyn, vice president and general manager, Grain Division, who retired Jan. 4, 1983.

Stolle began his career at Multifoods in 1960 in the Agricultural Products Division. After serving in various managerial positions, he was named regional procurement manager in New Ulm, Minn. in 1966. In 1968, he moved to Minneapolis as commodity procurement manager, and was promoted to director of procurement in 1970. Stolle became a division vice president in the Agricultural Products Division in 1975, and moved to the Grain Division as a division vice president in 1981.

Stolle will be responsible for Multifoods' U.S. grain procurement and merchandising operations and will report directly to Darrell Runke, president of Multifoods.

A native of Finlayson, Minn., Stolle received his bachelor's degree in agronomy in 1960 from the University of

A D M Down

Net earnings of Archer Daniels Midland Co. in the second quarter ended Dec. 31 was \$28,742,000, equal to 38¢ per share on the common stock, based on average of 76,311,000 shares outstanding. This compares with earnings of \$57,485,000, equal to 76¢ a share, on 75,971,000 average shares outstanding in the second quarter a year ago, adjusted for the 5% stock dividend in September 1982.

In the first six months of the current fiscal year, July through December, net earnings after taxes totaled \$60,908,000, or 80¢ per share, based on average shares outstanding of 76,299,000, compared with \$105,730,000, or \$1.39 a share, on 75,965,000 average shares outstanding, adjusted a year ago.

Provisions for federal and state income taxes for the first six months of the current fiscal year were \$30,619,000, compared with \$41,340,000 a year ago.

ConAgra Dividend

ConAgra, Inc., declared a regular quarterly dividend of 25¢ per share on the common stock, payable March 1 to shareholders of record on Jan. 31.

Sanitation Posters Offered

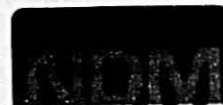
A series of six hygiene and sanitation posters has been developed by the Textile Rental Services Association of America and The Food Processors Institute. The posters graphically call attention to plant areas in which personal hygiene and plant sanitation play an important role in controlling contamination. They also help satisfy the FDA requirement that employees involved in the handling of food or drug products be provided with continuing training on sanitation. Poster messages are: "Wear Hair Coverings," "Put Dirt in It's Place," "Wear Clean Outer Garments," "Use Your Locker," "Report All Cuts," and "Wash Your Hands."

The posters sell for \$45 each or \$2.70 per set of six. Posters may be obtained from your local textile rental supplier or send a check or money order for \$2.70 to Textile Rental Services Association of America, 1250 East Hallandale Beach Boulevard, P.O. Box 1283, Hallandale, Florida, 33009, Attention: Paul A. Richards.

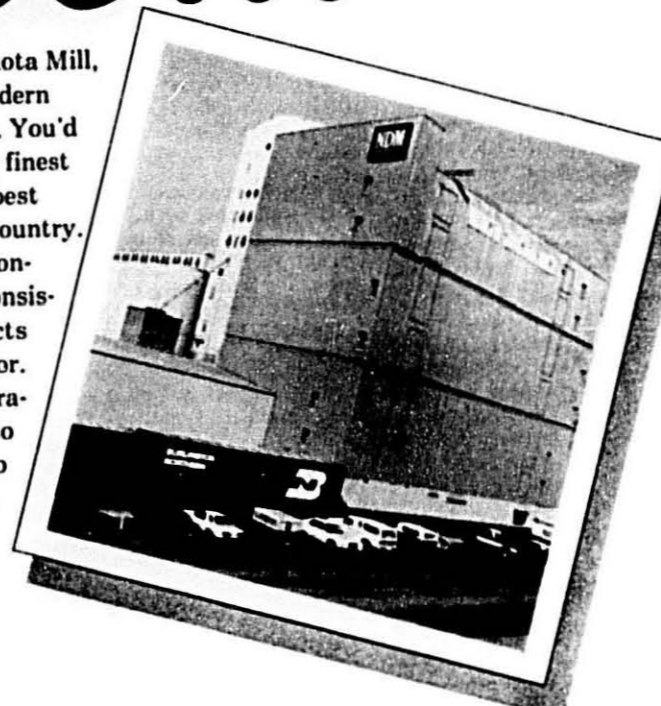
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THE PRODUCTIVITY ISSUE

Productivity will be the single biggest problem facing 1983, according to a survey of members of the Institute of Management Consultants, the certifying organization for the management consulting profession.

The survey, conducted recently, found that 46% of the management consultants responding cited productivity as the top problem facing corporations in the new year. Other leading responses included "planning," at 31%, and "profits," at 23%.

Data are based on 530 responses to a detailed questionnaire mailed to 1,500 members of the organization.

In view of the emphasis placed on productivity, the management consultants expect productivity-related problems to be their "single busiest area of involvement" in 1983.

"It is abundantly clear that productivity has become 'the' issue for, the management consulting profession, at least for the coming year," said John Hartshorne, executive director of the Institute of Management Consultants. "I would think, given the fundamental importance of productivity, that this emphasis will likely be the case for possibly the next few years as well."

See Gradual Acceleration

In a year-end statement issued by the New York Stock Exchange, Dr. William C. Freund, chief economist for the Exchange, said productivity will gradually accelerate in 1983 as the country begins to recover from recession.

"Americans found out the hard way about the consequences of dwindling productivity growth," Dr. Freund said. "As the rate of growth declined over the past decade, we lost our ability to grow, to compete and to contain inflation."

Noting that productivity in the U.S. was actually negative over the past three years, Dr. Freund added:

"Productivity will pick up handsomely in 1983, not only for the normal cyclical reasons but because the deep recession has led companies to trim the unnecessary fat. Business will be leaner and more efficient in the coming economic recovery. The rise in productivity will itself stimulate the economy."

William M. Batten, chairman of the N.Y.S.E., added, "Productivity isn't everything; it's the only thing. The simple fact is that without a rise in output per worker hour, there can be no sustained growth in income per worker, or in living standards."

Dr. Freund said in looking beyond 1983, he sees more fundamental changes which he believes are likely to reverse "the dismal U.S. productivity record in the years ahead." Among the reasons he cited were the following:

Population: In the 1970's, we had a burst of young people joining the labor force — the "baby boom" generation born in the 1950's and 1960's. By and large, they were inexperienced, unskilled and relatively unproductive. That is now behind us. The big bulge in the population and labor force will now be in the 30 to 49 age group. They will be more experienced, more skilled, and more productive.

Tax policies: Increasingly, the power of a new idea is taking hold — namely, that we need to encourage saving and investment to spur productivity. The I.R.A. and Keogh plans are but two illustrations of such policies. So are lower capital gains taxes and faster depreciation writeoffs. The general tax climate is becoming more conducive to innovation and risk taking.

Regulations: Government regulations proliferated in the 1970's with little consideration of their damaging impact on productivity growth. Now, the nation is looking not merely at the benefits of increased regulations but their effects on costs and productivity growth.

New industries: Yankee ingenuity may have been dormant but it is not dead. There is a new awareness of the critical role research and development plays in economic progress. A number of fledgling industries appear on the threshold of major breakthroughs. These include microprocessing, satellite communications, robotics and genetic engineering.

People management: The most important reason for optimism about America's longer-run prospects is that business is rapidly improving its management of its major resource — people."

Management Fuels Japan Productivity

The management system is the key to productivity gains which have been so spectacular in Japan in recent years. That system, for the most part, is based on what most U.S. executives would consider "basic" and "common sense"—almost a truism. But it is the devotion to and trust in these factors which has been the basis of the Japanese success in the past 20-25 years.

Differences in Relationships

Most evident among the differences between the U.S. and Japanese systems is the relationship between management and labor, as well as the short-term vs. long-term objectives.

These were among the highlights of the report of a nine-month study by the Coca-Cola Retailing Research Council related to the Food Marketing Institute midwinter executive conference.

Representatives of five U.S. food distribution firms which are members of the council noted some aspects of the Japanese program which their own firms either had been using for long periods or were in the process of adopting. Evident, however, appeared to be the fact that these firms were either just starting certain facets of the programs, just beginning to build commitment to them or else not as dedicated to the programs as some of their Japanese counterparts.

Items Adaptable for U.S.

Many cultural, pragmatic and philosophical differences dictate against the adoption of the Japanese system in its totality. But the report notes number of items that are easily adaptable into U.S. corporate structure and philosophy.

The highly-publicized Quality Control or Participative Circles, which have been credited for the rapid gain in Japanese productivity, are merely the tools and outgrowth of the management system.

These are among the findings of the council, which is composed of 10 food retailers, two wholesalers, a representative from the Food Marketing Institute and Michael J. O'Connor, of Coca-Cola Co., and former president of Super Marketing Institute, which was merged with the National Association of Food Chains to form FMI.

Early in the study—during the initial reading stages—it became evident that the management structure was the instrument that made the Japanese system work and this became the starting working premise. Further study proved it to be the essential ingredient.

The major parts of the Japanese system also are essential to many successful American firms.

The adversary relationship that exists between labor and management in the United States no longer is the situation in Japan.

About 25 years ago, following a series of bitter labor disputes that were devastating to the industrial structure, management began to adopt a position "of reason and cooperation." Many Americans would characterize it as paternalism.

Permanent Employment

"Permanent employment" has become the rule. The emphasis is on group or team accomplishment rather than individuals. Class hiring is the general policy, where a company hires all of the employees it expects to need for the year at one time. Unions are company unions rather than industry-wide. The personnel department is considered the most important department in the company and training of employees for job and promotion is a major function. Seniority is more important in Japan than in the U.S. for the worker's advancement.

Alfred Marasca, senior vice president for marketing at Ralph's Grocery, Compton, Calif., pointed out that although the emphasis on the group rather than the individual might stifle the outstanding fast worker and protect the less competent, it did tend to build company loyalty and spirit and that peer pressure and the desire to benefit the group seemed to be beneficial to the company.

"Class hiring" is the practice of recruitment unique to Japan in which all of the anticipated personnel needs of a company for the ensuing year are filled at one time—at school graduation in the spring. Ito-Tokado, a Japanese supermarket-department store chain, hires as many as 2,000 then.

Full-time employees of the larger companies are "permanent." After hiring, the worker who wishes to stay may do so until retirement age (55 to 60) and will only be fired for stealing or some dastardly crime.

Women who leave to have children may not return to "permanent" status, but may come back as part-timers. At retirement age, the permanent worker may continue but generally it is at a reduced wage and without bonuses. Retiring workers are given bonuses, often equal to five or six years pay (the equivalent of most "good" American pension plans).

About 15-20% of retail workers fall into the "permanent" category, as contrasted with 70-80% of the industrial workers.

(Since Japan has not had a recession of any severity since the beginning of the "permanent" employee system, there is some speculation as to how well the system might hold up in the face of a depression and if it should fall apart, what effect it would have on the entire system.)

If labor relations appear to be ideal, the distribution problems in Japan are unbelievably complex. To handle the number of items and variety necessary for a supermarket, the average chain there must deal with some 2,000 different wholesalers.

Planning and concern for the long range rather than the short term governs the Japanese corporate outlook, according to David Jenkins, president of Shaw's Supermarkets, Bridgewater, Mass.

He cited Masatoshi Ito, founder and president of Ito-Yokado, as saying, "Profit should not reflect corporate greed but a vote of confidence from society."

Customer Comes First

The order of priority of loyalties for the corporate executive in Japan is first the customer, then the supplier and then the employee. Lastly comes the stockholder, he said.

Japanese management tries to keep the organizational units small. The small group or team maintains an identity and doesn't get lost in a giant corporate structure. Transmission of information and instruction also is simplified. As one executive noted: In a small organization one can demonstrate and explain directly what is desired; in a medium-sized group, the information can be transmitted through a primary delegation with some confidence; with a large group one can delegate through several layers and with a great deal of prayer.

The dedication to the personal relationship with the customer was emphasized by Jenkins when he told of a supermarket which was being prepared for opening in a Japanese community. The manager and employees made personal calls on each of the 50,000 households in the area prior to the opening of the store in order to establish direct rapport with the potential customers.

The diversity of pay scales in Japan is not as great as in the U.S.—in Japan the difference between the lowest-paid regular employee and the chief executive office being no greater than five-to-one, he said.

Personal Touch for Shoppers

Senior executives of a major Japanese department store greet the first customers each morning before they return to their other duties, Charles Jenkins, Jr., vice president and director of real estate for Publix Super Markets, Lakeland, Fla., told the group.

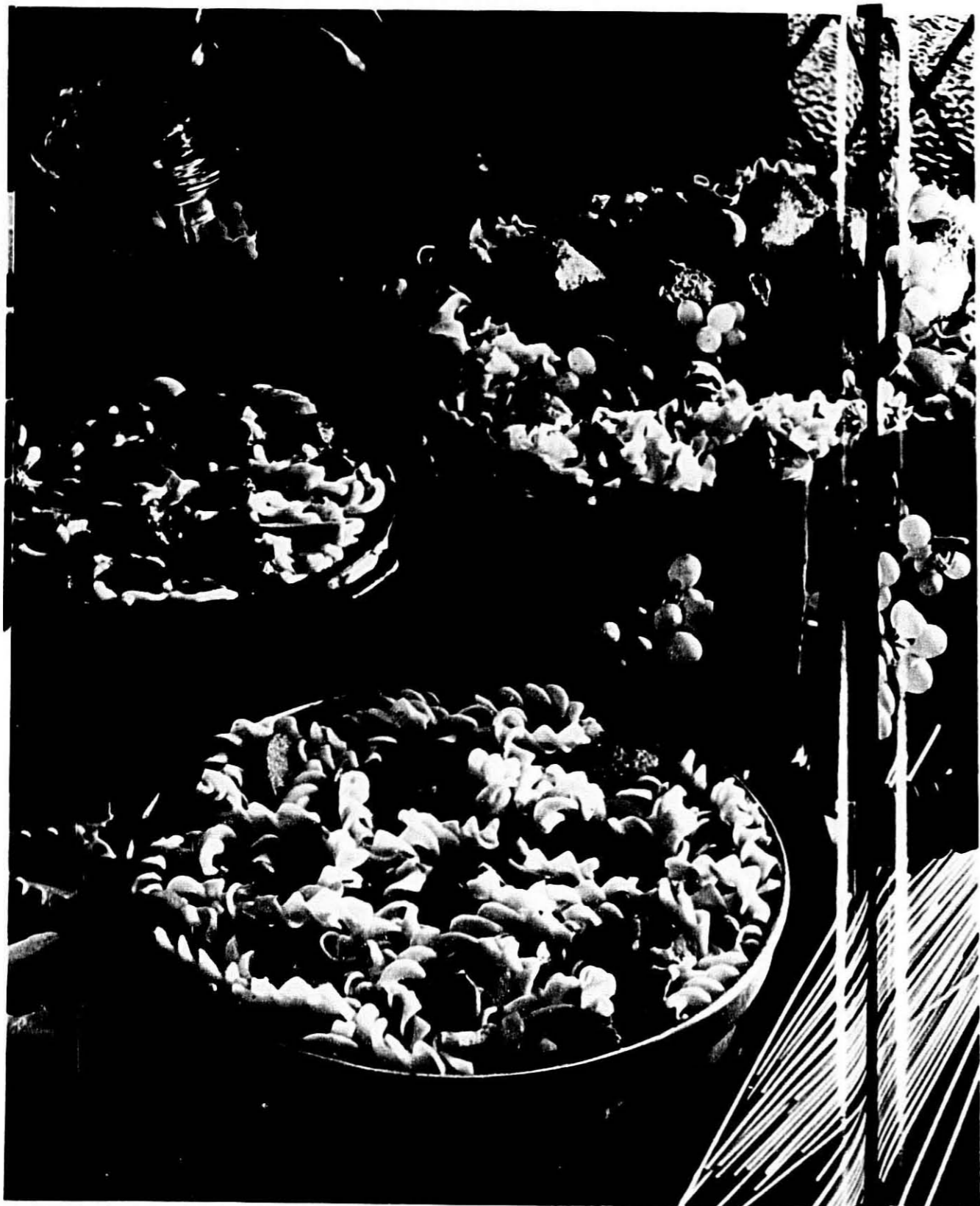
Even though the Japanese retailer works with small groups of employees in problem-solving sessions, these are generally created for specific problems, and when the problems are solved, the groups are dissolved, unlike the industrial sectors where participative circles are ongoing. However, many food retailers are looking into and beginning to establish the frameworks for ongoing circles.

At Publix, he said, circles are not yet instituted but "idea sessions" are held regularly at distribution facilities. Every November is "Employee Appreciation Month" at Publix.

Thomas Rohlen, social anthropologist, who has specialized in the sociological aspects of the Japanese systems and who worked with the group as a consultant, pointed out that "every manager has a primary responsibility to strengthen his organization over the long term; to leave it stronger than it was when he assumed responsibility," as he emphasized the long view that is the guiding force in Japan as opposed to the single-quarter or, at the most, single-year outlook that is common to most American companies.

Mutual trust between labor and management is the foundation stone of the program. Training is continual from the date of hiring until an employee leaves the company.

(Continued on page 24)



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Sales Offices

Japanese Productivity

(Continued from page 21)

There are about one-quarter the number of layers between top management and line employees in Japan as in the U.S., he said.

One of the reasons for the trust between management and unions, Rohlen said, is that "Japanese management educates union leadership. They take the time to explain details of the business, the necessities for their decisions and for the consequences of union positions or activities which are detrimental."

Top Management Blamed For Productivity Slump

The problem of falling productivity in this country comes from the executive suite, rather than the supermarket or the plant floor, food industry executives were told at the Food Marketing Institute midwinter executive conference.

Between 1977 and 1981 blue-collar productivity in the United States rose 6%, while white-collar productivity declined 4%, according to Lester Thurow, professor of economics at Massachusetts Institute of Technology.

Thurow, who painted a devastating picture of "a worldwide economic shut-down," said 90% of the U.S. firms that have laid off blue-collar workers during the current recession, did not fire one white-collar worker. He noted that factory productivity in the U.S. industry is not as low as might be expected. "Blue-collar productivity is still higher in Detroit than in Nagoya," he said.

Another is More Optimistic

Another speaker at the FMI session, John Naisbitt, president of the Naisbitt Group, was more hopeful than Thurow. Naisbitt said we are in the midst of a vast change in economies. "We are in a terrific shakeup period," he said,—moving from the old industrial economy to one centered on information and computers.

Thurow pointed out that there is no country in the world at this moment with a positive growth rate. Each country is reinforcing the economic problems of the other, he said.

The world is beginning to show financial cracks, Thurow noted, and even the relatively optimistic forecasts of the Administration show zero eco-

nomical growth in this country. As examples of the financial cracks he pointed to an increase in company bankruptcies and the possibility of many more; the fact that 300 banks in the U.S. "went broke" last year, and the possibility of countries defaulting on their debts. If Mexico defaulted, big U.S. banks would lose 40% of their capital, he said. Because of the FDIC, banks don't collapse as they did in the 1930s. But when FDIC takes over a bank, loans are not rolled over, Thurow pointed out. As a result, companies that can't float new loans elsewhere can go under.

Our economy is about tenth in the world today, Thurow said. Our productivity has not grown since 1977, while the Japanese increased their 7% and even the British gained 2%.

U.S. productivity was "killed by 1,000 cuts," each one defended by a different group that benefited by it, he noted. There are many villains, including the food industry, Thurow said.

Low Rate of Savings

Another problem, he said, is that the rate of saving by customers in this country is the lowest in the industrial world. The average U.S. family saved only 6% of its income, and almost half saved nothing.

Too many of our companies have short-term outlooks, Thurow charged. One reason, he said, is that chief executives of corporations generally hold that title only five or six years. Since they frequently are paid huge bonuses based on the company's profits during their tenure, it is natural that they concentrate on immediate gains.

Productivity in Japan does not involve "a Samurai warrior tradition," Thurow said, pointing out that Sony's most productive factory is in San Diego. The secret is in management, he said. Gripping about government responsibility for economic ills is "pointless and inane."

The economy is not stagnant, but changing, according to Naisbitt, author of the best seller, *Megatrends*. In the 1970s, more than 20 million new jobs were created, he said, and only 5% of them were in manufacturing. Almost 80% of these jobs were in firms no more than four years old. The job classification of clerk is the largest in this country today, Naisbitt said, moving ahead of laborer and farmer.

"The entrepreneurial explosion is the biggest since we moved from farm to an industrial economy," he said. "We are creating new companies at a record rate."

The U.S. is becoming decentralized in many areas, he said, in the movement from the Federal to local governments, as well as in the economy. Trade associations also are becoming more important at the state level, he noted, and as the old general-interest magazines have disappeared, there has been an upsurge of new special-interest publications.

The trend toward decentralization, in his opinion, means the absence of great leaders in all areas: politics, industry and the arts.

In the food industry, Naisbitt said, specialization has led to a greater variety of specialty foods.

Naisbitt also touched on his theory that moves to high technology will not be accepted by people unless there is a corresponding move to "high touch." Thus, he said, there are more robots in factories, but also more quality circles. Along with scanners in supermarkets, he said, has come an increase in service departments to maintain a personal relationship. For this reason, Naisbitt doesn't feel that video teleconferences can succeed. The concept is "too rational," he said.

Old, familiar lines are being erased, as in the shape and formulation of the traditional supermarket. Companies must decide what business they're really in and "reconceptualize, or they may be out of business," he said. "Strategic planning is worthless unless you have a strategic vision of where you're going."

Scanning Data

The data generated by scanning equipment in the retail stores produces a mixed bag of opportunities for food brokers, retailers and manufacturers. This was the message delivered to the National Food Brokers Association by Richard Shulman, President of Industry Systems Development, Inc., a consulting firm specializing in scanning technology and applications.

He informed the food industry executives that as retailers begin to use the information they are getting from this equipment their buyers will become exceptionally well versed in very specific areas.

For instance, "new items will be measured more quickly. The retailer can measure results after only one consumption cycle," Shulman told the audience. The difference in this analysis by the retailer, as well as in judging item promotions, is that it will be analyzed in terms of total category, not just the item.

"This technology is a two-edged sword. One is obvious. It measures the efficiency and productivity of the product . . . the sharper edge is that the traditional relationships may well be changed over the next few years," Shulman stated.

The question facing the food brokers and manufacturers is how to introduce products and services that complement and make use of this development.

Mr. Shulman stated that by the end of 1982 there will be 6,250 stores in the United States using scanning equipment which is 29 percent of the total ACV in America. By the end of 1985 more than half of the food sales in America will be recorded by scanning equipment, according to Mr. Shulman's estimates.

Benefits from Scanning

Some of the benefits that will be reaped from scanning technology will be the following, according to Mr. Shulman:

- Pricing analysis—better control of pricing structures and the impact of pricing on sales.
- Promotional and Advertising analysis—actual sales measurement, particularly of feature items and brands and tie-in items.
- Product line management, including seasonal merchandising.
- Direct store delivery control.
- Shelf and space management.
- Financial Management—of whole broad categories of products.
- New item evaluations—quicker and more in-depth information.

Mr. Shulman noted that automated reordering which was of great concern early in the development of scanning technology has been "singularly unsuccessful" in the industry.

He did, however, describe various "data capturing devices" which may be introduced that would change operating procedures. These included time

clocks, scales, sensors for inventory and other monitoring devices. "In-store computing programs are definitely on the rise," he told the audience.

"Computer data ordering could help the food broker because it will point out what the store forgot to order."

He also predicted that a whole new generation of market research companies is on the horizon. "The market research community has been buying data produced by scanning for some years and will begin to brief the computer people soon. They have positioned themselves by buying the scanning data now."

He suggested to the audience of food brokers, manufacturers, processors and others that the onus is on them to learn to use this scanning generated data and he advised them that the time to do that is now.

New Brand Activity Continues to Grow

Nielsen Early Intelligence System (NEIS), a new product information service of A.C. Nielsen Company, has reported that the number of new brands introduced into supermarkets has grown from 701 during the first eight months of 1981 to 730 during the comparable period in 1982. This 4.1% increase represents a continuation of the positive year-to-year trend registered since 1978.

The fastest growing form of new brand activity involved established brands entering new fields. The number of brands introduced on this basis grew 187% when the first eight months of 1981 and the first eight months of 1982 are compared.

New Items Up

The number of new items (i.e., flavors, sizes, scents, etc.) introduced in the first eight months of 1982 exceeded the 1981 total by 10.4%. Just over two-thirds of the 1982 total of 4334 new items consisted of item proliferation of existing brands.

The most active area of new brand introduction was among health and beauty aid (HBA) products. During the first eight months of 1982, 113 new brands entered supermarkets, while only 88 appeared during the comparable period in 1981—a 28.4% increase. Non-perishable edible prod-

ucts grew in number from 301 to 334, a 10.9% increase.

Among the weakest product areas were frozen foods, which fell from 110 brands to 94 brands (-14.5%) and non-edibles, which declined from 117 brands to 99 (-15.3%).

NEIS consists of a series of services designed to assist new product marketers and corporate planners in screening and evaluating product categories for potential growth and possible market entry. For further information concerning NEIS, contact Ken Carlson, A. C. Nielsen Company, Nielsen Plaza, Northbrook, Illinois 60062.

Railroad's "Man of the Year"

L. Stanley Crane, chairman and chief executive officer of Consolidated Rail Corporation (Conrail) has been named the railroad industry "Man of the Year." The award was made by *Modern Railroads*, a magazine serving the railroad industry.

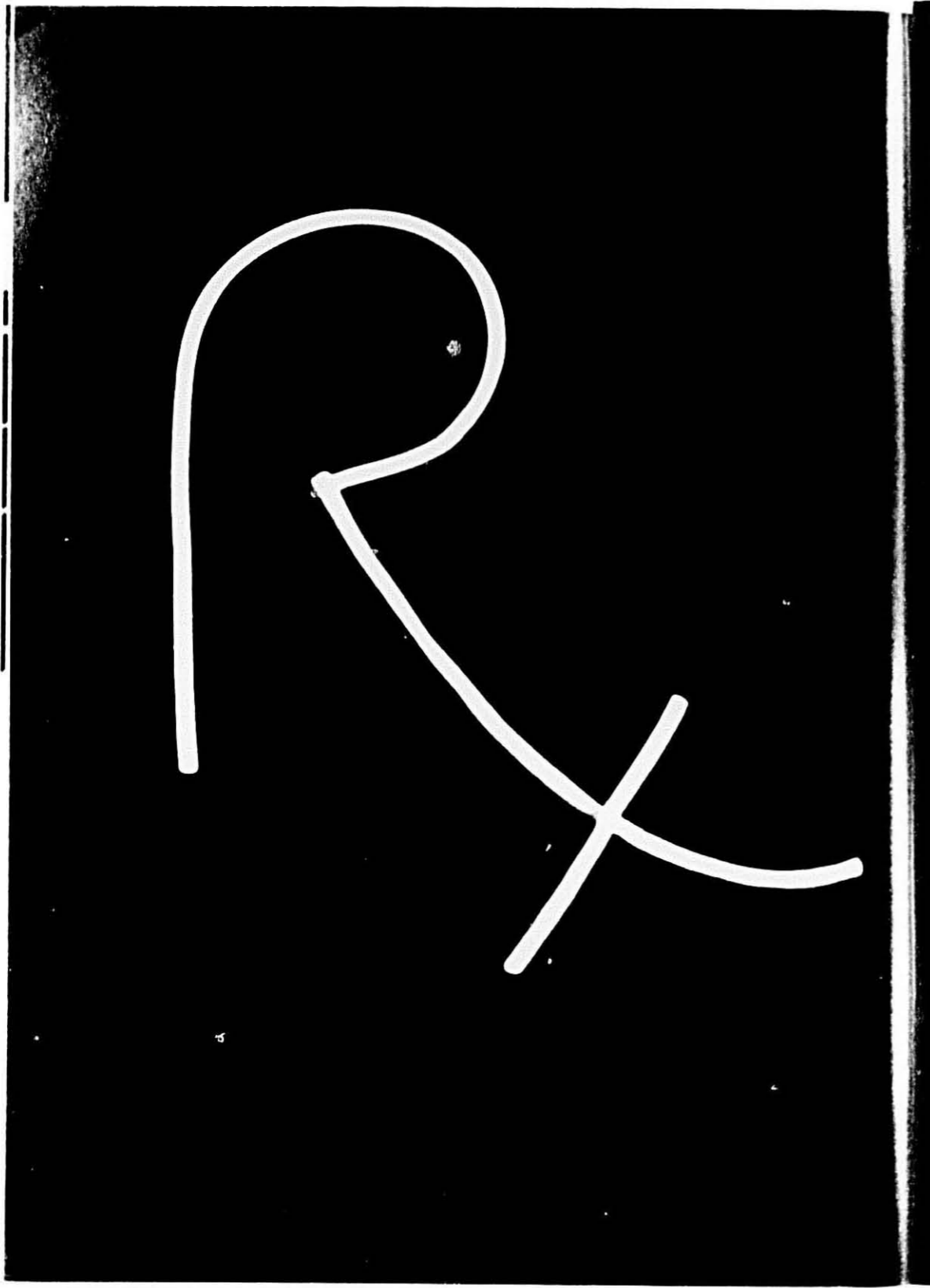
According to Tom Shedd, editor of the publication, "The selection of Mr. Crane isn't likely to provoke any second guessing. For the astounding turnaround of Conrail since Mr. Crane became chairman in January 1981 must rank as one of the top achievements in the railroad industry in recent years." He cited the financial improvements of the railroad under Mr. Crane's leadership:

In the first five years of existence, Conrail rolled up deficits of about \$1.5 billion, including a \$244 million loss in 1980 alone. But in 1981, Mr. Crane's first at Conrail, the railroad made a profit of \$39 million. And despite a depressed national economy and even more severe conditions in its territory, the railroad is expected to earn somewhat more in 1982 than it did the previous year.

Although Mr. Crane foresees only a slight improvement, at best, in Conrail's traffic in 1983, he said that the railroad is primed to capitalize on an economic turnaround when it does occur. "If ever a company was in a good position to benefit from an improved economy, it is this one."

He cited the fact that the nearly \$3.3 billion of federal funds that were invested in Conrail between 1976 and 1981 "produced a railroad in excellent physical shape and capable of

(Continued on page 48)



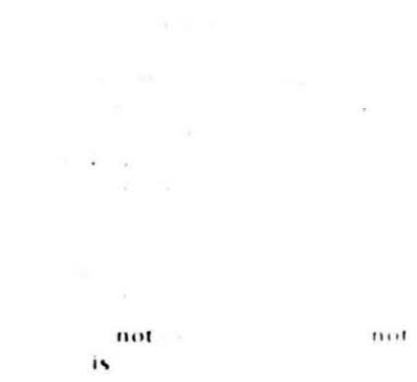
Pasta Prescription

Prescribe pasta. It could reduce the risk factors associated with coronary heart disease.

How does this relate to pasta consumption?

Fig. 10. Coronary heart disease risk factors associated with pasta consumption.

- saturated
- substitute unsaturated fats
-



Pastas – let's tell it like it is.

ADM

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FAMILY BUSINESS COLUMN

by Frank M. Butrick, Akron, Ohio

Part X — The Wife

Too many men take great pride in keeping their business and private lives separate. Not at the beginning, of course, when the owner's wife is pressed into duty as combination bookkeeper, clerk, and stenographer. But if the business survives, a girl is hired and the wife's duties are trimmed accordingly. Then another girl is hired, things seem to be going well with the business, and the wife goes home to take care of the kids. The years pass by, with the husband immersed in his growing pasta business and the wife working full time at home. By the time the children are college age, the wife has become so divorced from their business that she has no idea of what actually goes on there.

The husband's notion of success has become having an ignorant wife with her own Cadillac, and he thinks that failure is a wife who works nights on the books. And worst of all, this separation of wife and the business which supports the family is often a great satisfaction to the husband, who thinks he proves his manliness by "going it alone." But it also separates the man into two halves, the husband/father and the businessman, and it can lead to a number of unfortunate results, all of which are usually irrevocable, once events and time have had their full effect.

An Example

An example occurs to me: At a convention I met a fellow who had been a wholesale grocery salesman until his early 30's. For years his wife helped him with his correspondence, prospect list, and mailings. She traveled with him and met and helped entertain his customers. Then he bought out a small pasta maker and for some time his wife was totally involved in their new venture. But as the company grew, and the staff increased, the wife's duties were gradually spun off to other people, until she became merely an office clerk and her husband decided this was demeaning for both of them, so he

sent her home. With nothing to do, she sought other interests; five years later — virtual strangers — they were divorced. I have met others with this history — so have you.

Not Always Husband's Fault

But the fault is not always the husband's alone. Both must grow as their firm grows. This may mean night school, college courses, seminars, as well as deliberately pursuing professional competence at growing levels of responsibility. The man does this or there is no growth. But no successful husband will be happy having his wife as an employee at the peon level in their business. Too many wives who were content being their husband's helper on a small, personal level, are unwilling to develop the ability to become vice presidents in a large business. And too many men wind up so intent upon their own advancement that they forget to give their wives a helping hand, so they can keep up. The husband winds up a success as a businessman — but loses his wife and alienates his children. Hardly a success as a man — and in the end, that is what really counts.

Also, we men too often assume that our health (an dour life) will last forever. It will not. And when the time comes that we can no longer run our firm competently and full time, suddenly our (and our wife's) security is undermined. It just makes good sense to have the wife sufficiently involved in the family business, or some portion of it, or another business, so that she has a fighting chance of preserving your and her income should you be unable to continue. Even if you have developed a son, daughter, son-in-law, or nonrelative as your successor, it is still prudent for your wife to know something about the business which is her primary source of income.

There is another aspect of the problem of the wife who is ignorant of the family's business. At her husband's

death, the business itself, no matter how valuable, may become a millstone for the widow and heirs. She inherits it and, with no practical experience in management, relies upon those same advisors whom her husband never believed.

The owner of a food distributor died in his late fifties. His widow, who had not worked in their business for nearly twenty years, suddenly owned the company—despite the fact that she knew nothing about it. So she listened to her husband's advisors. Her banker and lawyer urged formal, professional advice, so she put the two, plus the accountant and a business professor, on the board of directors and was talked into paying them \$10,000 a year each for their monthly meetings. All were conservative; none were marketing oriented (although it was a sales business).

Destructive Practices

Soon they had the advertising cut, and the sales force trimmed to cautious levels which they felt were adequate to protect the firm's profits and cash flow. But gradually growth slowed, then plateaued. And then sales began to drift downward. Potential buyers made good offers for the firm, but her advisors (seeing an end to their monthly retainers) claimed all the offers were too low. Things went from bad to worse. Desperate, she hired the professor as general manager, although it meant cutting her own income to a few hundred a month to make room for his salary. Two years later, the professor and the lawyer bought the distribution business from the widow. Magically, within months the business blossomed out and began to produce good profits again.

What happened? Instead of leaving his wife wealthy, the husband made her totally dependent upon the wolves, and the wolves moved in to fill the vacuum created by her ignorance. Not

(Continued on page 30)

CLYBOURN CARTONERS meet a wide range of needs

VERTICAL CARTONERS

Clybourn cartoner features:
• handle hard-to-feed products • carton size changes
• sift-proof sealing • tuck or seal end style cartons
A comprehensive assortment of options and accessories makes it possible for us to satisfy a wide range of cartoning requirements.



Volumetric Filling
Ideal for most free-flowing products such as powders, granules, flakes, macaroni and rice.



Net Weight Scales
For free-flowing, multi-shaped products such as specialty pasta, pet foods, wrapped candies and products with frequent density change.



Auger Filling
Recommended for hard-to-feed, semi-free-flowing products like ultra-fine powders and mixes with shortening.

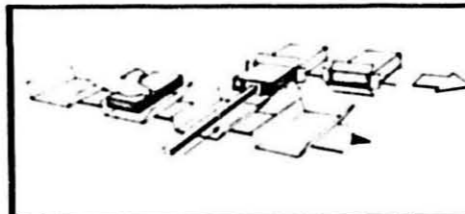


Hand Loading
Ideal for operations where product changes are frequent and production volume varies widely.

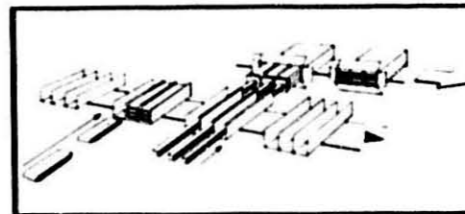
Plus Others
We also offer automatic bottle, can and pouch loading. Tilt tray conveyor makes it possible to feed into the carton irregularly shaped products. Clybourn Vertical Cartoners are available in speed ranges from 50 to 400 cartons per minute. Speed varies with model and carton dimensions.

HORIZONTAL CARTONERS

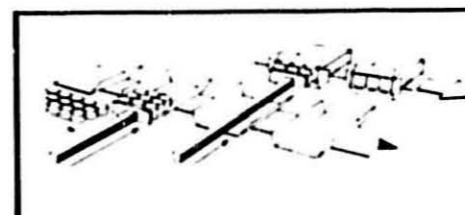
Intermittent Motion and Constant Motion Horizontal Cartoners are available with the following features: • tuck or seal end style carton • three-dimensional carton adjustability • vertical or horizontal form, fill, seal tie-in with automatic collation from single or multiple lanes.



Hand Loading of Trays



Pouch Collation



Container Collation

Built to meet your product and production line specifications. Clybourn horizontal cartoners package a wide variety of products such as: bottles, blister packs, bearings, chewing gum pouches, pencils, pens, bakery, frozen and snack foods, spaghetti and many other type of products.



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a division of Farrell Inc.

Family Business Column

(Continued from page 28)

at all a pretty picture — but a much too common one. If you are going to leave your business to your wife, be sure she knows enough about it to be able to run it successfully and not be conned out of it by sharpies.

The occurrence of the business-ignorant widow as owner/manager — with her retinue of parasitic advisors — is far from unusual. So much so that there are even specific acquisition techniques which have grown up through the years, by which aggressive business buyers take advantage of the widow's situation.

A pasta business means much more to (and demands more of) its owner than does a career to a management employee in somebody's else's business. Yet it is not difficult to find employees who sacrifice their wife, children, home — their families — for their jobs. Nor is it hard to find business owners who have made the same sacrifice on the same altar. You see these men — strong, driving men with mousy wives or second or third wives. You see the result in their alcoholism, compulsive play, and their bitterness. In the long term, this can be almost suicidal.

More to Life

Because after a man has spent his life in building a business to a comfortable level, he should find more than aloneness when he surveys his life. He should know that his family is with him, not estranged. And if his business has fallen short of his dreams, then it is even more important that he know the person's satisfaction of close family ties, since this is far more important than mere financial accomplishment. Eventually, a man reaches a point where he can afford to relax a little bit, shorten his hours, and enjoy his personal life more than he could during his hard-driving years. That means spending more time with his wife — and if she has been excluded from the business, she knows nothing about it and cannot even discuss it intelligently. Worse yet, it might not even occur to her to do so. What good is the memory of accomplishment if there is nobody to talk about it? That would not be much of a future to look forward to.

When a business owner weaves his business and family life together, he

learns to share — and opens the door for his sons and daughters. With both parents in the business, it is easy to interest the children, and they virtually grow up in the company. There are seldom problems with disinterested children, wondering how to teach them basic money-work-ethics values or getting them to "settle down" or to become ambitious or willing to work.

So remember, a FAMILY business means your WIFE, too!

NEXT MONTH: We look at training your son to take over your business.

This article is condensed from a chapter in the author's book, **THE FAMILY IN BUSINESS**, released by the IBI Press, Box 159, Akron, OH 44309.

MACARONI JOURNAL will be printing key chapters from the book, the first ever devoted exclusively to the personal relationships within the privately-owned business, during the forthcoming months. For information on the book, contact the publisher directly.

Pasta Publicity

Pasta! Salads, entrees, desserts appear on the front cover of **Better Homes and Gardens** for January. On pages 56-83 are some 20 recipes from appetizers to desserts by Nancy Byal.

She says: "Remember when pasta meant macaroni and cheese or spaghetti and meatballs? Well, those golden oldies are delicious, but they don't scratch the surface of pasta's potential. For starters, we've created an international lineup of pasta dishes plus a picture guide of pasta varieties. So pull out the pasta pot, and cook up a new taste experience!" Nine pages of color photographs recommend pasta in these categories: surprising pasta, posh pasta, versatile pasta, pronto pasta, pasta potpourri. Circulation: 8,100,700.

Good Housekeeping for January had 16 pages of the World's Best Casseroles — Favorite One-Dish Meals — including beef rouladen served with parsleyed noodles, eggplant and macaroni casserole, spinach lasagne, pasta e fagioli casserole, and party pastisitio.

Family Circle's newest entry in the "Great Ideas" series of special publications — "Great Ground Meat reci-

pes" — will go on sale early in January and has pasta recipes with ground beef.

On the heels of Prego and Ragu sauce advertising, Hunt comes out with a new improved tomato paste and a new Italian style paste. Each new product will be advertised separately — but in tandem — using full color facing one-half pages.

Woman's Day Magazine for February 8, 1983, had a cover photo and reference to the Pasta Lover's Cookbook, "prima vera plus 16 other recipes from the great James Beard." Pictured in a double page spread in color are pasta with parsley pesto, chicken pot pie, macaroni and cheese. The second spread shows swordfish a la pasta, macaroni with beans, pastisitio for a party with recipes given plus pasta with primavera sauce which is shown on the cover, macaroni salad, old fashioned chicken fricassee with noodles, beach pate (meatloaf studded with shells), fettucini with zucchini, linguine with tomato-shrimp sauce, pasta con quattro formaggi, spaghetti carbonara, orzo salad, stuffed ziti, spaghetti with asparagus.

Health Magazine, January. Cover story: "Pasta Pleasers." Story title: "Pasta - For Those Who Dare to Venture Beyond Spaghetti." Wheat Industry Council supplied photography and recipes. Special Projects editor, Adelaide Farah, contacted Burson-Marsteller for information to write story. Content includes pasta origins, shapes descriptions, nutrition. Low calorie message is reinforced. "Fattening? Check the calorie counts at the end of recipes that follow and see for yourself" Circulation: 873,953.

McCall's, January. Curried Chicken and Vegetable Soup (shells an ingredient) recipe. Circulation: 6,200,000.

Weight Watchers, January. "7-Day Menu Plan" story recommends Szechuan Stir Fried Turkey (linguine an ingredient) with color photo. Circulation: 826,200.

Expecting, Winter Edition. Vermicelli Broccoli Cheese Pie in color photo. Circulation: 1,007,038.

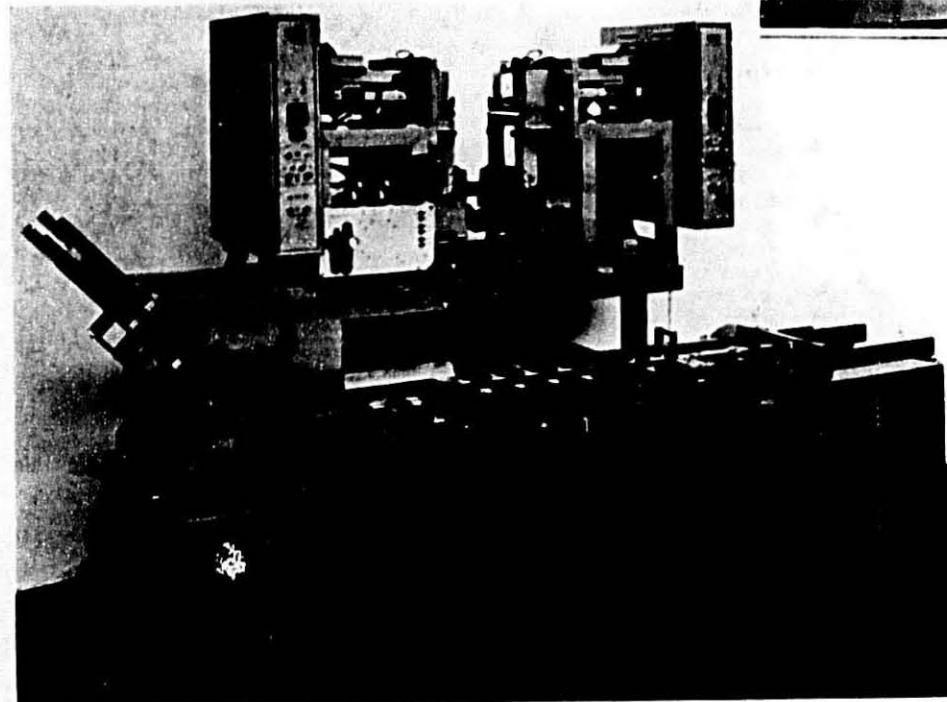
Better Homes & Gardens, December. "Wild Game Entrees" story — Sauerbraten Rabbit recipe (noodles an ingredient). Circulation: 8,100,700.

(Continued on page 32)

GARIBALDO RICCIARELLI S.A.S.

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Pasta Publicity

(Continued on page 30)

Glamour, December. "Come for a Late-Night Supper" article suggests Christmas pasta recipes with color photo. Second Story: "The Best for Less" recommends Best Buffet Chicken recipe (egg noodles an ingredient). Circulation: 1,879,400.

Great Recipes of the World, December. American Frittata recipe (spaghetti an ingredient). Circulation: 298,690.

Good Housekeeping, December. Cheese-stuffed Pasta Shells recipe. Circulation: 5,520,000.

Progressive Grocer Magazine, January, 1983, page 27 on the Consumer Watch page: "Don't say 'Basta' to Pasta". A full page of complimentary copy tells that Americans are becoming pastaphiles with many nutrition experts exhorting them to eat more complex carbohydrates. With food budgets strained to the limit, it is not only low cost, but convenient, versatile, and nutritious.

Grocers are urged to develop pasta panache "whether they have a pasta department or stock it in the grocery aisle, pasta offers a passel of merchandising opportunities. Besides grocery, meat, and dairy tie-ins, don't neglect opportunities in produce, bakery, seafood, and deli departments. Delis, in particular, offer a range of possibilities for takeout meals."

1983 industry outlooks in Business Week Magazine: Food Processing on page 88 says: "Low commodity prices may be the bane of farmers and of companies that supply them, but through 1983 they will be a delight to food processors. Farm prices should, in fact, turn this year into a highly profitable one for the food industry. Companies in the business are likely to show an average profit gain of 15 percent this year on top of the 13 percent rise they achieved in 1982. The gains will come despite added expenses for coupon offers and other special promotions."

"Stouffer Corporation is running its plants full tilt to keep up with demand for its frozen entrees, while Foremost-McKesson is test marketing several boxed pasta dinners. Consumers are tired of no-frills food, says Philip Francis, vice president of Jewel Food Stores, which owns more than 200

supermarkets in the Midwest. "Compared to buying a car," he says, "trading up on food is a cheap way to treat yourself."

Sales Promotions: The Unneeded Incentive?

Results from coupons apparently are not worth their expense to manufacturers, according to a report by the Opinion Research Corp., Princeton, N.J. Spokesman for major couponing companies, however, disputed the report's conclusion.

The report is called Sales Promotions: The Unneeded Incentive? It bases its conclusions on a survey of 1,006 people aged 18 and over. It was conducted between May 19 and June 9, 1982. Among its conclusions:

— Special offers, including samples, rebates and free gifts, result in only one-third of the population trying new products, with most consumers using them as an opportunity to obtain their regular brands.

— In general, people distrust contests and feel their chances of winning one are slim.

— Trial-sized product samples are effective in encouraging product sales.

Most Go for Favorite Brands

A total of 76% of respondents had redeemed coupons within the past month. According to the report, it said 72% of those who redeemed coupons redeemed at least 60% of them for brands they already use. "This indicates that coupons are probably not a successful tool in initiating brand trial or brand switching." A total of 92% of consumers said they had redeemed their last coupons for a brand they had already tried, while 94% said they would buy a product that they had already tried without a coupon. The survey also found that only 39% of consumers make a special effort to redeem coupons on double-coupon days.

A spokesman for General Mills said he has not seen the report and therefore cannot comment on it, but added, "General Mills is a major user of coupons as a promotional device as are most other consumer packaged goods manufacturers, and I don't see these practices diminishing so long as consumers view coupons as price incentives, and are concerned about the

costs of products they buy, and use coupons to save money on their purchases."

"I think the widespread use of coupons is a tribute to their effectiveness whatever the individual goals of each product manager is," said a Pillsbury spokesman. These may not necessarily include brand switching, she said. A product manager, for instance, may be interested in maintaining strong brand loyalty.

A total of 48% of consumers who redeem coupons redeemed them for coffee or tea at least one to three times in the last four months, while 43% had redeemed them for household cleaning products and for laundry detergents, products, 41% personal-care products and 38% for paper products.

The study found that a 25¢ coupon is more likely to entice consumers to switch brands in nonedible categories. A total of 53% of consumers, both users and nonusers of coupons, said they would switch their paper towel brand for a 25¢ savings, while 41% would change laundry detergents and 30% would change their tooth-paste brand. A total of 28% said they would switch coffee brands, 26% would switch soft drinks and 22% would switch their brand of canned soup.

Special offers drew a response from 63% of those interviewed. They are more popular among people aged 25 to 34, 75% of whom take advantage of them. People with lower incomes and less education are also less likely to use them. Only 19% of consumers said they make a consistent effort to take advantage of special offers. A total of 52% use special offers for products they already buy, while 21% use these offers both for brands they already buy and for brands they would like to try, and 12% use them only for brands they would like to try.

Would Choose Regular Brand

Given the choice between their regular brand and a brand on special offer, 66% said they would choose their regular brand, and only 16% said they would purchase the other brand just for the special offer. An additional 19% said they might choose the brand on special offer, but this would depend on a number of conditions.

The study also analyzed the percentage of consumers who have taken advantage of various offers during 1982,

finding that 74% reported purchasing one item and getting a second one free or at a reduced price during 1982. In addition, 56% said they had purchased a product to get a free gift; 55% purchased one item and sent the offer to the manufacturer for another one free; 53% sent in a rebate offer directly to the manufacturer; 53% entered a contest that was part of an ad campaign for a product or service, and 46% sent a proof of purchase to a manufacturer to get a gift. These were generally not large differences from the response in 1981.

Consumers were also queried on their attitudes toward manufacturers' special offers. A total of 63% see them as an important way to save money (down from 73% in 1981), while 53% said everyone pays for special offers through higher prices. Half said they pay more attention to special offers now than they ever had in the past, while 37% said manufacturers who make special offers are showing more interest in the consumer and 16% said manufacturers who regularly make special offers have lower-quality products than those who do not.

Not Interested in Contests

"Contests are not a particularly good way for manufacturers to stimulate consumer interest in a product," according to the report. A total of 42% said they would only enter a contest if it were for something they really wanted to win, while 40% do not enter contests because they feel they will not win, 11% say contests are rigged and no one ever wins, and 6% said they would enter any available contest.

"It is interesting to note that, although most contests require only the time it takes a person to enter them, all will not take the time necessary to do so," the study says. It also found that 49% of consumers feel that contests, in general, are not fair. A total of 36% of consumers have never entered a contest.

A total of 77% of consumers who have received trial-size product samples have used them, according to the study, and 45% of consumers will purchase a full-size package of a product after trying a sample of it.

Male Supermarket Shoppers

The days when the words "supermarket shopper" and "female" were almost synonymous are over. In urban areas in particular, men make up about one-third of all shoppers.

According to a new Food Marketing Institute study, men spend less time shopping than women and spend less money per week, although a key factor here is whether the woman has a career. The study did not make a distinction as to whether the career women were married or unmarried, nor did it cite the size of their households.

Studied Four Cities

The study, which was conducted for FMI by Dr. Valerie Zeithaml, a researcher with the Business and Technical Research Division of Texas A&M University, was based on survey of 1,433 shoppers interviewed in Baltimore, Houston, Los Angeles, and Minneapolis on Thursday, Fridays and Saturdays last year.

More differences in shopping behaviors are reflected in what a person does for a living than are based on whether the shopper is male or female, said Zeithaml.

She noted that overall, male and female shoppers take sharply different perspectives toward shopping, but that the attitudes of career women parallel those of men much more closely than those of women who do not work outside their homes.

One Traditional Group

Only the "stay at home" women in the survey personified the traditional image of the supermarket shopper — planning purchases, using in-store information, and economizing more often than other women. Career women paid less special attention to their shopping patterns, and women who say they have "just a job" or are not working now but intend to work, were in the middle.

Most retailers "are still trying to reach that 'typical' shopper, the woman who stays at home. They're tailoring their stores to her and ignoring the others" even while there are steadily fewer women who fit the mold, Zeithaml told Supermarket News.

Rather, retailers should do "market orchestration — try to deal with all their customers and make them happy, but not anger one group."

For example, the traditional sales technique of newspapers, ads, specials, and coupons don't reach the career women or men nearly as effectively as they do the housewife.

"Time and convenience are a lot more important to the working woman than is money," she said. To reach the working woman and man retailers can "either step up the amount of money offered on a coupon so the savings are significant enough for them to bother using it, or eliminate coupons and give customers price savings instead." Retailers also could add extra services to appeal to the busy workers, such as a shopping service, she said.

Zeithaml noted that while in the 1960s, the housewife was the primary household food shopper, women shopping alone now account for only 54.2% of this force, based on the observation of 13,605 individuals.

Men One-Fourth of Group

Within this group, men make up 28.1% of primary food shoppers, while couples account for 10.4%. Groups of two or more, mostly women, make up 5.4% of the total, while groups of two or more, mostly men, account for 1.9%.

However, in urban settings, lone male shoppers account for 32.9% of 4,770 shoppers surveyed, vs. 48.9% lone females.

By region, lone women make up the largest segment of the shopping force in Minneapolis, 57.3%, and the smallest in Houston, 51%. Lone male shoppers are most prevalent in Los Angeles supermarkets — comprising 29.8% of the shoppers surveyed — and least prevalent in Baltimore, 26.9%.

Acting upon such trends is of vital importance to supermarket operators because men's and women's shopping behavior varies greatly, according to the survey.

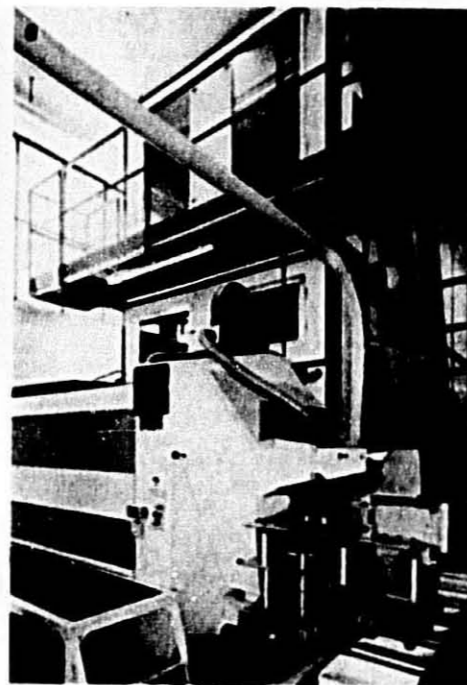
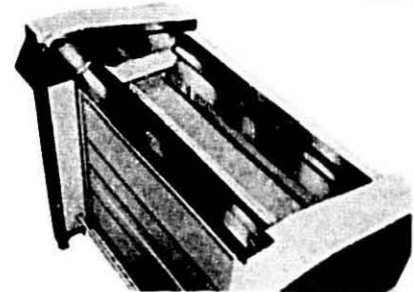
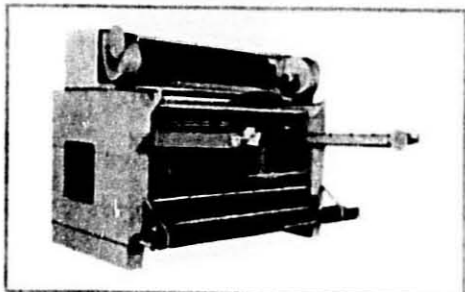
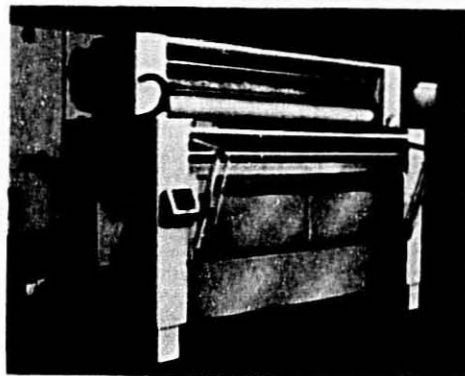
For example, Zeithaml said men spend on average of 17.88 minutes shopping in a supermarket, or about 20% less than the 22.25 minutes spent on average by women. For each minute spent shopping, men spend an average of \$1.29, vs. \$1.39 for women.

After all their purchases were rung up, men spent an average \$24.03 per supermarket trip, as opposed to \$28.75 for women. This same pattern held when weekly grocery expenditure was analyzed.

(Continued on page 36)



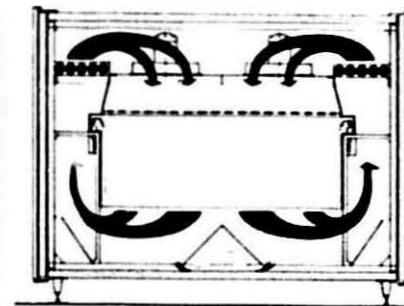
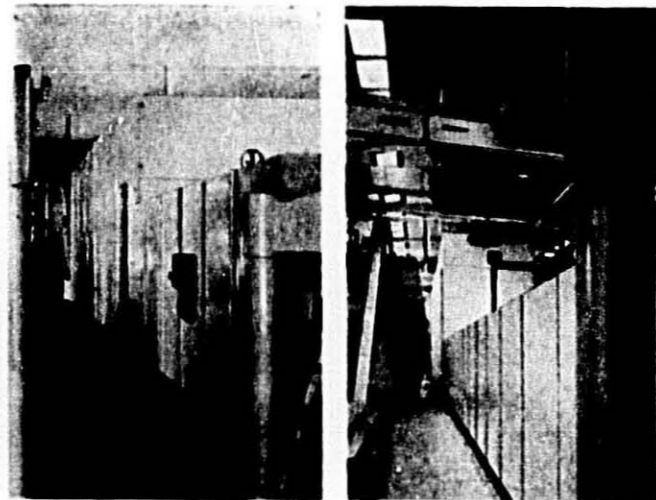
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Grondona Nimet automated long good line are completed by the following machines:

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- 1, 2, 3, 4 sticks automatic spreader - STB model - for "Z" sticks m. 1,5 - 2 - 2,5 length.
- SFC stripper unit for sticks which length is m. 1,5 - 2 - 2,5.
- stick recovery device by storage system, RCB mod. one floor and RCC mod. two floors.

The number of floors may be 3 or 5.

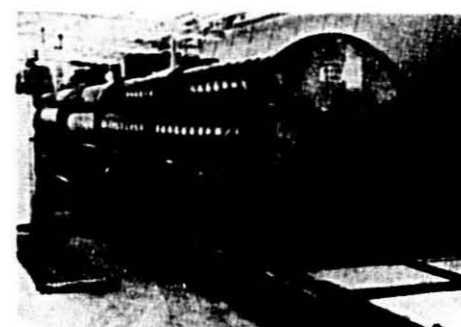


The newest Grondona Nimet long good drying lines present the following main advantages:

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- independent automatic temperature and humidity control system both for pre-dryer and for each dryer floor
- fans provided with H class insulated motors having special hermetical bearings resistant to high drying temperatures
- pre-dryer's and final dryer's drive units placed outside the covering allowing easy access and protection from the inside high temperatures
- sticks advance system employing quick release racks. In such a way stick advance speed is reduced avoiding dangerous pasta oscillations.
- possibility in selecting rack pitch according to the shapes produced, making a perfect equipment which meets user requirements.
- no maintenance is required during night storage s/o charging operations due to automatic selection of the free floors.



A new, automatic long pasta line was recently started up at the Mi. Mesa pasta factory (Maracabo), the biggest in Venezuela. The line consists of a GR 115/L press, PLD 130/25 pre drier and ELB 328/5/25 drier. Output during testing exceeded 1800 kg/h of dry product (photo on the left).



The Rinoldi Spaghetti Company, the biggest in Melbourne, Australia has installed and started up, alongside a GRONDONA NIMET short cut line with belt driers, a new pasta line equipped with IRBERB drum driers. The photo on the right shows one stage of assembly which is both easy and fast.

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Male Supermarket Shoppers

(Continued from page 33)

tures were tabulated. Male shoppers averaged \$61.44 per week, while women spent about 15% more, \$71.58.

Men, on the average, also visit a supermarket slightly more times per week than female shoppers: 2.41 times each week vs. 2.29 times for women. Partly because of this, the survey found that as a member of a family unit, men spend \$28.99 per week on groceries, compared with \$26.03 spent by female members.

The survey also disclosed a marked difference in the way men and women plan to shop and actually select merchandise. "Males tend to plan less than females; they do not prepare shopping lists, do not budget, do not plan their shopping lists around items mentioned in newspaper ads to the same degree as females exhibit in these planning behaviors," the report stated.

It continued: "Males' usage of supermarket information (unit pricing, product freshness dates, nutritional labeling, and newspaper advertising) is significantly lower than that of females. Males also appear to be less economy minded, as revealed in their lower reported shopping for store specials, use of unit pricing, redemption of coupons and checking of grocery prices. Males reported more brand loyalty than females.

Less Important to Men

"When compared to females, males indicated that grocery shopping was not as important a task for them to perform. Males, however, did not agree as much as the females with the statement, 'Grocery shopping takes too much time.'"

The survey also found that a smaller percentage of men assume total responsibility for food shopping, 41% compared to women, 72%.

In addition, the survey found that "while 22% of the males reported that they did half or less than half of the food shopping for the household, only 3% of the women shopped for half or less of the family groceries. Females shared responsibility for shopping with their husbands 48% of the time, while males shared responsibility with their spouses 32% of the time."

Examining the supermarket shoppers as a single group, the survey show-

ed that on Thursdays, Fridays, and Saturdays, the average shopper spent 20.6 minutes in the supermarket and \$26.80 on his or her purchase, resulting in an average expenditure of \$1.37 per minute. The average total supermarket expenditure was \$69.42.

The Risks of Product Tampering

The Tylenol tragedy has given new dimensions to the risk inherent in product tampering. Failure to anticipate and manage those risks could force consumer product manufacturers and distributors into a high stakes game of "Betting the company" that such catastrophe won't strike your brand.

That warning was delivered by Joseph Fiksel, manager of decision and risk management consulting for Arthur D. Little, Inc., the international research and management consulting firm. Speaking at the National Emergency Executive Briefing in Washington, Dr. Fiksel said, "The name of a fine product has become synonymous with a particular type of tragedy, and its maker, through no fault of its own, has been forced into a costly battle to save that product and its important share of market." He noted, however, that the risks posed by the possibility of product tampering are manageable, as are other risks inherent in doing business.

"The process is orderly, proven, and not excessively costly," he stated, estimating that the costs of risk in business are about one percent of sales for industry as a whole and about one half of one percent for consumer products companies. Risk costs include insurance premiums, unreimbursed losses, risk control costs and related administrative expenses, but are probably understated because estimates do not include other risk control expenditures such as quality control procedures and other capital and labor expenses that contribute to risk reduction. Dr. Fiksel termed the costs "trivial in comparison with the potentially catastrophic cost of not managing the risk."

The Arthur D. Little expert urged industry leaders attending the conference to adopt a three-step approach to guard against future catastrophe: first, to respond to the present emergency by improving packaging and developing other protections against product tampering; second, to identify other po-

tential vulnerabilities; and third, to take actions to avoid, transfer or reduce the effects of the risks faced by the companies.

Dr. Fiksel described the elements of risk management as risk identification, risk assessment and risk control. In the case of product tampering, manufacturers must factor into their planning the potential hazards at each stage of the product's life cycle — from development and raw materials procurement and transport through manufacture, packaging, storage, distribution and final sale.

Noting that the best strategy for managing the business and social risks is to minimize the possibility of occurrence, Dr. Fiksel observed, "No product can be endowed with absolute assurance of safety under all external conditions; in spite of manufacturers' warnings and precautions, losses, accidental and otherwise, will occur."

Risk Management is Vital

Terming the practice of risk management "vital to continued viability and financial performance," Dr. Fiksel urged top management and directors to appoint and actively support a corporate risk management team and provide them with a mandate to protect the company's and society's interests by intervening in operations as necessary. He proposed that the composition of the team cut across operating and staff lines to include expert in insurance and finance, law, public relations, research and technology, operations, quality control and security.

The National Emergency Executive Briefing was co-sponsored by Dun's Business Month, the American Journal of Medicine and Industrial Research and Development magazine.

Automatic Bulk Handling

AZO Incorporated's newest brochure covers the latest in state-of-the-art technology. An informative 20 page color brochure shows systems for the food, chemical, pharmaceutical and plastic industry. These systems are shown with the latest in computer control systems, silo discharge devices, efficient pneumatic conveying techniques and batch weighing systems. For more information contact AZO Inc., 4128 New Getwell Road, Memphis, Tennessee 38118, phone (901) 794-9480.

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Mr. Alessandro Di Cocco.

Pasta Makers in America

Thomas Jefferson and the Macaroni Mould



"Yankee Doodle went to town
Riding on a Pony
He stuck a feather in his cap
And called it macaroni."

Toward the end of the 1700's Americans were singing about macaroni without knowing, literally, what it was all about. Their song became famous, almost a national anthem, and later became established as one of the most popular American folk-songs.

Whatever the origin of the tune, the words got their inspiration from Revolutionary events, and the song's first appearance, in approximately its established form, can be traced back to 1764. This is just about the time when macaroni in England meant elegant or dandified. It is not strange that a poet, hunting for a word to rhyme with pony should find macaroni ideal for expressing the elegant touch.

Along this line, we know that two Maryland regiments with flashy red uniforms, which must really have stood out beside the average poorly-attired American troops, were called macaroni. They fought valiantly at the Battle of Breckes Mill by the Gowanus Creek Bridge, Long Island in 1776.

But colonial cookbooks reveal—by omission—that Americans were unacquainted with the food whose name figured prominently in the popular song.

History of pasta in American really begins with the genius whose name appears consistently as an innovator in American ideas, activities, and institutions. This is so, whether the innovation was in the realm of politics, topography, architecture, mechanics—or the use of foreign foods or condi-

ments. Thomas Jefferson was the first man to import Lombardy poplars, Roman architecture, Tuscan wine, and he was also the first to import into America a spaghetti-making machine.

It is possible that Jefferson first became interested in pasta when he became minister to France after the Revolutionary War and lived in Paris for a time. Italian cooking had been well known in Paris since the days of the Renaissance when it made its debut there with the painting of Leonardo da Vinci and Parmigianino.

Possibly Ate Pasta in U.S.

On the other hand, he could have already sampled this Italian food in a restaurant in Richmond near his home. His expense accounts show that he had a charge account with one Serafino Formica, or Formicola, an innkeeper of Venetian and Neapolitan origin, who ran a Richmond inn. Serafino had come to America as the maître d'hotel of Lord Dunmore and claimed to be a descendant of a Venetian doge. Whatever the merits of that claim, he was a Neapolitan and would certainly have prepared spaghetti. And the records do show that Jefferson did eat in his establishment both before and after his trip to France.

Exploring Trip to Italy

In 1787 Jefferson left Paris for the express purpose of making a trip to Italy to do a bit of exploring—and smuggling. He had a distinctly patriotic motive—he wanted to bring back an Italian machine which he had heard could husk rice without breaking the kernels. A gourmet, he knew how rice should be served—light and fluffy. In addition to the machine, he also wanted to bring back Piedmontese rice, a superior variety which stood up sturdily in the process of cooking.

In Jefferson's day the export of this finer type of rice was forbidden. Manufacturing and agricultural methods were secrets as closely guarded by governments as our scientific secrets are today, and severe penalties—even death—were imposed on rice smugglers. This didn't stop Jefferson from bribing a muleteer into giving him the precious rice, and he crossed the Alps

back into France without incident and with a couple of bags of rice in his pocket.

Before leaving Italy in this rather unorthodox way, Jefferson made a 13-day expedition through Piedmont, Lombardy, and Liguria. Now he was in search of the reported macaroni-making machine. He made careful notes in his diary about the people, the culture, and the vineyards he came across. His observations during his Italian visit show what a really inquiring spirit he had—fresh, keen, continually spurred on by his curiosity. His attention was drawn both to ancient monuments and to modern inventions, and he regarded everything with an almost reverent interest. His most serious attention was devoted to the cultivation of such products as almonds, capers, and olives. And always he kept up his pursuit of the macaroni machine.

Unsuccessful Trip

Though unsuccessful on this trip, he continued his search by proxy. He wrote to his friend and secretary, William Short, then touring Italy. He advised him to visit Virgil's tomb but not to be carried away by the typical guide's tale that the laurel bush nearby had flourished in the poet's time. He also urgently requested him to keep on the lookout for the macaroni machine and to find out how it worked.

In due time Short was able to reply. "I procured at Naples according to your request, the mould for making macaroni . . . it is of smaller diameter than is used in the manufactories of macaroni, but of the diameter that had been sent to gentleman in other countries. I went to see the macaroni made. The machine for pressing as used at Naples is enormous—much more so than I had expected. The price they told me for fitting up one of these machines with the mortar, etc., was the value of 100 louis d'or. The depth of the mortar is about 20 or 24 inches. . . . The width of the mortar that you desired to know is marked on the mould you will receive . . . it was left with my banker at Naples to be forwarded to you . . ."

(Continued on page 47)

THE MACARONI JOURNAL

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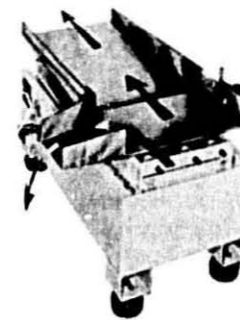


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bulletin cm-T10

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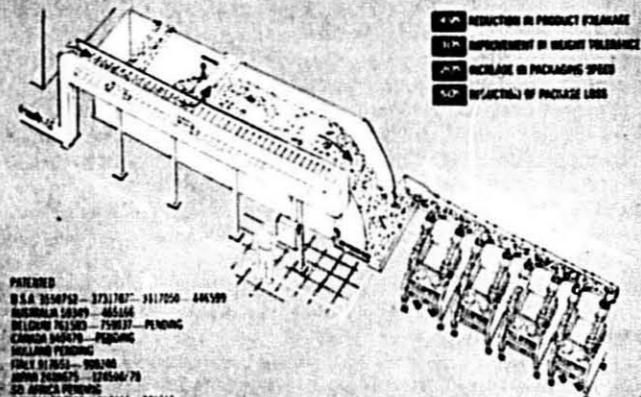
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'FRIENDS' OF THE JOBLESS MAY BE THEIR WORST ENEMIES

By
Richard L. Leshner
President
Chamber of Commerce
of the United States



AFL-CIO President Lane Kirkland thinks he's got it made. Unemployment is above 10 percent for the first time since the days of President Roosevelt, and Kirkland hoped that would trigger an electoral bloodbath for supporters of President Reagan's economic policies in the November elections.

What he won't tell you, and you may not hear elsewhere, is that the AFL-CIO as much as any organization in the country is responsible for double-digit joblessness.

It may be presumptuous for those fortunate to be employed to put ourselves in the position of the unemployed. But perhaps the jobless worker should ask a question: Speeches and statements aside, have the past actions and policies of Kirkland and other union officials helped create jobs or destroyed jobs? Regrettably, the answer must be the latter.

Spearheaded by Kirkland's AFL-CIO, many union leaders have contributed to chronic unemployment in two major ways. First, they have pushed many wage and benefit increases far beyond commensurate increases in output. This has priced whole industries out of the world marketplace, pushed up inflation and interest rates, and eliminated thousands of jobs. Even today, a rash of strikes and refusals to make meaningful concessions in exchange for fewer layoffs must make us question the commitment of the labor leadership to keep as many workers on the job as possible. Senior workers survive, with vacations and perks intact, but what about younger workers and minorities who are the last hired and the first fired?

The other way that many of our labor leaders have contributed to unemployment is less obvious. The fact is that organized labor has been one of the chief influences behind the wild growth of social welfare programs, the federal bureaucracy, and government

intervention in our private enterprise economy. These policies have drained job-producing capital from consumers, small business and corporations in a variety of ways. In the 1970s alone, the federal establishment nearly tripled this drain in the form of runaway spending, taxes, debt and regulation. The effect on economic growth, and therefore on jobs, has been devastating.

But there is more to this story. Taken together, the unlimited growth of jobless benefits and welfare programs has made unemployment a more attractive alternative.

Please don't misunderstand. I am *not* suggesting that many of the unemployed don't desperately want to work. Nor am I suggesting that the government does not have a responsibility to protect those individuals from destitution. But growing numbers of jobless Americans are discovering that they can do better on unemployment and welfare benefits during layoffs than if they accepted lower-paying jobs to tide them over. A recent University of Chicago survey showed, for example, that in 24 states, a poverty level family could be better off on welfare than if one of its members continued to work.

I am not taking labor leaders to task for their major contribution to double-digit joblessness simply to point fingers. I am doing so because these same individuals are now asking Americans to return to their pet policies of higher taxes, more welfare, bigger government, and greater inflation. We bought that bill of goods and 10.4 percent of our fellow Americans are still paying the price.

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UPC Code Approved For Cases

The Universal Product Code Council board of governors has approved a symbol specification for a UPC shipping container symbol, which will enable the industry to use a bar code on shipping containers for the first time.

The specification calls for two different formats, one for random-weight containers and one for others.

Regular shipping containers will carry a 14-digit code. Reading from the left, the first digit will be an assortment indicator and the second will be number system indicators. These first three indicate whether the contents of the container all carry the same UPC product and identify the overall grouping such as grocery or health and beauty aids followed by the standard five-digit manufacturer code and the five-digit item number. A check digit ends the code.

First Position = 1

The first position is assigned a value of 1 when the container is carrying the standard number of items. That position is assigned a 0 when other than the standard number of items per case is used.

The next two digits enable the system to be compatible with the EAN (International Article Numbering Association) system, which uses a 13-digit product code. It adds a 0 to the existing UPC product code number, which designates product categories. The EAN executive committee is recommending the same symbol to coding authorities outside this country, as well as considering other alternatives for use in their own countries, so the EAN and UPC systems will be compatible.

The specification will be available from the UPC office in March.

Random-weight shipping containers will carry a 20-digit code. The additional numbers include a five-digit case contents weight number, which is preceded and followed by a check digit. The weight figures may be printed to the right of the manufacturer and item figures, or immediately below, since two independent bar codes are used.

A bearer bar, which is a rectangular bar pattern surrounding the numbers and code, is recommended. Its

purpose is to provide printing plate support near the code.

The total height of the code with bearer bar is 1.94 in. The code is 6.06 in. wide. The symbol itself is 1.25 in. high, and the numbers beneath it are 0.22 in. high.

The human-readable numbers should appear in the upper right hand corner on four sides of the shipping container. Generic shipping containers carrying different items may be symbol-marked on only one side.

Symbols on one Side Only

On random-weight containers, all digits including check digits are shown in human-readable form. Symbols are placed on only one vertical side of the container.

Separately applied labels may be used when printing symbols on corrugated containers is not feasible. The bearer bar may be omitted.

It is not certain how long implementation of the specifications will take, said Richard Mindlin, executive vice president of the UPC Council here, but there has been "a tremendous amount of interest" in the code.

"In relation to UPC, implementation probably will be faster because it's easier to make the change," said Thomas Wilson, McKinsey & Co., consultant to the council. "With UPC, we were asking people to put symbols on packages where there were no scanners."

This is not so here, since equipment already is available for those manufacturers or wholesalers to scan cases.

The symbol is called Interleaved 2 to 5, because of the arrangement of the data characters in the code. There are five elements, two wide and three narrow.

Interleaved 2 to 5

The symbol has been under development since 1978. The specification for this country is based on recommendations from the Council's Distribution Symbol Study Group, which was headed by William McGinnis, manager of packaging design for Hunt-Wesson. That firm already has been using the symbol.

The 20-nation EAN group at its May 27 meeting will be asked to approve three types of codes for containers, including the 14-digit U.S. code.

Pallet Accumulation Conveyors

The Logan Company has announced the development of its new ZP-2500 and ZP-5000, Zero Pressure Accumulation Conveyors. Adapted from Logan's proven standard Chain Driven Live Roller Conveyor concept, the ZP Series will accommodate unit load capacities of 2,500 lbs. and 5,000 lbs. respectively at Zero Accumulating Pressure.

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For more information about the Logan ZP-2500 & ZP-5000 Pallet Accumulation Conveyors, contact: Logan Company, 200 Cabel St., Louisville, KY (502) 587-1361.

Election of Officer — Ronzoni Corporation

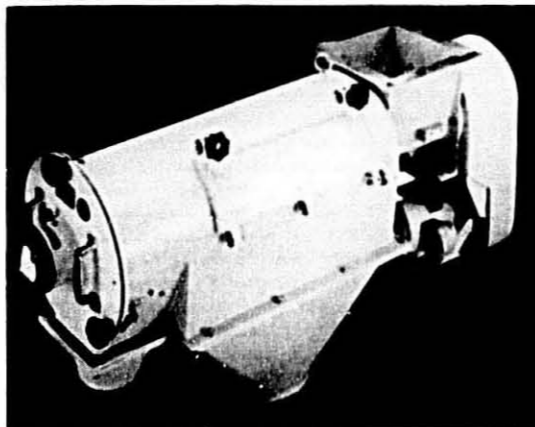
The Board of Directors of the Ronzoni Corporation is pleased to announce the election of Alfred C. Ronzoni, as Executive Vice-President.

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DIETARY LIFE IN JAPAN

From Japan Trade Center, Agriculture & Fishery Section
New York City

For the past two decades enormous changes have taken place in Japanese dietary habits. Previously restricted by natural isolation, which prohibited association with any foreign countries, to rice, wheat/barley, and other grains as staples and to fish and shellfish, seaweeds, vegetables, or wild plants as side dishes, today the Japanese diet includes animal protein foods, egg, and dairy products. Reasons for the changes are post-World War II association with American dietary habits and increased Gross National Product associated with high economic growth which has taken place since 1960. The Japanese diet has become "diversified and westernized."

While pre-war staples of the Japanese diet were natural foods that are extremely perishable, today processed foods account for 62 percent of domestic food expenses, and the percentage is likely to increase yearly according to the Japan External Trade Organization (JETRO) which researched the subject for a seminar in New York on "Access to Japan's Import Market" held in October. Processing and distribution costs are steadily increasing also.

What Affects Food Demand

Several factors have affected food demands which show a decrease in consumption of carbohydrates and an increase in consumption of protein and fats. Of these factors, population changes are the most significant. While the overall population is increasing, size of families is declining. Nuclear families have increased since World War II. The elderly segment of the population has soared as medical, nutritive, and housing conditions have improved.

High economic growth has increased employment opportunities and given mobility of employment. Females in the work force now also show that a demand for convenience foods will further increase in the future.

Rice consumption shows a sharp decline since the 1970's, though it still is an important part of Japanese diet, second only to vegetables. Long the main calorie source for Japanese, both

as a side dish and as raw material for confectionaries, new processed rice foods have not been developed. Research and development for products processed from rice has been retarded, JETRO says, because rice has long been one of the crops under the government's control, and its price is high.

Japan is a country that imports wheat where it is usually consumed as bread and noodles. Its consumption dramatically increased after World War II. More recently the trend of wheat intake has been repeating a pattern of increase and flattening out, but intake, on the whole, is on an upward move and actual expansion of consumption is expected in the future.

Food Processing Growing

The food processing industry in Japan is growing, and parallels with what is happening in the United States can be seen. When the food processing industry was in its infancy in the United States, companies were small and confined to local tastes and distribution. The same situation prevails today in Japan where a large number of establishments are engaged in food processing with location concentrated around the place of consumption. Most establishments are small scale with nine or fewer workers.

However, in the latter half of the 1970's the situation reversed itself, and the share of small-scale establishments became smaller in the food processing industry than in the whole manufacturing industry. There was a steady increase of plants employing 10-99 workers.

High costs of land acquisition and high construction costs have made the food processing industry low on the totem pole for investment in Japan. While convenience to place of consumption is still an essential condition for factory location, improvements in highways and the overall transportation system have made it possible for factories to be located as far away from consumption as 1½-2 hours by truck.

Pasta products such as macaroni and spaghetti are a growth product in Japan. The following table shows that there has been a steady increase in the production of fresh noodles, whereas the production of dried noodles (what the National Pasta Association refers to as "Oriental" noodles) and the instant noodle category shows a decline. It appears that Japanese people's tastes are shifting toward pasta products. The trend favoring "raw noodles" dried by hot air is a tendency that has been continuing since 1967. JETRO claims that the increase in production of fresh noodles is closely related to the increased habit of eating out.

Noodles fried in oil lost popularity, because the taste was too heavy, but the popularity of instant noodles in a cup that went into circulation in 1971 has increased as improvements were made in the cup, the quality of the broth, and the quality of the noodles — "Feel and taste of fresh noodles made possible by the development of a freeze-dried technique. Though relatively high priced, the sales of noodles in a cup are still increasing gradually from a record

INDEX OF PRODUCTION OF MAJOR PROCESSED FOODS BY ITEM

Item	(1975 = 100.00)			
	1977	1978	1979	1980
Fresh Noodles	107.2	110.2	112.4	113.9
Dried Noodles	92.7	99.3	102.8	92.0
Instant Noodles	89.6	87.5	98.2	94.9
Pasta Products	112.3	112.3	121.8	124.4

high production year of 1979 when 29,000 tons were produced.

Dining out, alluded to earlier, is a tricky problem to assess in Japan. Its popularity rose dramatically with the westernization — "internationalization" — of food tastes and a period of high economic growth in the late 1960's. In addition, the growth of the processed food industry has aided the restaurant industry. While people tended to cut down their food cost in what JETRO calls a period of low economic growth (starting when the economy got sluggish in 1975), the Japanese still have the inclination for high-grade food. This increases the attractiveness of eating out and use of processed foodstuffs and decreases the expenditure for staple food.

Why More Eat Out

JETRO lists the following factors behind the increased expenditure for dining out:

- (1) improved level of income during the period of high economic growth;
- (2) increased employment for housewives;
- (3) increasing opportunities for dining out because of the increase in the number of nuclear families as well as single households who dine out for convenience;
- (4) more spare time as the prevalence of two holidays per week grows;
- (5) reasonable prices and menu and services that meet consumer's needs.

Fast food and family restaurants have achieved the most rapid growth. Small restaurants still hold an important position among dine-out facilities opening with big business.

Pasta in Coffee Shops

Coffee shops are the classification of restaurant in Japan of most interest to the pasta industry, because these businesses are where pizza, spaghetti, and Italian foods appear on the menu. Coffee shops are an intermediary business between fast foods and family restaurants and "mean something like snack bars where people can easily take light meals at low prices." In Japan coffee shops

Durum Export Credit

The availability of U.S. export credit has had a positive effect on increasing U.S. hard red spring and durum wheat market shares of wheat exports to Latin American countries, according to Neal Fisher, North Dakota Wheat Commission marketing specialist.

Fisher said despite increased wheat production and lower prices offered by Argentina and the European Economic Community, the United States has maintained its Latin American market share. Argentine wheat is currently being offered at prices 40-60 cents per bushel less than equivalent U.S. prices.

Credit Availability Vital

Fisher said credit availability plays a vital role in the desirability of U.S. wheat.

"Argentina's poor economic situation and lack of export credit terms

are a slow growing segment of the restaurant industry.

While the restaurant industry overall in Japan has grown extremely rapidly for the reasons given above, there is a word of warning in the rapid growth picture. The feeling is that the industry has grown too rapidly and is now facing fundamental and various problems. Competition has intensified, first of all, and the expenses for opening new restaurants are swelling because of increased costs of land acquisition. In addition, restaurant development is fighting cost-raising factors as energy/material prices, personnel cost, and strong legal restrictions such as regulations against drainage, reduction of working hours, and intensified regulations on franchises which have been implemented.

JETRO says that large restaurants have been making efforts to strengthen themselves by training overall management to cope with the recent slackened market and new situations caused by their entering maturity.

Small restaurants, however, will still hold an important position in the restaurant picture in Japan. They, too, are strengthening their management by trying to change themselves into specialty stores that are locally settled in spite of the difficulties of rising costs and the threatening advance of large restaurants.

have prompted credit conscious Latin American importers to purchase U.S. wheats," Fisher said. "In a recent tender, Brazil passed up Argentine wheat priced 40 cents per bushel lower than U.S. wheat largely due to U.S. credit availability."

According to Fisher, U.S. hard red spring wheat exports to Latin America have increased 32 percent during the last five years. U.S. durum exports have increased 65 percent to this region during the same period.

Total U.S. hard red spring wheat commitments for export to all countries are up 9 percent from last year and is the only class of U.S. wheat showing an increase in exports over last year. Export commitments of all classes of U.S. wheat to date are down 25 percent.

North Dakota produced 44 percent of the total U.S. hard red spring wheat crop or 220.8 million bushels and 77 percent of the U.S. durum crop or 115.5 million bushels.

Canadian Publicity

Vanessa Harwood, member of the National Ballet, and spokesperson for the Canadian Pasta Manufacturers Association was on tour during the fall. She appeared on radio and television with such shows as "Montreal Today", CBC "Daybreak", CJFM "Hour Montreal", and CJAD "Joe Cannon Show".

A Christmas release was prepared and distributed to dailies in major and secondary markets across Canada. It featured recipes and photos of pasta hors d'oeuvres as well as an ideal buffet dish, Ham and Pineapple Pasta salad with Cream Cheese dressing.

Mailings went to city magazines and CP wire service.

A new recipe brochure was completed and made available through the Pasta Information Bureau.

Thomas Jefferson

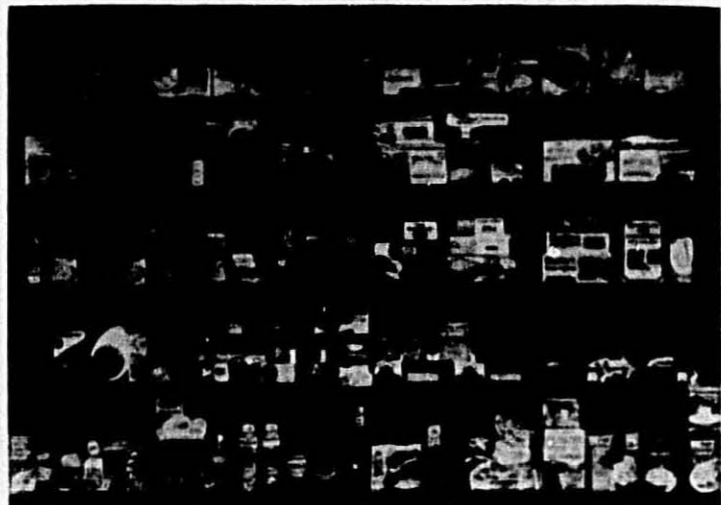
Continued from page 40

Thus the macaroni machine came to America.

But it was a long time before pasta could really become an American dish. It had to have a lot of publicity, endorsement of famous people, the absorption of the Italian population with older Americans, and the ascent of the Italians on the social and financial scale of American life.

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FOR SALE: 1 Dough Mixer; 1 Kneader; 1 Reversible Dough Break; 2 Noodle Cutters; Clermont Sheet Former; 1 stainless steel rotary egg tank; 1 Continuous preliminary dryer; 1-30 ft. Conveyor; 1 Weigh & Bag Packaging Machine; 1 Electric Sealer; 25 - 13 1/2" & 14 1/2" dies for short cuts; 11 - 48" x 4" long goods dies. Miscellaneous items. Write P.O. Box 1008, Palatine, IL 60078.

Mrs. Nelson A. (Happy) Rockefeller has been elected to the Board of Directors of Archer Daniels Midland, Company. She is the first woman in the history of the 80-year-old company to serve on the Board.

Trustun T. Morrison has been named Executive Vice President, Peavey Grain Companies.

Pasta Abroad

In Venezuela, work is underway to increase the capacity of the International Multifoods durum mill in Puerto Cabello by more than fifty percent.

Railroad's 'Man of the Year'

(Continued from page 25)

providing service as good as any railroad." Moreover, the physical condition of the property has continued to improve in the two years of Mr. Crane's leadership, despite the stringent cost-cutting in other areas. Large track improvement programs have been continued which have reduced the trackage under "slow orders" from over 6,300 miles in 1977 to under 2,500 miles by the end of 1982, the lowest level in Conrail history.

Other factors in Conrail's turnaround have been marketing innovations and new rate structures made possible by the recently enacted Staggers Act, which partially deregulated the railroad industry; renegotiated labor agreements which substantially reduced operating costs; and the elimination of unprofitable lines and commuter services. All of this has produced a railroad that is profitable even at the current low traffic levels, and which Mr. Crane feels will become increasingly profitable.

A native of Cincinnati, L. Stanley Crane began his railroad career with the Southern Railway in 1937, shortly before receiving his BS/Engineering Degree from George Washington University. In 1963 he left Southern to become director of industrial engineering for the Pennsylvania Railroad, but returned to Southern in 1956 as vice president of engineering and research.

He was made president and chief executive officer of Southern in 1977 and chairman in 1979.

After leaving Southern in 1980 under its age 65 retirement rule, Mr. Crane became chairman and chief executive of Conrail on January 1, 1981. He is active in many scientific and technical organizations as well as railroad industry organizations. He is also a trustee of George Washington University and of the National Academy of Engineering.

Always An Optimist

Always an optimist about the railroad industry, Mr. Crane is even more bullish now. "I think it is remarkable how well the industry as a whole has done in the present economy. It's a measure of the caliber of our management, the increasing productivity of our work force, and our ability to control our costs and improve our services to our customers."

"We used to feel that the railroads were there and that the business would just come in. Now we know that unless we go after the business there won't be any railroad! So we are now committed to a service concept which will assure our survival, growth, and profitability."

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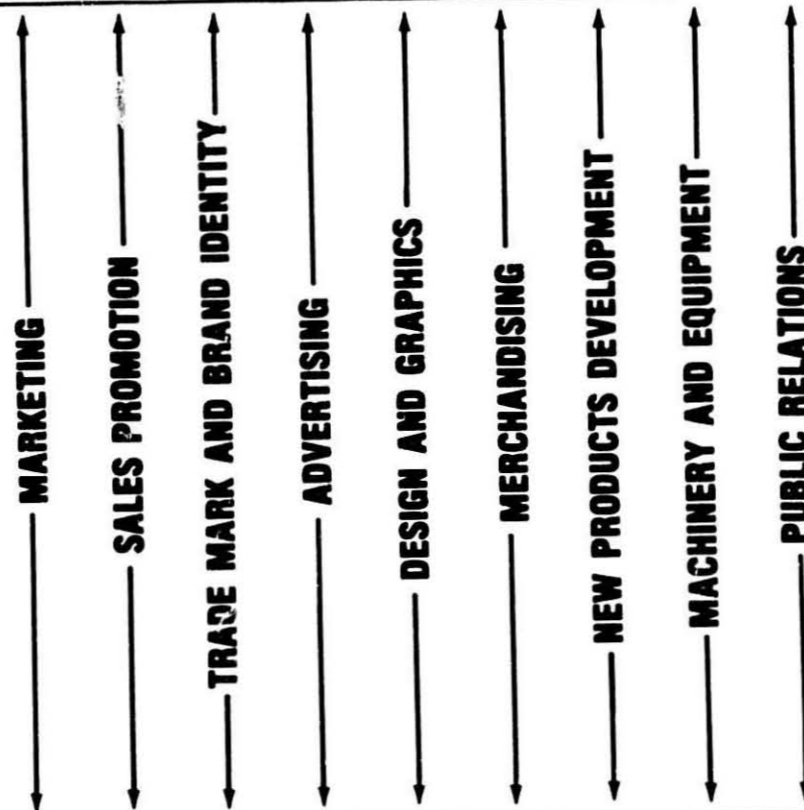
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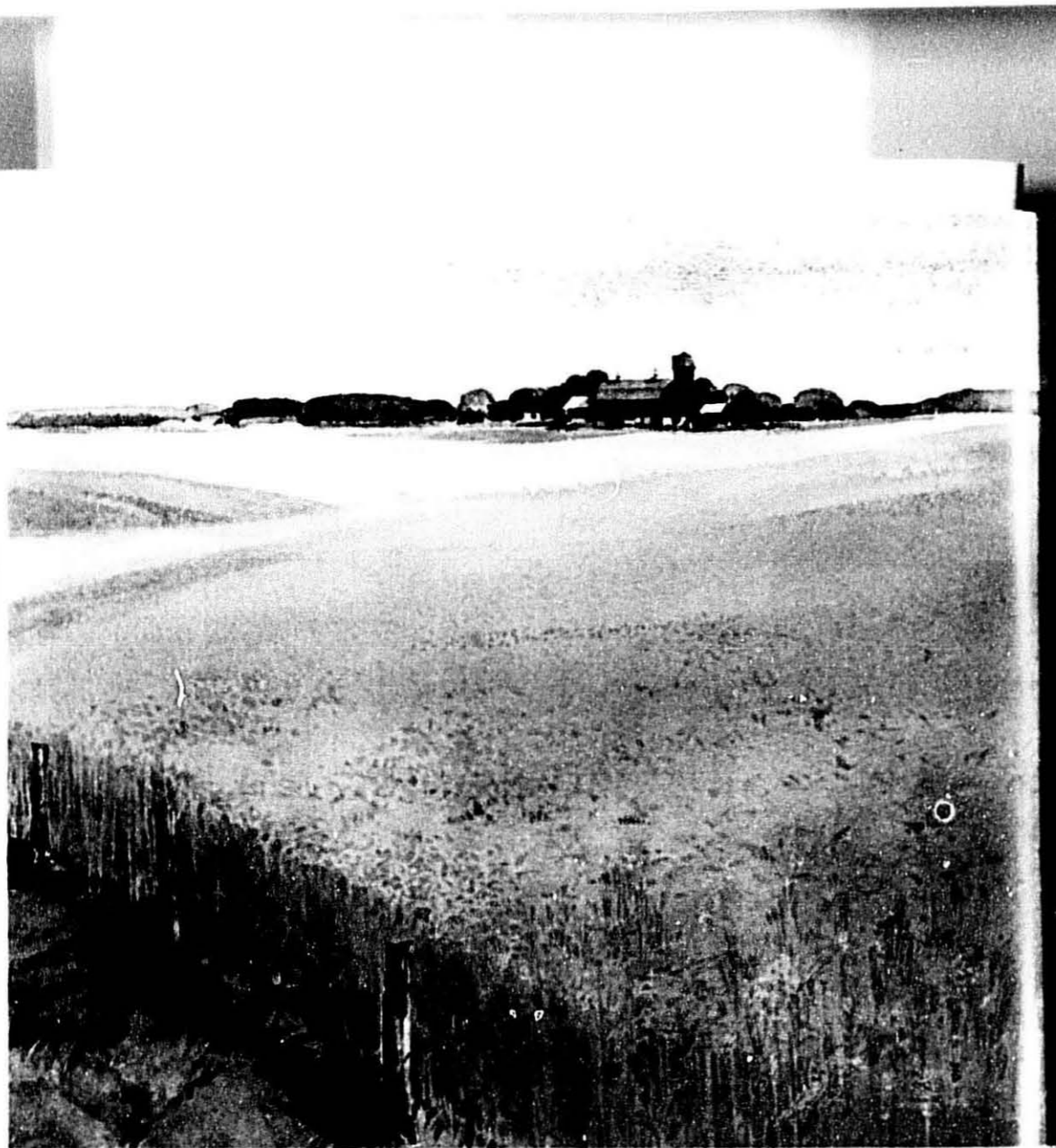
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