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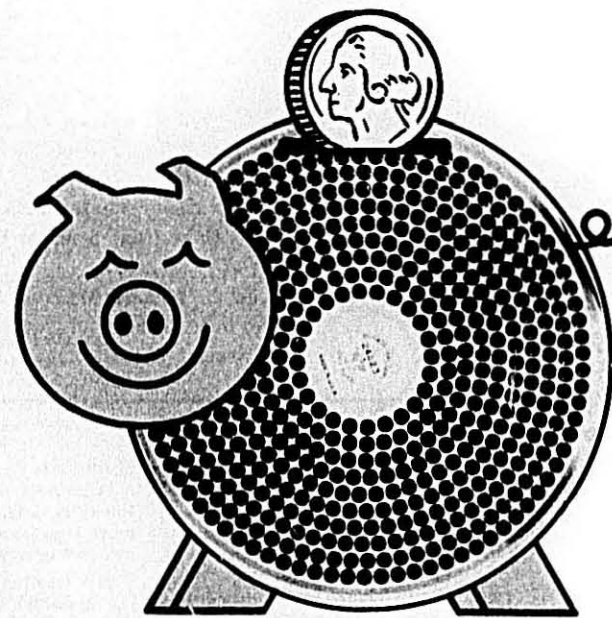


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The Macaroni Journal

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In This Issue:

	Page
In Praise of Pasta, Great Pasta	5
FDA and What the Future May Bring	7
Where Will You Be in 1975?	16
New Combination Heating Method—With the Mills	20
How to Make Your Business Grow Using Someone Else's Money	22
In the Industry—Durum—Eggs	26
Public Relations Program for the National Macaroni Institute	28
New Series of Pasta Presses from Braibanti	31
Index to Advertisers—Convention Calendar	34

THE EDITOR'S NOTEBOOK

The meat boycott and celloping prices imposed on beef, lamb and pork, make meatless meals with pasta a great opportunity for the consumer, the grocer, and the macaroni-noodle industry. It was during meat rationing during World War II that macaroni made its greatest strides.

The meat shortage is a great concern of the government. The Smart Shopper Food Guide for April, with some 12,000,000 distribution from the Plentiful Foods Program, Agricultural Marketing Service, U.S. Department of Agriculture, carried several pages on "Pasta or Macaroni Foods" explaining what they are, how they are measured and cooked and stored, with nutritional characteristics and recipes.

Recipes included Chicken or Turkey Macaroni Soup, Spaghetti with Meat Sauce, and Tuna Noodle Casserole (pictured on the front cover).

With the cooperation of the Durum Wheat Institute and the National Macaroni Institute, Jack L. Peterson, Director of the Plentiful Foods Program, and Home Economist Joyce Short arranged a See-Taste presentation for USDA colleagues on March 27. Details will be given in the next issue.

Meanwhile, releases from the National Macaroni Institute with meatless meal suggestions have been in great demand by the press.

The traditional falling-out-of-bed of the macaroni business following Lent may not take place this year as retail business has been good around the country.

The adoption by the U.S. grocery industry of a standard accounting code symbol to allow instant machine reading of product identification in supermarkets and food stores is expected to stimulate a new market for electronic retail point-of-sale systems. Super Market Institute meeting in Dallas will devote time and space to examining these developments in the Universal Product Code (Macaroni Journal, April issue, page 26.) We plan to attend and cover the meeting.

The springtime Plant Operations Forum goes to Nebraska this year and the program of visits to the Gooch mill and macaroni plant in Lincoln, the Waldbaum egg operation in Wakefield, and Skinner Macaroni Company in Omaha is attracting a fine registration. Coverage in the next issue.

In Praise of Pasta, Great Pasta

by Marilyn Kaytor, in the American Way, February, 1973

"We laughed, joked, teased each other and whiled away the time to no great purpose—until the dinner bell rang. Then, how we ran—macaroni! We fell on it—devoured it by the three platesful . . . and all the wine we could drink, ah! What a marvelous meal—and what a roaring appetite."

Though these words were written by Italian playwright, Carlo Goldoni, some 200 years ago (when he described in his memoirs, a typical scene of his era—of partying with friends down the Po River on a barge, without a care in the world), they are as timely today as they were in the eighteenth century. Goldoni's emotion about pasta vividly describes the feeling most all of us bring to the eating of a great plate of this wonderful Italian food.

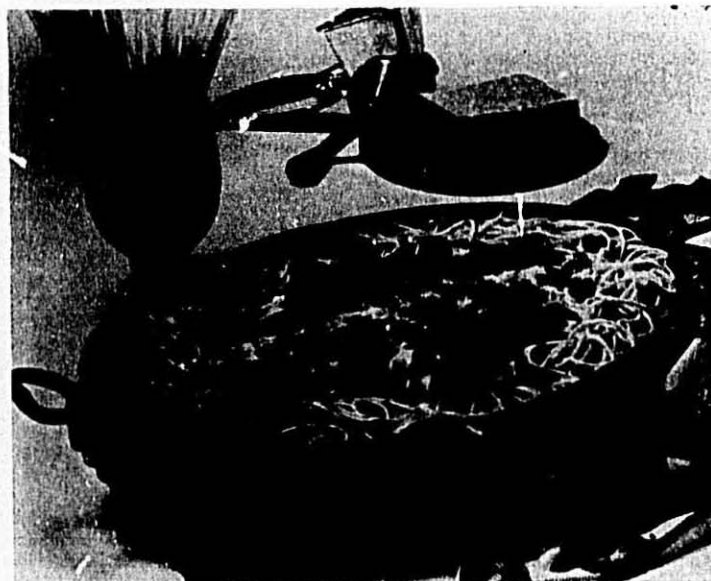
A Friendly Food

Yes, good pasta, be it spaghetti, linguine, tomato noodles, mafaldini, lady's legs or any of the some 150 known varieties of macaroni (generic term for Italian pasta, as well as a basic variety made elbows-to-longs) is certainly a friendly, hmmm food that few of us can approach without anticipation and great temptation—much less resist for first, second and even third helpings.

But, to all too many Americans, pasta all too often spells meatballs or acetie and harsh marinara sauce; the common belief is that it takes both an Italian chef's cooking secrets and two days at the stove to make other kinds of pasta dishes. Nonsense. Good pasta is a food that can be cooked as quickly and easily as broiling pork chops, and it also has more exciting flavors than almost any other food known to man. Take the colorful tomato and vegetable sauce on linguine: This requires a half hour to make (unless you take a half hour to peel and chop an onion), and it is a far cry from plain tomato sauce.

Simple to Make

Actually, the best pasta dishes are the simplest to make. In Naples, where Neapolitans have been nicknamed "macaroni eaters" for over two centuries, the favorite manner of eating pasta—any kind of big, hearty variety like rigatoni or huge shells, sefani—is with nothing more than grated cheese and black pepper. Sometimes a piece of red tomato, red or green pepper or cut parsley is added to this plate as garnish (to give it more Italian color, you understand). The most desired and delicate of all Italian pasta dishes is fettuccine, from Italy's Lazio area, where



Spaghetti, sauce and grated Parmesan cheese.

Rome reigns supreme. No more than a sister to the Naples dish, it is egg noodles tossed with unsalted butter and grated parmesan or romano cheese, salt and pepper. To this, some people add a little heavy cream, or a raw egg. From more northern Italy, up in Umbria where rare black Italian truffles grow to give exquisiteness to Italian cucina and cooking around the world, comes one of the most unusual of macaroni dishes, spaghetti with black truffles—the ultimate in pasta but still the epitome of ease to make.

Do Not Overcook

Now, while a pasta sauce is important, remember the pasta itself. Too many people overcook it so that it acquires a mushy, dead taste and gluey texture. Good pasta should be cooked al dente, "firm to the tooth." This gives it its proper chewy character, and retains its flavor. Always cook pasta in a large pot—large enough for all pieces to float freely in the boiling water. Too, always use rapidly boiling salted water. Add the pieces slowly so that all are separated. Never break pieces unless directed to do so in a recipe. Stir occasionally. Do not cover the pot. Cooking time depends upon the size and shape of the pasta and varies with brands. A good method of assuring correct firmness is to start testing when

about 75 percent of the recommended cooking time is up. To do this, simply lift a piece from the boiling water and taste for "doneness." Experienced cooks can tell by color and texture, or fork pressure, if pasta is cooked precisely right.

Always cook pasta when ready to serve. Never let it sit and wait, or try to reheat unless it is in a casserole dish such as lasagne; never let it overcook, overheat or dry out. If pasta is to be baked after boiling, be careful to undercook to allow for oven time. Old pastas take longer to cook and lose much of their flavor. Make sure the product is fresh, be it store-bought or homemade. And, of course, homemade pasta—less dry than commercial—has a flavor far superior to those packaged.

Requires Good Cheese

Great pasta requires good cheese. It should be freshly grated. Pre-grated, packaged cheese is flat and has no flavor edge. (Beware of anyone who would use cheddar or American cheese in a pasta dish!) Though pasta is a first course dish in Italy, it is generally preferred as a maincourse in the United States, adding bread, salad, dessert and coffee, and always plenty of red or white Italian wine. Three quarters of a pound of pasta will normally serve four

(Continued on page 6)

In Praise of Pasta—

(Continued from page 5)

people. The sauce gives it a mild or heavy flavor, which usually dictates the quantity one eats—though some people are known to devour a half pound of pasta without blinking an eye. It is wise to know the appetites you cook for.

How to Eat

How do you eat pasta? Do you use a spoon? Or cut it up with a fork? Eat it one piece at a time? None of these ways. Pasta is strictly a fork operation. Spaghetti, linguine or noodles should be twirled into the tines of a fork, lifted up and eaten. In the case of smaller pieces, these should be lifted with the fork. If pasta is in pieces longer or larger than bite-size, and not twirlable or liftable, then cut them with a fork and pick up the pieces. (We won't mention that the old Neapolitan manner was to hold a plate of pasta over the mouth, tilt back the head, pour and swallow a whole plateful in one long, uninterrupted gulp!) Anyone who needs a spoon to eat a pasta sauce has made the sauce too thin. Sauce should be of a consistency that clings to the pasta. It should be "forkable."

Six Great Recipes

Here are six great pasta recipes, each intended as an "opener," to prove the versatility of pasta and make appetites as garrulous and gay as they were in the days of Carlo Goldoni and his friends.

Buon Appetito for pasta, great pasta!

Linguine with Tomato and Vegetable Sauce:

This is a tomato-based pasta dish relatively unknown in the U.S. . . . The flavor of eggplant is light and superbly subtle.

Add ½ cup olive oil and 4 tablespoons butter to a large skillet. Heat and add 1 finely chopped, large yellow onion and 1 diced, small-sized carrot. Cook vegetables golden. Add 2 good pinches oregano, 1 can (quart-sized) tomatoes and juice. Salt tomatoes in skillet, mashing them with a fork or potato masher. Cover; simmer sauce about 15 minutes, stirring occasionally. Uncover sauce, simmer about 15 minutes more, stirring occasionally. Add about 4 tablespoons butter to another skillet. Heat and add 1 finely chopped, medium-sized carrot and 1 cup diced, unpeeled eggplant. When carrots and eggplant are just beginning to turn golden in color, add 3 tablespoons pine nuts. Cook all to golden brown, adding more butter if necessary. Add vegetables to the tomato sauce. Heat gently. Pour sauce over ¾ pound linguine, cooked al dente.

Mix lightly. Sprinkle top with 2 tablespoons drained capers and freshly ground black pepper. Serve with freshly grated parmesan cheese. Serves 4.

Bavette with Oil and Garlic Sauce:

This is a pasta for garlic lovers! Add ½ cup olive oil to a skillet. Heat the oil and add 4 thinly sliced, medium-sized garlic cloves. Cook garlic until it just begins to turn golden. Do not overcook or burn garlic. Immediately remove skillet from heat. Pour sauce over 1 pound bavette (or linguine or spaghetti) cooked al dente. Add 2-4 tablespoons soft butter, ¼ cup cut parsley and a sprinkling of hot red pepper flakes. Add salt and freshly ground pepper to taste. Mix well. Serve with freshly grated parmesan cheese. Serves 4-6.

Spaghetti with Black Truffles:

For anyone who wants the ultimate in spaghetti and is also a truffle "hound," here's a unique and exquisite pasta recipe, made with black Urbani truffles—gems of the culinary world.

Add ½ cup olive oil to a large skillet. Heat oil and add 2 quartered, medium-sized garlic cloves. Cook garlic to golden then remove pieces and discard. Add to the oil ½ can (4-ounce size) black Urbani truffles (first silvers the truffles) along with all the truffle juice from the can. (Make sure to use Italian, Urbani brand, truffles which have a more peppery flavor and stronger aroma than French varieties and brands.) Set aside half of the truffles to add later. Add 1 cup tomato sauce (recipe below). Gently simmer a few minutes to blend oil, truffles and tomato sauce, stirring while simmering. Pour sauce over 1 pound spaghetti, cooked al dente. Mix lightly. Garnish with the remaining truffles, which are also silvered. Serves 4-6 as main-course, or 8 as a first-course dish.

Sauce

Tomato Sauce: Add 2 (tablespoons) olive oil to a pot. Heat and add 1 minced small yellow onion, 1 minced small clove garlic, 2 teaspoons minced carrot, and 1 tablespoon cut parsley. Cook vegetables golden. Add 1½ pounds lean spareribs cut into small pieces, 2 cups canned tomato puree, 1 teaspoon salt, ¼ teaspoon freshly ground black pepper and 1 can (2-ounce size) black-truffle puree (Urbani brand). Cover; simmer 1½-2 hours, stirring occasionally. Strain sauce, removing and discarding spareribs. Chill sauce and remove fat. Use for Spaghetti with Black Truffles, in amount indicated.

Dital with Broccoli:

This is an inexpensive vegetable pasta with a surprisingly delightful flavor.

It may also be made with cauliflowerettes.

Add ½ cup olive oil to a large skillet. Heat the oil and add 2 minced, large garlic cloves. Cook garlic lightly. Add 1 package frozen broccoli spears, first thawed then cut into small thumb-nail-sized pieces. Cook about 8 minutes—stirring occasionally—until broccoli is cooked al dente. Do not overcook. Add 3 tablespoons butter, ¼ teaspoon freshly ground black pepper and salt to taste. Pour sauce over ½ pound ditali cooked al dente. Mix well. Serve with freshly grated parmesan cheese. Serves 2-3.

Spaghettini with Green Herb Sauce Genoa-style:

Pesto Genovese as this dish is called in Italian, is a pasta to be made in the springtime and early summer, when fresh basil is available from local markets, home gardens or nurseries.

Put 3 cups fresh basil leaves, 5 tablespoons olive oil, 4 tablespoons soft butter, 3 small garlic cloves, 3 tablespoons pine nuts, ½ cup freshly grated parmesan cheese, 1½ tablespoons cut parsley and 8 fresh mint leaves into a blender and blend lightly to a thick puree (or mash all together with a mortar and pestle). Add freshly grated black pepper and salt, but with caution. Pour sauce over 1½ pounds spaghettini or thin egg noodles, cooked al dente. Mix lightly. Serve with freshly grated parmesan cheese. Serves 7-8.

Ziti with Anchovies:

This is a common Italian pasta sauce . . . anchovies may be increased for a stronger and saltier fish flavor.

Add ½ cup olive oil to a large skillet. Heat and add 2 pressed, medium-sized garlic cloves and 2 well-drained, canned or bottled roasted red peppers (or pimentoes). Cook until garlic and peppers just begin to turn golden. Add 1 can (2-ounce size) fillets of anchovies and their oil, the anchovies first cut into small pieces. Cook all together a few minutes, stirring. Add 1½ cups canned tomatoes and juice. Salt tomatoes lightly, mashing the tomatoes into the pan with a fork or potato masher; add ¼ teaspoon oregano. Simmer all together about 12 minutes—or until sauce blends, reduces and thickens—stirring occasionally. Add ¼ teaspoon sugar, ¼ teaspoon freshly ground black pepper. Pour sauce over ¾ pound ziti pieces broken to about 3 inches long—cooked al dente. Mix well. Serve sprinkled with cut parsley and grated parmesan cheese. Serves 4.

Spaghetti is Good for the heart.

FDA And What The Future May Bring

by Robert W. Harkins, Ph.D., Director, Scientific Affairs
Grocery Manufacturers of America, Inc., at the Winter Meeting



Dr. Robert Harkins

BEFORE launching into a discussion of the future, a review of the recent past at the FDA is essential. As a parent watching my own children grow, I realize that you can be so close that you do not perceive the daily changes. When viewed over the context of several years, the growth in FDA personnel and financial resources has been rapid. Congress has entrusted FDA with a 50% increase in personnel over the level of four years ago, and budget authority has more than doubled.

Growth

A few statistics will give you an appreciation of FDA's growth. When Dr. Edwards entered FDA in mid-fiscal year 1970, FDA's budget was just over 76 million dollars, with 4200 employees. In the succeeding three years, the FDA budget has more than doubled to 157 million dollars in 1973. In the current fiscal year, FDA estimates it will have 8800 employees, an increase of over 1500 in just three years. This level of congressional support during a period of deficit spending and heavy defense demands indicates a clearcut congressional commitment to health quality.

Can we expect this growth to continue in the future? I am going to go out on a limb and project significant but less rapid growth for FDA in FY 1974 than has occurred in the past four years. The increase in FDA resources for the new fiscal year will, in comparison with other agencies, appear to be very generous. The growth will permit FDA to expand essential programs. The

budget requests from the Administration and the authorization will, I believe, be less rapid than in the preceding three years. The administration in its request to the Congress for FY 1974 asked for an appropriation of 162 million. After an adjustment for the transfer of 13.6 million into the newly created Product Safety Commission, the appropriation for continuing FDA programs will increase by 18.7 million.

In HEW

FDA as an agency is set within the complex of the Department of Health, Education and Welfare. FDA is the only regulatory agency within a Department dominated by a galaxy of interests, including the Public Health Service, the National Institutes of Health, Social Security, Medicare, Education, and many other interests. HEW's overall budget in FY 1973 was 86 billion dollars. Hence FDA, with its budget of under 200 million, is but a small portion of this complex. For its size, FDA gets an enormous amount of interest from Congress. In 1971, FDA testified over 50 times on the Hill, which is equivalent to at least once a week. Whether FDA deserves this degree of attention is a moot question, since Congress sets its own priorities and literally no one tells a congressional committee how to allocate its resources.

FDA's programs are of vital interest to Congress. Every Congressman is anxious to report to his constituents that he has helped ensure a more wholesome food supply, or that drugs will be safer because of his activities. In turn, Congress has also reaped political mileage out of exploiting FDA's weaknesses. That FDA's resources, which are appropriated by Congress, were usually insufficient to cope with the regulatory responsibilities rarely filtered through to the hometown voters. At least in recent years, Congress has appropriated dollars and personnel more nearly in line with the agency's regulatory responsibilities.

Dr. Charles Edwards

In looking at the Agency and attempting to protect the future changes, one must wonder first what opportunities will open for Dr. Charles Edwards, Commissioner of FDA. Since the November election, there has been a series of departures from the Nixon Administration of virtually all of the medical

and health-oriented individuals in senior positions.

In quick succession, the following individuals have resigned: Dr. Merlin K. DuVal, Assistant Secretary for Health & Scientific Affairs of HEW. Dr. DuVal was the senior physician within all HEW. President Nixon accepted the resignation of Dr. Robert Q. Marston, who has been Director of the prestigious National Institutes of Health since September of 1968. Dr. Marston's forced resignation has drawn a protest of note from some 1000 physicians and researchers at NIH. Finally, Dr. Jessie Steinfeld, Surgeon General of the United States and the administrator of the Public Health Service, has recently resigned.

Administratively, Dr. Marston, Dr. Steinfeld, and Dr. Edwards all reported to Dr. DuVal. But now, DuVal, Marston, and Steinfeld have left the Administration. While it may not yet be fair to say that Dr. Edwards is the top physician within the HEW complex, he is the only senior physician left within HEW. Just last Friday, Dr. John F. Sherman, formerly Deputy Director of NIH, was appointed acting director of NIH. Whether he will eventually become Director of NIH, only time will tell. I have gone through this litany, not because you as a food manufacturer would have to be involved with NIH or the Surgeon General, but to help you understand the leadership vacuum which has been created by the departure of these HEW physicians.

I would be very surprised if the Administration were not thinking of Dr. Edwards for additional responsibilities within the Department of HEW. Exactly what those new responsibilities will be is still not clear. Dr. Edwards has demonstrated in the past three years unusual leadership ability; he has mastered the management of a rapidly growing department of high visibility.

Can the Administration afford to pass over a man of his ability when the Director of NIH's job is vacant, or when a new Undersecretary of Health must be appointed? I believe that a fair evaluation will indicate that additional responsibilities will be given to Dr. Edwards. If this prediction is correct, the changes are likely to be announced in the very near future. I would suggest the next 60 to 90 days

(Continued on page 8)

FDA and the Future—

(Continued from page 7)

will tell the story. If the prediction and schedule are faithful, you can tell your associates that you got your first hint at the Winter Meeting of the National Macaroni Manufacturers Association.

If indeed Dr. Edwards does move higher in the labyrinth of HEW, the very real question is who would be his replacement. A medically-trained individual who is also a good manager is a rare combination. These are just two of the unique capabilities of the present Commissioner. The last three Commissioners of FDA, Dr. Goddard, Dr. Ley, and Dr. Edwards, have been trained physicians. Of the three, only one was with the Agency at the time of his selection as Commissioner. Hence, the tendency has been to select the new Commissioner from outside the Agency. If there is to be a new Commissioner, and if he is a physician, I expect the individual to be selected from outside the Agency. If, on the other hand, the new Commissioner is not to be a physician, I predict that he will be chosen from among the current employees of HEW.

My prediction is that there will be a new Commissioner, that he will not be a physician, and that he will be selected from within HEW.

Bureau of Foods

While there is always a temptation to focus on the Commissioner, per se, many of the important decisions facing our industry are made within the Bureau of Foods. I have said before that this is an unusual time in both the industry's and the consumer's relationship with the Agency. Industry for its part has found the FDA personnel to be generally responsive and unusually well-informed about the realities of the marketplace. For consumers, their lines of communication to FDA have never been better. FDA currently meets with a loose federation of consumer organizations once each four to six weeks.

While it is quite true that no one man is indispensable, I doubt that you could find a group any more competent than those currently holding senior slots within the Bureau of Foods. I am speaking of such individuals as Dr. Virgil Wodicka, Director of the Bureau of Foods; Dr. Robert Angelotti, Director of the Office of Compliance; Dr. Robert Shaffner, Director of the Office of Product Technology; Dr. Ogden Johnson, Director of the Division of Nutrition; and Dr. Neal Dunning, Chief of the Branch of Food & Nutrition Resources. These are unusually good men. While we in industry do and will continue to

have our differences of opinion over the regulatory decisions which must be made, their judgment day in and day out has proven to be extraordinarily good. I feel confident that the bulk of their decisions will be upheld by history.

In evaluating FDA as it is today, we should remember that each of the named individuals joined FDA since Dr. Edwards was appointed Commissioner. I like to judge a manager not only by his own ability, but by the calibre of the men that he is able to attract and hold.

On other individual needs to be brought to your attention—the new general counsel for FDA, Peter Barton Hutt. Mr. Hutt is a very bright and able attorney. You can expect to see many important achievements from him during his career at FDA.

Three Vectors

There are three vectors outside of FDA which could culminate in action in 1973 and which would have major influence on all food manufacturers. These include the Product Safety Agency, the Supreme Court decision, and Congressional concerns.

In the waning days of the 92nd Congress, the Product Safety Agency was approved by Congress. The Senate version of the bill would have established the Product Safety Agency as a separate agency including the food and drug responsibilities of FDA. The House version established the agency without FDA. In conference, the House version was accepted. Nevertheless, there is interest, particularly in the Senate, to place FDA into the Product Safety Agency, outside of HEW. If this structure has passed, FDA would be an independent agency. It is my judgment that these efforts will not be successful in the next 12 months, but there may be Congressional pressure.

The second vector of potential change involves the Supreme Court's review of FDA's actions relative to the drug efficacy review. The question to be resolved by the Supreme Court centers on whether FDA can revoke the NDA's for drugs which are found to be ineffective without a hearing on the merits of the decision. This ruling is fraught with peril. If FDA wins, and is able to circumvent the hearing process, the precedent so established would be extended to food issues. If on the other hand, FDA loses, Congress is likely to intervene and give FDA additional regulatory responsibilities. If and when Congress attempts to update its interpretation of the Food, Drug and Cosmetic Act, it is likely to make more changes of impact on the food industry than on

any other segment of the regulated industries. The food industry is not a party to the case now pending and has not, as an industry, examined the impact of a decision. It appears to be one of those situations where it is heads—FDA wins, and tails—the industry loses. Watch the trade press for developments in this area.

The third vector involves Congressional interest in new authority for FDA. A partial listing of proposals includes plant registration, plant licensing, records inspection, embargo, recall, the ability to levy fines on plants not operating in compliance, the Delaney Clause, third party testing, and others. We could devote all of the time we have available this morning to discussing these proposals. Suffice it to say that at least several of these will be actively considered by the 93rd Congress and that I expect several will pass. Among this list, plant registration for one, would appear to have come of age. Whether or not additional regulatory authority will be given to FDA cannot be said with certainty at this time.

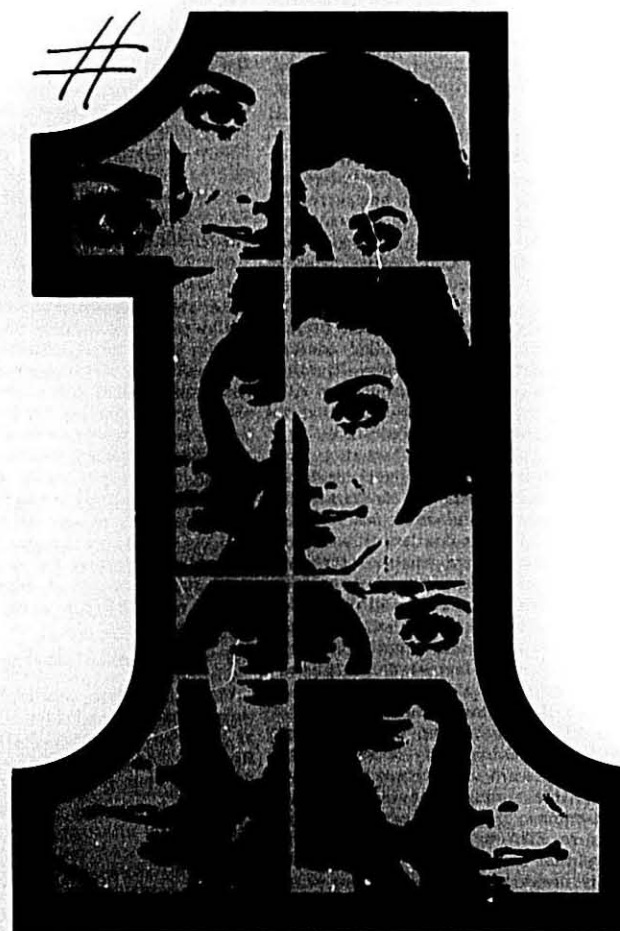
GAO Reports

The times being what they are, we need to be constantly vigilant. With the adverse report last year from the GAO on food plant sanitation, the almost daily press coverage of increasing food prices contributes to an uneasiness that all is not well within the food industry. While this uneasiness can be dispelled by talking with your Congressmen, not enough of us within our industry have made a special attempt to talk to our Congressmen about our legitimate concerns. When was the last time your Congressman toured your plant? When was the last time you wrote a letter to Congress? When was the last time you had an appointment with your Congressman to explain to him the effects of permitting raw agricultural commodity prices to vary while restricting price increases for manufacturers? Informed Congressmen don't just happen; you have to work at it, and the time devoted to this effort could have a major impact on the bottom line of your profit statement.

Our industry was badly burned last year when the GAO report on food manufacturers' plant sanitation was released. (Reference—General Accounting Office Report to the Congress, "Dimensions of insanitary conditions in the food manufacturing industry" by the Comptroller General of the United States, April 18, 1972).

To refresh your memory, the GAO report indicated an inadequate level of

(Continued on page 10)



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FDA and the Future—

(Continued from page 11)

sanitation in a high percentage of food plants inspected by the GAO. In the 97 food processing plants surveyed, 40% were found to be insanitary. By FDA's standards, 23 of the 97 plants were considered to have significant insanitary conditions. The overall findings of the GAO report read as follows:

During the past three years, FDA inspections have indicated that sanitary conditions in the food industry in the United States are deteriorating. FDA did not know how extensive these insanitary conditions were and therefore could not provide the assurance of consumer protection required by the law.

A serious problem of insanitary conditions exists in the food manufacturing industry. Several actions must be taken by FDA to alleviate these conditions.

There is no doubt in my mind that there is room for improvement in food sanitation practices. How big is the problem? FDA has described the food industry in the United States as comprising some 60,000 establishments. There are approximately 32,000 food manufacturing and processing plants and 28,000 establishments of other types, such as storage facilities and repacking and relabeling plants.

With responsibility for inspection of 60,000 establishments, how were FDA's resources allocated? In April of 1972, Commissioner Edwards reported FDA's headcount as nearly 5,000 personnel, of which 220 were assigned to food plant inspection.

During its 1972 budget review, FDA was asked to provide the House Appropriations Subcommittee (Whitten) with documentation on how many inspectors FDA felt were needed to meet field problems. An analysis of their response is revealing. FDA projected an increase in field staff from the present base of 1,165 (which included the 220 field inspectors) to an "ideal" strength of 3,865. Thus, to "provide total surveillance and compliance coverage," FDA would require an additional 2,200 positions and an increased appropriation of nearly 45 million dollars.

Quality Assurance

There are two general concepts by which FDA can ensure the wholesomeness of the food supply. The traditional concept and the one that continues to grow is the utilization of inspectors to inspect food manufacturing and holding facilities. Each of you in this audi-

ence understands that this is an inefficient utilization of inspectors and that you cannot inspect in food wholesomeness. Nevertheless, this has been the one route routinely used for many years.

The new technique gradually growing within the industry is Cooperative Quality Assurance, formerly known as "self-certification." There are currently 20 plants enrolled in this program, including two macaroni manufacturing facilities. Under Cooperative Quality Assurance, FDA audits the quality assurance program of the plant. Relatively little attention is given to the traditional measures of plant sanitation. Under the Cooperative Quality Assurance program, information is voluntarily provided to the FDA that is not required under the Food, Drug, and Cosmetic Act. This information includes flow processes and processing and control records, the fundamentals for a critical point identification and hazard analysis evaluation. In addition, other pertinent information, such as ingredient specifications, is on permanent file within the FDA and reports of any exceptions or deviations from the agreed-upon quality assurance plan and specifications are reported monthly or quarterly to the FDA. Consumer complaints, if any, are similarly reported to the FDA. This system provides FDA with an organized body of information on the operations of a plant that is not obtainable through conventional food inspections. This body of information permits FDA to make a good assessment that a plant is operating consistently under good manufacturing practices and that the production is wholesome.

I expect that Cooperative Quality Assurance programs will grow. While the production of plants operating under the terms of this voluntary program will not exceed the production inspected by traditional means, it will become a major thrust within the Bureau of Foods.

GRAS Review

One issue that will come to a head in 1973 is the culmination of the first stages of the GRAS review, initiated by President Nixon in 1969 as an aftermath of the ban on cyclamates (Reference A. T. Spilner, The GRAS List Review, FDA Papers, 4, number 10, 12-14, 1970/71). The GRAS review is composed of three parts: (1) a literature review to compile abstracts on all published articles on each item on the GRAS list for the last 50 years, (2) the utilization of a battery of new toxicological tests, and (3) the projected consumer intake of items on the GRAS

list. The literature search is essentially complete, the battery of toxicological tests is drawing to a conclusion, and the NAS/NRC results on the projected intake of GRAS substances has been completed. These three parts—literature review, intake levels, and toxicological tests—will all be used to compile a comprehensive monograph. Each monograph will be the most authoritative source of information available on Generally Recognized As Safe items.

The eventual outcome of this project will be a new confirmed GRAS list. Other substances may be added to that list by petition for affirmation of GRAS status. There is a distinct possibility that additional toxicological testing will be deemed necessary when these reviews are completed. FDA has established an interim status for such food ingredients needing additional safety testing. It has yet to be determined just how such food ingredient testing would be done or exactly who would foot the bill. As an industry, the Macaroni Manufacturers are in unusually good shape because of their low rate of use of GRAS substances and food additives.

Nutrition Labeling

FDA's omnibus labeling proposals were published on Friday, January 19, as a special supplement to the *Federal Register* (38, 2124 to 2164, 1973). The document runs 40 pages in print.

Nutrition labeling was finalized in this proposal although an additional 30 days is provided for comment. FDA does not, however, anticipate major changes in the substantive language of the proposal. Nutrition labeling remains voluntary for most manufacturers. However, for at least some periods, nutrition labeling will be mandatory. Let me quote from the *Federal Register*.

For most food standards, the addition of nutrients is optional and nutrition labeling is therefore entirely appropriate because the manufacturer is not required to add nutrients or to label nutritional properties. For those few food standards where the addition of nutrients and/or the labeling of nutritional properties is mandatory, the Commissioner has concluded that no hardship will be imposed by the application of nutrition labeling. Accordingly, none of these standardized foods is exempted from nutrition labeling. The Commissioner will consider requests for such exemptions on an ad hoc basis, based upon a showing of undue hardship.

Relative to the Food Label Information Panel, the Commissioner concluded that the FD&C Act contained sufficient authority for the promulgation of this regulation. You will recall that this fact was actively contested by many in industry in their initial filings. The regulation pertaining to the location of the panel was rewritten to the extent that it recognized that the panel immediately to the right of the main panel may be impractical for the labeling information. In such cases, the information panel will be permitted to appear on the next panel to the right. Unfortunately, the final regulation still contains a uniform type size and placement requirement, but it provides that any interested person may petition the Commissioner to establish, where justified, a smaller type size or an alternative means of disseminating such information to consumers.

On ingredient labeling, FDA acknowledged that legal authority does not exist to require complete ingredient disclosures on standardized foods. However, FDA continues to encourage manufacturers, packers, and distributors to voluntarily make such disclosures. In addition, FDA intends to amend the definitions and standards of identity of food by revising the standard to require label declarations of all optional ingredients (with the exception of optional spices, flavorings, and colorings which may continue to be designated as such without specific ingredient declaration).

Overall, FDA anticipates that final regulations will be promulgated within the next six months. In view of the multiple regulations, and the time required for industry to redesign its labeling, obtain new labeling, and rotate label inventory, FDA has proposed to provide until December 31, 1974, for full compliance for products shipped in interstate commerce. If, as FDA is anticipating, final regulations are available in six months, this would give industry approximately 18 months to make the transition to the new labeling format. However, FDA has also proposed to require that any affected product, for which labeling is ordered on or after December 31, 1973, comply in all respects with the provisions of these regulations at the time the labeling is placed into use, regardless of time.

Imitation Foods

I believe that one additional section of the labeling proposals will be of broad interest to this group, namely, the labeling for imitation foods. As you know, the FD&C Act provides that a

food shall be deemed to be misbranded "if it is an imitation of another food, unless its label bears the word imitation and immediately thereafter, the name of the food imitated." The White House Conference on Food, Nutrition and Health, among its many recommendations, suggested that oversimplified and inaccurate terms such as "imitation" should be abandoned as uninformative to the public. FDA has suggested that to automatically apply the term "imitation" to new substitute food products which are not nutritionally inferior would be a disservice to consumers and would be contrary to the common understanding of inferiority which the word "imitation" connotes. FDA has concluded that the use of the term "imitation" should be restricted to substitute food which is nutritionally inferior to the food for which it is a substitute. However, this still leaves the problem of how to describe a product which is nutritionally equivalent, but which is different, although not inferior, from what one may reasonably expect. The Commissioner has suggested, again in line with the recommendation of the White House Conference, that "the name of a food should accurately describe in as simple and direct terms as possible, the basic nature of the food or its characterizing properties or ingredients." The yardstick for nutritional inferiority is applied to a food which has a reduction in the content of an essential vitamin or mineral or protein which amounts to ten percent or more of the U.S. RDA. Nutritional inferiority is not invoked with a reduction in the calorie or fat content.

Recommended Daily Allowances

FDA has proposed to establish, as a replacement for MDR, a new nutritional standard to be known as the U.S. Recommended Daily Allowances (U.S. RDA). The U.S. RDA is a variation of the Recommended Dietary Allowances (RDAs) developed and periodically updated by the Food and Nutrition Board of the National Research Council (Reference—Food and Nutrition Board, National Research Council, "Recommended Dietary Allowances," Publication 1964, National Academy of Sciences, 1968). At the same time, the FDA has proposed to drop the Minimum Daily Requirements as a requirement for the labeling of foods. A comparison of the nutritional profiles of the U.S. RDA and MDR has been made (Reference—E. M. Wedral & R. W. Harkins, *Nutritional Labeling*, Illinois Medical Journal, January, 1973, pages 40 to 44). The proposed U.S. Recommended Daily allowances for vitamins and minerals follows:

Vitamin A, 5,000 International Units
Vitamin C, 60 milligrams
Thiamine, 1.5 milligrams
Riboflavin, 1.5 milligrams
Niacin, 20 milligrams
Calcium, 1.0 milligrams
Iron, 18 milligrams
Vitamin D, 400 International Units
Vitamin E, 30 International Units
Vitamin B₆, 2.0 milligrams
Folic Acid, 0.4 milligrams
Vitamin B₁₂, 6 micrograms
Phosphorus, 1.0 gram
Iodine, 150 micrograms
Magnesium, 400 milligrams
Zinc, 15 milligrams
Copper, 2 milligrams
Biotin, 0.3 milligrams
Pantothenic acid, 10 milligrams

The U.S. RDA for protein is variable and dependent upon the protein quality. If the protein quality of the product, as measured by the Protein Efficiency Ratio, is equal to or greater than that of casein, the U.S. RDA is 45 grams. When the protein quality is less than that of casein, the U.S. RDA is 65 grams. If however, the protein quality is less than 20% of the PER of casein, the protein may not be declared on the label in terms of percentage of the U.S. RDA. A variable U.S. RDA was selected to attempt to more accurately reflect to the consumer the nutritional requirement for protein. For proteins of cereal origin, manufacturers would normally use a U.S. RDA reference of 65 grams whereas proteins of milk and animal origin would normally use a value of 45 grams.

Macaroni Calculations

A simulated calculation to obtain the label claim for cooked enriched macaroni is shown in Table 1. The nutritional analysis for a 1 cup serving of cooked enriched macaroni was obtained from a reference manual (Reference—Bowes & Church, *Food Values of Portions Commonly Used*, 10th Edition, J. B. Lippincott Co., 1966). FDA expects manufacturers to be able to validate the nutritional claims made in their labeling. Such validation would require the analysis of representative lots of production to determine the nutritional profile of each manufacturer's production.

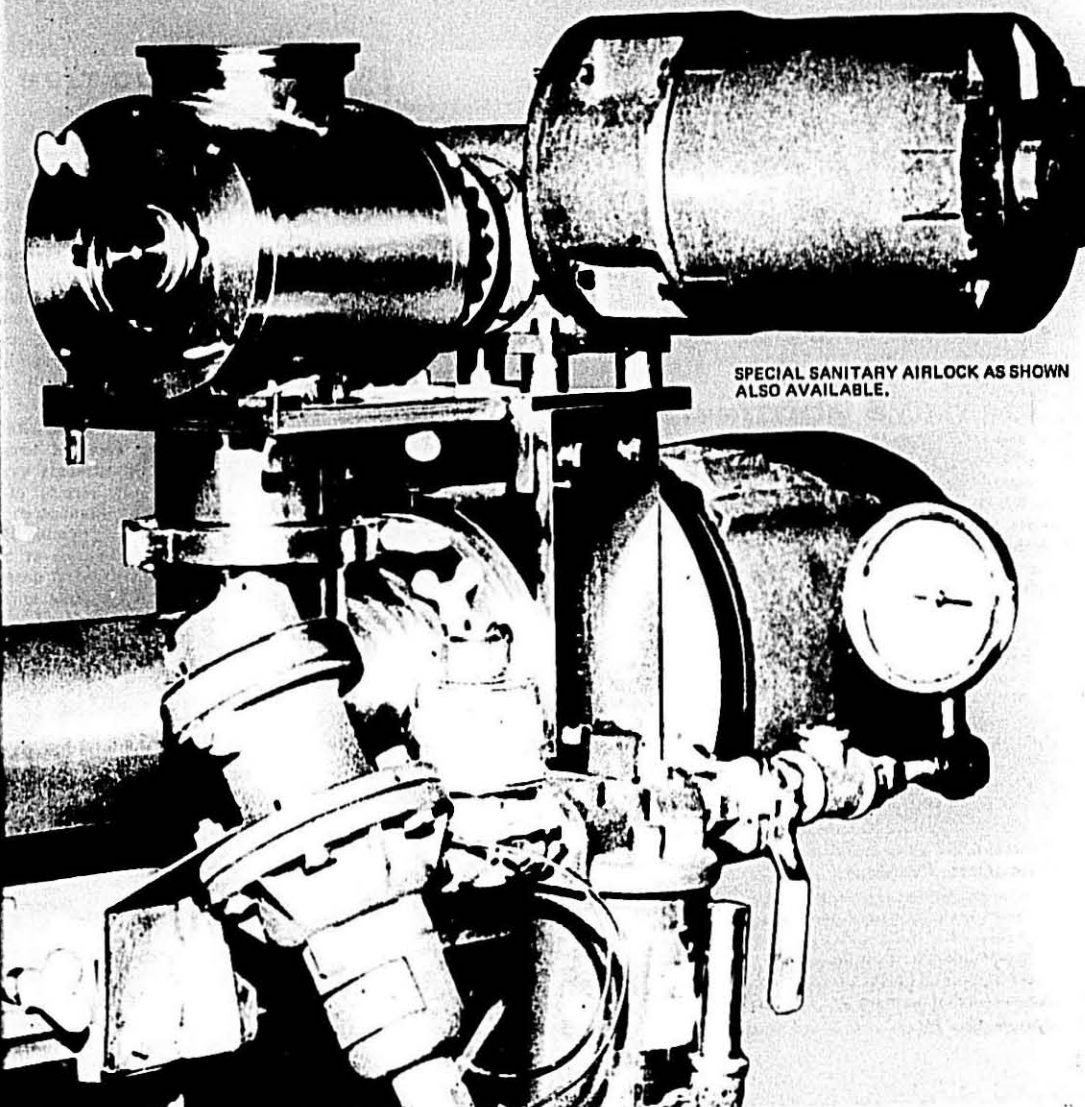
FDA has proposed that labeling claims have different yardsticks for nutrients naturally occurring (indigenous) and those nutrients which are added for enrichment or fortification purposes. For added nutrients, as for example those added to enriched macaroni, the nutrient content of the food must be at least equal to the label claim. For indigenous nutrients, the

(Continued on page 14)

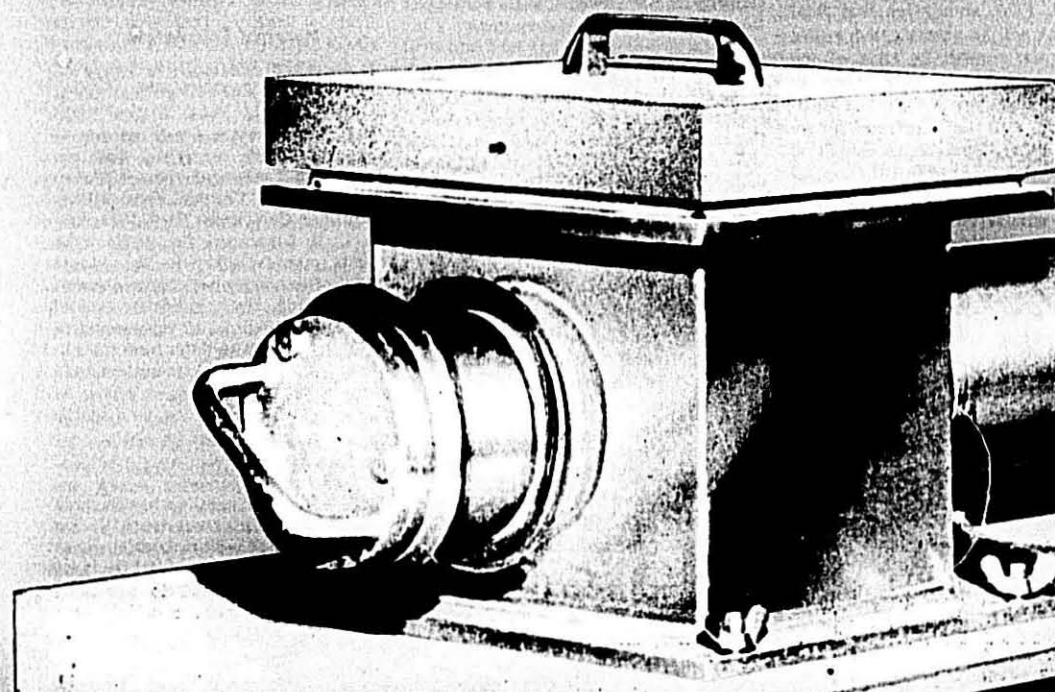
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FDA and the Future—
(Continued from page 11)

nutrient content of the composite must be at least equal to 80% of the label claim. Such a dual standard recognizes the variability of indigenous nutrients and at the same time places the burden on the manufacturer for ensuring the nutritional value of added nutrients.

Once nutritional analyses are available, one can calculate the % U.S. RDA by dividing the amount of each nutrient by the U.S. RDA. This calculation is shown in column two of Table 1. From these calculations, one is able to select the label claims. Energy, stated in calories is rounded off to the nearest 10 calories for labeling purposes. The absolute amounts of protein, carbohydrate and fat are rounded off to the nearest gram.

Protein is stated again as a percentage of the U.S. RDA and vitamins and minerals as a percentage of the U.S. RDA. For labeling purposes, one rounds off to the nearest incremental step. The steps from 0 to 10% are in 2% increments; from 10 to 50%, one rounds off to the nearest 5%; and from 50 to 100%, one rounds off to the nearest 10%. Nutrition labeling begins as a voluntary program. As a representative of the food industry, I hope that this program can remain voluntary. Nevertheless, there are many who have suggested that nutrition labeling should be mandatory and legislation has already been introduced by the 93rd Congress (References—R. J. Schweiker, Nutritional Labeling Act of 1973, S. 322, January 11, 1973 and J. B. Bingham, Pure Foods Act of 1973, H. R. 323, January 3, 1973) to require FDA to promulgate mandatory labeling practices. Whether it remains voluntary or becomes mandatory is apparently dependent upon the political assessments of the progress achieved by the food industry in implementing this program.

Association Will Help

Your trade associations will be important focal points for the collection, tabulation and dissemination of the progress made in incorporating nutrition labeling. It is essential that manufacturers individually and through their associations publicize the efforts to bring nutrition labeling to consumers.

Fortification Problems

The new guidelines expected for nutrient fortification of many foods may again present the food industry with the kinds of nutrient technology problems that have had to be overcome in the past, according to Paul A. Hammes of Merck & Co., Inc.

Dr. Harkins on the left, Anthony Giole on the right.

TABLE 1
Nutrition Information

Per 1 Cup Serving of Cooked Enriched Macaroni; Package Contains 10 Servings

	Nutritional Analysis	% U.S. RDA	Label Claim
Caloric Content	207 calories	—	210 calories
Protein Content	7.0 grams	—	7 grams
Carbohydrate Content	42.2 grams	—	42 grams
Fat Content	0.7 grams	—	1 gram
			% U.S. RDA
Protein	—	10.8	10
Vitamin A	0 IU	0	*
Vitamin C	0 mg.	0	*
Thiamine	250 mcg.	16.6	15
Riboflavin	140 mcg.	8.3	8
Niacin	2.0 mg.	10.0	10
Calcium	15 mg.	1.5	2
Iron	1.5 mg.	8.3	8

* Contains less than 2% of the U.S. RDA of these nutrients

He spoke at a District 5 regional meeting of the Association of Operative Millers in Effingham, Illinois, on February 17. Hammes is a manager in Merck Chemical Division's Product Development and Service Laboratories concerned with nutritional products.

He listed five key considerations in developing nutrient fortification:

- (1) Accuracy in calculations
- (2) Color-altering characteristics of some nutrients
- (3) Problems in assay techniques
- (4) Compatibility of nutrients with systems and food ingredients
- (5) Limitations placed on the use of some nutrients by processing conditions.

As examples of potential color problems, Hammes pointed out that ferrous sulfate, a good nutrient source of iron, darkens rice custards and chocolate and may turn some doughs green.

Need for Specific Assays

In discussing the need for use of specific assays within the limits of a given laboratory's capabilities, he gave examples of the disappearing vitamin C in a vitamin/mineral-rich product, the thiamine that could not be detected in an enrichment mixture but reappeared in the bread containing the mixture, and the raw potatoes that showed no trace of vitamin C until assayed for dehydroascorbic acid.

Hammes told the group of the destruction of thiamine in a graham cracker formula that contained small amounts of bisulfate and in Dutch chocolate cake batter through the action of its high pH. Vitamin C is rapidly lost in wheat dough as the result of oxidase enzyme activity, he added.

Although the stability of some vitamins is threatened by elevated temperatures, processing adjustments can be made to minimize any harmful effects, Hammes said. "Pasteurization can be much less harmful to thiamine if done at very high temperature at a low pH for a few seconds, than if done at less than 200°F at a pH close to 7 for 30 to 45 minutes," he declared.

"Our past failures should be your gain, and we hope that generalizations can be drawn from our experience to help prevent such problems from arising again," he concluded.

Dr. Edwards Named

As Dr. Harkins predicted at the NMMMA Winter Meeting in late January, President Nixon named Dr. Charles C. Edwards to be Assistant Secretary, Health, Education & Welfare Department, in early April.

Dr. Edwards had headed HEW'S Food & Drug Administration. With Senate confirmation he succeeds Dr. Merline K. DuVal, who retired last December.

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Where Will You Be in 1975?

by Richard H. King, Vice President-Finance,
International Multifoods Corp., at the Winter Meeting

I want to start with one basic principle that I have found is an absolute must in planning—and planning is my subject today. This principle is the cornerstone of the whole planning function. It is very simple, but has profound ramifications. It can be stated in just seven words—**Planning must be a catalyst to communications.**

You can have all the planning in the world in your organization, but if it doesn't incorporate adequate communications, it just won't work. I want to illustrate this principle with a story. It's about the famous conductor, Leopold Stokowski.

In one of Beethoven's symphonies, a trumpet plays several bars. It is supposed to sound as though it comes from a distance. To gain realism, Stokowski decided to put his trumpet player off stage. Since he would then be out of sight of the conductor, the orchestra rehearsed this particular passage many times. They wanted to be sure the man in the wings would be on cue. In other words, Stokowski was utilizing good planning techniques.

On the night of the performance, all went well. The trumpeter came in right on the beat. He played half a dozen notes. Then suddenly he stopped. There was an embarrassing silence. Stokowski waited as long as he dared. But no more notes were forthcoming. He finally managed to pick up the tempo and continued.

As soon as the performance was ended, he angrily rushed off stage to find his musician. The man was very dejected. He was sitting in a corner visibly shaken.

"What happened?" Stokowski demanded. The trumpeter replied, "As soon as I started to play, a stagehand rushed up to me. He grabbed my horn and said, 'Shut up, you idiot! Can't you see there's a concert going on out there?'"

You see the relation of planning to communication? Mr. Stokowski had done his planning very carefully. The entire orchestra on stage knew of the plan. In the language of business, the line operation was fully informed. But no one bothered to include the staff people—the stagehands—the people behind the scenes.

Adapt to Change

Now I'd like to get down to specifics. I'd like to tell you why I think a simple but organized and definitive plan is ab-

solutely essential. I am convinced that change is inevitable. We see it all around us in business today. I believe that the decision we have to make is primarily whether or not we want to create change—or be forced into the less desirable position of adapting to change someone else has created. You know, many—maybe we would almost say most—people do not want to change. And, in some cases, won't change—even though change may be for their own benefit. Planning has one apparent characteristic. It is designed to deal with change. And never before in the history of the country has change been so rapid. Therefore, never before has constructive planning been so important.

Why do I concentrate on this subject of change? Because if we do not plan for change, we will not be able to take advantage of it. And conversely, change will take advantage of us. In short, we'll become obsolete.

Four Basic Functions

Management consists of four basic functions—Planning, Implementation, Control and Feedback. Very simply, a plan is a detailed program to get you from where you are to where you want to be.

Effective business planning, then, must start with the setting of objectives or goals. Lewis Carroll stated it very clearly in *Alice In Wonderland* when Alice stopped the white rabbit and asked him, "Sir, which road do I take?" and the rabbit replied, "If you don't know where you are going, any road will take you there."

Clearly Defined Objectives

The truth is that many businesses do not have clearly defined, well understood, agreed to objectives. Obviously, a plan can't work without them—good, specific, stretch objectives. By "good" I mean they must cover the important factors we (in our businesses) consider as success. "Specific" means they must be as measurable as possible so that they do become a means of communication and understanding throughout management. "Stretch" so that they help to inspire change—creativity—innovative thinking—and provide the needed challenge to overcome the instinctive desire of so many people to plan "more of the same."

Can well formulated objectives do the job? Do you believe that golf would



Richard H. King

hold nearly the attraction it has and does if there were no "par"?

Responsibility of Top Management

Whose responsibility, then, is the setting of objectives? The responsibility rests with the top executive manager of each working function in conjunction with the top man in the company. This is a job that cannot be delegated. The real job, and the full responsibility rests with this key group. And only to the extent that this management team is in accord with those objectives will there be top performance.

Objectives, then, start at the top and are passed down in an organization so that planning can start at the bottom and flow upward throughout the company.

The objectives provide the answers to the questions:

- 1) Where do I want to go?
- 2) When do I want to get there?

Certain questions and considerations, therefore, become an integral part of the process of setting objectives. These start with—

1) Where am I? It is strange but true that many people in business don't honestly know the answer to this question. What business are we really in? Honestly, how well are we really operating? Are we building or depleting our store of human resources? How have we been fulfilling responsibilities to customers—employees—communities in which we operate—our nation?

2) What resources do we have available to us? Money—under or over-utilized current and fixed assets—under or poorly-utilized human talent—brand or customer loyalty—credit availability—morale—ability to attract or discourage potential talent—leadership—technical capabilities—management systems—analytical capabilities—patents

or trademarks—and so on. We are really adding to the "Where Am I" an honest-to-goodness look at the parallel questions "What strengths (advantages) do I have that I can utilize and build upon?" and "What weaknesses (deficiencies) do I see that I must correct or avoid?"

To properly assess these we must, in addition to considering the resources I have just mentioned, also consider the "world in which we are operating"; and that world has to be looked at from several different angles in order to have a good perspective. Since we will be affected by economic trends, by the changes brought about through technical developments (new processes, new equipment), by the important decisions and actions of competition, by the changes in government regulations (OSHA, tax rates, transportation costs), by the expectations and demands of our employees and the communities in which we operate—each of these forces must be studied and considered in this objective setting.

3) The question, "What is my sense of urgency? How much of a hurry am I in? Do I want to go by bus or on a 747? Am I interested in a leisurely trip, with lots of time for unscheduled sight-seeing, or do I want the most direct and fastest route to my destination, knowing that from 38,000 feet all I'm going to see along the way are clouds?" Pos-

sibly this question, "What is my sense of urgency?" is one of the most difficult and yet most critical of all to answer, because here we are dealing more directly with the least measurable and understandable of all elements—the emotional adaptability of management and the entire organization.

So we see that the matter of setting good—specific—stretch—committed objectives is truly a major task. In many companies who have decided they wanted an effective business planning program, the effort has failed because they never accomplished this first step. However, like the entire planning process, this task takes hard work—hard thinking—honest objectivity—and tough decision making.

Five Year Plan

I've been involved in one aspect or another of planning for the past 20 years—in market planning, in product planning, in financial planning, in budgeting, in price planning. We've got a system at my company that incorporates some of the results of this experience. I'd like to trace it briefly for you—it's for five years—not all in the same detail.

Two phases each year about six months apart . . .

Phase I: Environment—where are we today?

Objectives—quantified—where do we want to go?

Markets—Threats
Risks
Exposure

Phase II: Marketing Plan
Manufacturing Plan
Human Resources Plan
Development Plan
Financial Plan—last

—and then we set up to measure our progress each month—not just the numbers—the actions, too. As one of our operating vice presidents remarked, "Planning is formalizing in writing nothing more than the programs we're working with and developing in our minds every day of the year."

Pitfalls

This formalization of plans is both time consuming and laborious. Since it involves key executives, the problem of effective use of time cannot be over-emphasized. There are some pitfalls to avoid in this effort because they can become "time wasters" if they crop up. These are:

Excessive fact gathering: We are in business to make decisions every day. If we have information on time, we make better decisions. If information is late or too detailed it will not be meaningful.

Missing deadlines: can be fatal if it becomes a habit. A plan is a communications device. It is putting information (Continued on page 26)



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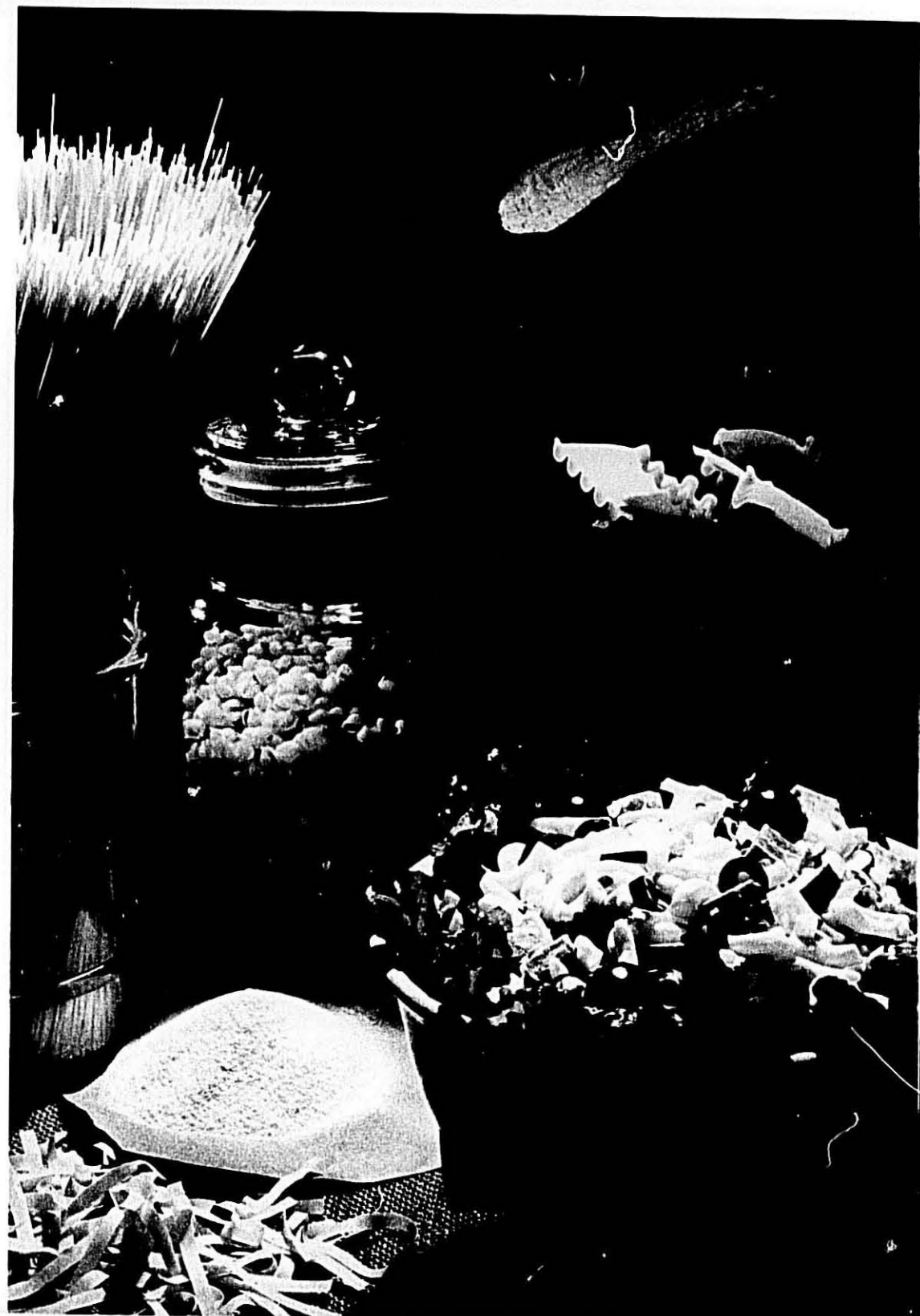
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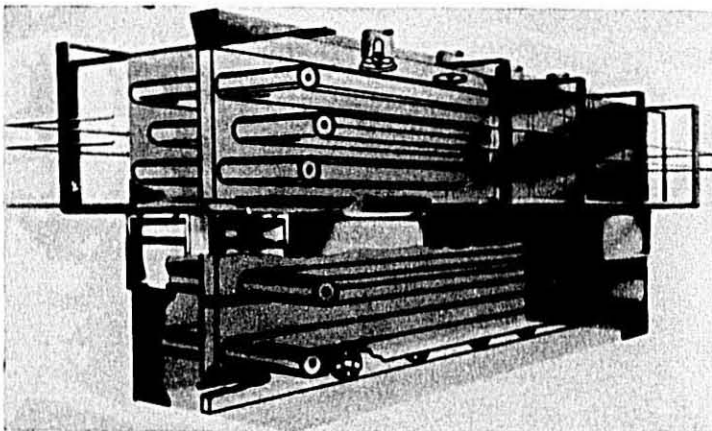
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New Combination Heating Method

Microdry announces a new combination heating method using hot air immediately followed by a second stage using microwave heating. This eliminates the need for equilibration or "sweat back" periods, according to Microdry, and is said to reduce time and space requirements of preliminary heating as much as 60%. In their new equipment this preliminary stage is built above the microwave stage in the same unit.

Three Stages

First stage heating of materials with moisture contents of 95% to 50% is done best by conventional means rather than by microwaves, reports Microdry. That is because microwaves heat the moisture simultaneously throughout the entire product and could cook the inside when that may not be desired. But after the moisture content is brought below 50% by conventional heating then microwave heating quickly pushes out the remaining moisture with internal steam pressure and heats as desired. Therefore no equilibration is needed for moisture to work its way out. And because this is not surface heating, there is little danger of too fast surface drying with resultant damage.

In some types of processing the time required for heating is reduced from ten hours to one hour and space needs are lowered correspondingly, claims Microdry.

When the new technique is further combined with Microdry's recently announced third or "controlled cooling" stage, then time and space requirements of the entire multi-stage heating process are said to be reduced up to 90%.

Except for the addition of an overhanging catwalk at the seven foot preliminary heating level, all three stages are housed in the same 23 x 7 foot floor

space previously required by the microwave stage alone.

For more information write: Microdry Corporation, 3111 Fosteria Way, San Ramon, California 94583.

Peavey Sales, Profits Up

In its first report of operating results since going public in January, Peavey Company today announced increases in both sales and after-tax profits in the second quarter and six months ended January 31.

Diversified Firm

Peavey is a diversified food and agribusiness firm.

For the quarter, the company earned \$2,334,138, or 71 cents per share, compared to \$1,438,890, or 44 cents per share, for the comparable period the previous year. Sales and operating income during the three months totaled \$87,557,958, compared to \$88,760,101 in the comparable period a year ago.

Net earnings for the six months of \$4,492,822, or \$1.37 per share, compare with \$2,998,931, or 91 cents per share, in the first half of fiscal 1972. Volume for the six months was \$165,716,051, compared to \$134,347,181 the year before.

There were an average of 3,213,716 shares of common stock outstanding during the quarter, compared to 3,156,679 a year ago.

The figures include the operations of Brownberry Ovens, Inc., acquired by Peavey in November, 1972, on a pooling of interests basis. Results for the prior periods have been restated to incorporate Brownberry.

President's Comments

Fritz Corrigan, president, said, "The company's growth in sales and earnings reflects contributions from all major profit centers and the continuing high volume of grain business as a result of sales to Russia and China last year."

He cautioned, however, "against assuming the same degree of profit improvement for the entire year." He indicated Peavey is unable to determine at the present time the impact that Phase III of the economic stabilization program may have on the company's earnings for the entire year.

International Multifoods Remodels Durum Mill

The Multifoods durum mill at St. Paul, Minn. near the Mississippi River, is still affectionately known as Capital "A"—after more than 20 years since its purchase from Capital Flour Mills.

Because of the pressing demand for durum products—used in the manufacture of macaroni products—the mill's recent \$35,000 remodeling and renovation program covered more than four months to avoid any major shutdowns, according to Dave Baehr, production manager-durum.

All of the mammoth wheat storage tanks were painted, as were many outside areas of the mill and warehouse buildings.

"The entire mill building was sandblasted and tuckpointed," said Don Englin, general foreman at Capital "A" for the past 15 years. "All of the windows were also replaced throughout the mill building," he said.

Other major improvements were: a new main entrance on the Roberts Street side of the mill; a new 60-foot-long wall, added down the center of the North warehouse; a new flour impact machine; an up-graded dock area; and the addition of new doors.

ADM Riverboats

Donald B. Walker, president of Archer Daniels Midland Co., said the company's wholly-owned subsidiary, American River Transportation Co. (ARTCO) is acquiring three new 8,400-horsepower river towboats.

W. R. Murphy, president of ARTCO, said the boats will be built by the St. Louis Ship Division of Pott Industries, Inc., and will be added to the eight chartered boats the company now operates on the Mississippi-Missouri-Illinois-Arkansas river system. ARTCO also has 275 barges in operation or under construction.

ARTCO was formed a year ago by ADM. Mr. Walker noted that the subsidiary operates as a public carrier of bulk commodities on the mid-America river system. In the past year the company became an important adjunct of ADM's many processing and storage facilities located up the river as well as Gulf export operations.

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How to Make Your Business Grow Using Someone Else's Money

by David G. Kay, First Vice President,
Shearson, Hammill & Co., at the Winter Meeting



David G. Kay

WHAT we're really talking about today is running your business on someone else's money. In order to understand the how of running a business on someone else's money, you first have to understand the why involved in running a business. In other words, what are your objectives? What do you want to put into the business? And, what do you expect to take out of it?

The Family Business

Yours is essentially a group of entrepreneurs for the most part privately run companies and family companies. The chances are your prime objective involves providing a living for your family—fathers, daughters, sons, dead-wood, and even son-in-law. The principal objective for the company is to finance a standard of living, and there is nothing wrong with that. But if that's going to be your primary objective, then the financial actions you take ought to be consistent with that goal.

If you are building a business to a satisfactory comfort level, then you concentrate on minimizing your risk and your exposure. You stay away from new markets, product development expense, increased capital expenditures for plant and equipment. You avoid all the things that in the long range are going to put you on the financial hook beyond your needs.

In many private companies, the owners take the position that they are making enough. Why make more and pay all that money to the government?

But unfortunately we can't stand still. The business environment, more often than not, won't let us. Yours is a highly private industry. Is it still going to be a highly private industry ten years from now, or is it going to start to con-

solidate? Competition forces us to move ahead. Personal ambition pushes us along to grow the company. So if we have to grow, we have to have money, and you never have enough. Where do we find it?

I suppose I ought to begin by saying let's look internally. We can talk about the flexibility one has in pricing his inventory so that he builds himself up a little cushion. We can talk about factoring against borrowing from the bank and accounts receivable. I assume that you know about writing everything off, expensing rather than capitalizing. These are the kind of things that every private company does internally. They try to minimize their taxes. They try to take their tax savings and tax deferrals and plow them back into the business because this is really their major source of continuing capital to build the business. But ultimately there is a day of reckoning.

Banks

Let's talk about banks. I think it's important to understand that nowadays there are different kinds of banks. In the first instance you have the conservative bank that in the words of Mark Twain "Gives you a dollar when the sun is shining and takes it away when it starts to look like rain." On the other hand there are really creative bankers these days, banks who have set up whole new departments to provide counsel for smaller companies and specialize in so-called development loans for companies that are starting out on a program of expansion. These bankers, in the final analysis, are going to be loyal to you. Banks nowadays understand risk and if they put their money behind you they are likely to stand by you. Banks have become aggressive. They're competing not only with other banks, but with other forms of lenders, pension plans, insurance companies.

If you haven't already established a close and rewarding banking relationship, start today, before you need the money. And if you have a banking relationship that's just kind of so-so, look around for another banker. There are a lot of them around who are ready to listen to your story.

Long Term Commitments

Let's talk about capital requirements involving longer term commitments:

plant expansion, new equipment. To some extent banks can continue to be helpful, but generally speaking they like to lend money for not more than three to five years. So if we're talking about taking a loan out for five to fifteen years we'll have to look to some other places, and insurance companies and pension plans are probably the most likely candidates. By reason the way their money rolls in month after month they're in a much better position to be able to finance loans over a long-term. On Wall Street we call this borrowing from insurance companies a private placement. Because these placements extend over a considerable period of time—let's say fifteen years—the lender is going to make sure that his loan stands up, and he's going to build in all sorts of precautions. He's going to want to see periodic pay down of the loan on a predetermined base. He's going to make sure that your cash flow is capable of amortizing your obligations. He's going to make you do lots of things only with his permission, and he's going to prohibit you from doing lots of things. These so called negative covenants are there for a reason, not only do they protect him as a lender but they protect you as a borrower from going beyond your financial capabilities.

Equity Kickers

In some cases these insurance companies or pension plans may be looking for a piece of the action as an additional inducement to financing you. These are called equity kickers. The insurance company may say to you that they want ten per cent of the common stock of your company or an option to buy in the future at a certain price.

An equity kicker is really something new. They really never existed as far as insurance companies were concerned until the last credit crunch. The insurance companies realized that they had a pretty good thing going for them. So equity kickers have hung on, and they are likely to continue, even when there is plenty of money available.

I don't think it's necessary to talk at length about leasing rather than owning. It's a simple proposition and I'm sure you take a look at it every year. What is the cost of your capital tied up in the ownership of property? What are

(Continued on page 24)



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To Make Your Business Grow

(Continued from page 22)

the tax advantages and disadvantages of leasing those properties rather than owning them?

Venture Capital

In the last ten years, a whole new area of financing has sprung up. This is the so-called venture capital field. A lot of different financial interests, ranging from banks who set up their own venture capital corporations, private families, investment banking firms like my own, set up pools of money for the purpose of investing in high-risk, high reward opportunities. When they do go in, their investment goes in usually as a debt, but sometimes as equity and a venture capital investor is looking for a return of 100% a year on his money. If you change the dynamics of your company, it's conceivable that a venture capitalist might be interested.

Going Public

Now let's get down to going public. If you're a seller of stock of the company to the public it has tremendous advantages but it also has fantastic disadvantages and I think that we ought to talk about them in some sort of perspective. Perhaps one of the great advantages of selling stock to the public as a means of raising capital is that it is equity money and the common stock investor doesn't look to the company to pay him back. He'll get his money back plus or a minus when he sells his stock to someone else through a stockbroker. The disadvantages: to begin with, you've got to prepare. You can't go public overnight. Preparation means at least three years of financial statements, certified. It means conservative and honest accounting. It means that many of the luxuries that you as a private owner of a business enjoy are going to go by the boards. And of course to be successful you've got to find an underwriter who is going to take your stock to market. So to do all of these things in order to prepare yourself to go public you've got to re-orient the character of your business. You've got to change your objective from one of providing a living for your family, to one of expansion and one of maximizing profits.

The second disadvantage is when you become a public company you're now in two businesses: one is running the operating company and the other is running the stockholders. All of a sudden you've got a thousand bosses. And you can't go un-public as quickly as you can go public.

Some people don't have the mental capability of living with a thousand shareholders and five hundred security

analysts who are knocking on your door saying: How are you going to increase your earnings this quarter?

The thing that moves stocks is earnings per share. I don't know if it's true in the macaroni industry but if there is any one who makes huge profits as a percentage of sales that are out of line with the industry and you disclose this to some of your customers they won't be too pleased about that. I guess that every customer thinks that all of your profits are coming out of his heart.

Next, of course, you've got to realize that you're giving up a piece of the action. You're selling a percentage of your common stock to the public. And this doesn't bother me provided what you get in return makes it possible for you to substantially enhance the value of what you've got left, but you do have partners.

Typical Offer

Now let's take a typical public offer and see what happens. Your corporation earns \$200,000 a year after taxes. As an underwriter, I say to you I think I can sell your company to the public for a multiple of ten times your earnings. That gives you a value of \$2,000,000 for a 100% of that company. If we sell a quarter of it, we're selling a half a million dollars worth of market value. If we divide that half a million dollars of market value say by a price of ten dollars per share we're selling fifty thousand shares to the public. How many investors can you have? What kind of a public market have you really created? Who's going to be interested in buying that stock? What kind of an after-market do you have? What kind of market-makers do you have? What kind of sponsorship do you have for that security? Where's it going? If you've got fifty thousand shares of stock, you may have five hundred shareholders. That's really not a public market. There isn't enough stock around to make a public market. So the stock gets priced either artificially high or artificially low.

Realistically a public market requires a float of several hundred thousand shares. I suggest that a company, unless it's a high-technology company, really ought to have proven earnings in the area of I would say at a minimum \$4-500,000. Major underwriters look for a minimum of \$1,000,000. So take all of these things into account when you think about a public offer.

I've got to tell you this—there is an underwriter in every community who will take you public whether you're making money or not. If it isn't going to accomplish for you the objective you think it's going to accomplish—don't

get seduced. I'm telling you it can bring you nothing but problems.

Sale or Merger

Finally let's talk about the sale or the merger of the company. The macaroni industry is probably highly fragmented. It is regional. You've seen what's happened in other industries: regional operators have started to climb together because the economics of doing business demands that you move ahead and in many cases moving ahead means consolidation. In the next ten years, my guess is that this industry will consolidate.

So you're a seller. If you're going to sell your business, the first thing you've got to do is determine in your own mind that you really want to sell the business. You've got to be prepared to let go. Second, you've got to determine as honestly as you can why you're selling the business. Knowing why you want to sell is perhaps the most important input in helping shape the kind of deal you're looking for. You want to have some good reasons for selling your company and you shouldn't hesitate to pass them along to a prospective buyer. When you're selling, you're either going to get cash or securities. If your interest is in cash, the only question you've got to ask is not what is the business worth to me—but how much can I reasonably anticipate a prospective buyer to pay? There's a real difference there.

The answer is going to depend on lots of factors. It's going to depend on the industry you're in, the book value of your company, the gross of your company, the price at which comparable companies are selling to the public in the marketplace, the track record of the business, the extent to which assets can be written up to higher values.

As an alternative to cash, you may end up selling your business for stock. Here you've got a different ball game in terms of measuring what the business might be worth. In the point of view of the buyer, for reasons of tax and accounting, he can afford to be less concerned about your book value and the value of your underlying assets; he's much more concerned with the earning power of the business. And he can afford, in many cases, to pay you more in stocks than he can in cash. You are going to be taking on a different set of risks than if you were to take cash because these securities are going to fluctuate in value from day to day, and more often than not, you're not going to be able to sell these securities for an extended period of time. So you're running the risk of market decline as well as the benefits of market ups.

(Continued on page 26)

DIATOMIC IODINE SANITIZER HELIOGEN

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INDIVIDUAL PACKETS
OF MEASURED DOSES
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RECOMMENDED IN
THE MACARONI INDUSTRY

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- 3—Semolina and Flour Analysis.
- 4—Micro-analysis for extraneous matter.
- 5—Sanitary Plant Surveys.
- 6—Pesticides Analysis.
- 7—Bacteriological Tests for Salmonella, etc.
- 8—Nutritional Analysis

James J. Winston, Director
156 Chambers Street
New York, N.Y. 10007

To Make Your Business Grow (Continued from page 24)

There is no fixed price that represents the worth of your business and if you dig in at a specific price without taking into account the qualitative and quantitative risks involved in the securities that you are taking on, you're selling your business and perhaps your lifetime on a much less sophisticated basis than you'd sell an item out of your inventory.

If you're going to stay on in the business, you've got another problem: people chemistry. You've got to know the company that's taking you over. You've got to know what kind of philosophy they want to play. You've got to look at the kinds of acquisitions they've done in the past and what they've done with their people. Are they happy? Are they sad? Is your company going to get folded into another operation and are you going to be taking waves from a larger existing entity or on the contrary are you going to be able to run your company with a fair amount of autonomy? To what extent will you be able to run your own show?

Unfortunately, as you go down the merger road, sellers sometimes have a habit of hearing only what they want to hear. You don't go into shock until after the deal is done and the honeymoon's over. You've got to look long and hard at the management, and at the record of the company that you're getting involved with. You've got to weigh these factors as much as you do the factor of price.

How to Sell Your Business

So how do you sell your business? Number one, you've got to think through in advance the kinds of information the buyer is interested in knowing about your company. You've got to put your best foot forward in presenting your company's operations to a prospective buyer. Buyers are very sophisticated. They will look at your financial statements and make adjustments. Your financial statements are a two-edged sword. You can file things back into your pro-forma earnings, but you can also get nailed if you think that you're going to fool the company by doing things like cutting back on advertising or bringing your cushions to the top.

I cannot stress enough the importance of certified financial statements. They comfort a buyer and they lend very real credibility to your figures. Cleaning up financial statements is worth the effort, whether you decide to go public or whether you decide to do a job.

Finally, if you decide you're going to sell your company, don't let it be

shopped. If fifteen business brokers come in and peddle it up and down the street, the company will lose its value very quickly.

Put together a game plan. Sit down with your lawyer, your accountant, your banker. Decide how you want to make this presentation and then get yourself someone who's competent in this business to do that for you. Someone who's professional in this business may know a lot more people who are much more interested and in a much better position to do a deal within your interests than the limited group that you're aware of. This is a function of investment bankers. Some accounting firms also have operations that do this. Obviously you're going to need someone else if you're going to go public. But again, it's important that you don't let the business have a "For Sale" tag on it. You have to be careful about how you let it go, because you're only going to do it once. Do it with as much care and skill as you possibly can.

Iron Mountain Report

The annual report of Iron Mountain, Inc. showed earnings per share down because of an increased number of shares outstanding. Profits were less than expected because of inventory problems at the Lecroy spice plant and higher domestic mushroom cannery costs.

More mushroom packing will be done in Latin America and operational changes are being made.

The report notes that the Ideal Macaroni Company sells more macaroni products in Cleveland and northern Ohio than any other brand. The Weiss Noodle Company, also a part of the corporate set-up, is doing well.

Creamette Dinners

Creamette Co., Minneapolis, is testing Hamburger Mate and Just Add Hamburger. The firm's entries in the add-the-meat dinner field are being marketed in the upper Mid-west.

Floyd Poyzer

Floyd Poyzer, North Dakota State Wheat Commission member at-large, died of a heart attack March 10. He was 61. He leaves his wife, Myrtle, two sons, Alfred and Denny, and two grandchildren.

Macaroni manufacturers knew Mr. Poyzer as an energetic participant at macaroni meetings and the Durum Show.

He managed America Seed & Grain Co. and was mayor of America as well as a first-term State representative.

Where Will You Be?

(Continued from page 17)

together from many people but it is of little value if it isn't there on time.

Seeking perfection takes too long, costs too much money, and doesn't give that much added benefit.

Pointless committee meetings waste time. It is important for people to talk but debate is futile.

Over-sophistication is not worthwhile. Keep it simple—to communicate and for the plan to be understood.

The topic of my talk was "Where Will You Be in 1975?" I chose that topic very carefully. Chances are in 1975 some of your businesses won't be where you think they will be. I submit that a simple but organized approach to planning will do much to assure that you will be where you want to be—that the probabilities will be much higher with a formalized plan than without one.

Durum Mill Grind Heavy

Durum mills had a heavy grind in the first quarter of the year. Macaroni business has been good and shipping directions strong.

On March 21, bookings of durum products got under way when one or two mills pressed for long-term coverage at a concession price of \$8.35 cwt. for semolina, bulk Minneapolis. But there was not much enthusiasm, according to Milling & Baking News. Numerous round lots were booked, including good aggregate of 10,000 cwts. and larger, but usually representing no more than 60 day needs.

Most macaroni manufacturers have posted new price advances of about 1½¢ on macaroni, 2¢ on noodles per pound, effective May 1.

Export inquiries have been strong.

Egg Prices Firm

Dr. Ralph Baker of the USDA Statistical Reporting Committee says:

"Supply and demand forces still control poultry prices. The supply of eggs is down as a result of fewer layers. The basic laying flock—birds in their first 14 months of lay—is currently down about 18,000,000 birds from a year ago. By July it will be down about 16,000,000. Stocks of egg solids are up, however. This will tend to lower demand for breaking eggs."

As for the best leaders, the people do not notice their existence. The next best the people honour and praise. The next the people fear, and the next the people hate. But when the best leader's work is done the people say 'we did it ourselves.'
LAO-TZU

Does ADM really mean Archer-Daniels-Macaroni?



No. Actually Macaroni means ADM.

Public Relations Program for the National Macaroni Institute

by Theodore R. Sills and Elinor Ehrman, Theodore R. Sills, Inc.
at the Winter Meeting



Elinor Ehrman

Because we have had great interest from the industry with One-Pot Pasta dishes, which some manufacturers wish to incorporate into their own advertising and merchandising campaigns, we are making certain materials available for membership use. These include a series of one-pot black/white photographs with recipes and a recipe leaflet.

1973 Basic Program

We plan to continue our intensive campaign throughout 1973, utilizing all media outlets and tailoring themes to the market targets of individual publications. The communications outlets require constant personal contact and service.

One-Pot Pasta Meals . . . our theme for the coming year, was launched during National Macaroni Week to give us a meaningful rationale to combat the "helpers" and other convenience macaroni dinner products which have been affecting dry pasta sales.

This whole new direction for consumer promotion uses a one-pot method of cooking the pasta, eliminating the step of cooking the macaroni product separately. As a result, meal preparation is vastly speeded up and the housewife enjoys the same convenience in a dry macaroni product as she would if she used a packaged dinner product. In addition, she realizes a considerable savings, and also has the satisfaction of creating the dish herself.

We have had excellent response to our initial One-Pot Pasta releases from both press and industry representatives, and we propose to expand our theme in the months ahead. We are currently working on new recipe variations which can be prepared in a skillet, a casserole or heavy pot as well as in a Dutch oven.

While One-Pot Pasta Meals will be our main thrust, we will also continue our traditional cooking methods for those homemakers not on the convenience bandwagon.

Our secondary theme throughout the year will be emphasis on "nutritious meals you can afford." These dishes will combine pasta products with high protein foods such as cheese, fish and low-cost meats at a time when Phase III is ushered in this Spring and the prices of fowl, milk and eggs are expected to spiral. Editor interest on Nutrition is on the rise as a primary story theme, and we will provide her with solid backgrounding in pasta dishes.

I. Consumer Magazines especially are undergoing a period of change, and those that survive are the "special interest" magazines appealing to specific segments of readership. The BIG SIX of women's service books are revitalizing along these lines, and Food Editors as well as editorial direction are changing. At this writing three of the six major women's service books have had or will have food editor changes within a six-month period. (Ladies Home Journal, Woman's Day, Redbook). New magazines are coming along such as Good Food, whose total environment will be food directed to supermarket shoppers, scheduled to make its debut in the fall of 1973. Its sister publication, TV Guide, currently enjoys the largest circulation of any consumer magazine. Meantime, the youth books, shelter magazines, farm publications, Negro and Ethnic books, continue to serve special audiences.

II. Similar changes are occurring in the two remaining syndicated Sunday Supplements of Parade and Family Weekly. New food columns in both Supplements are geared to interesting personalities and their favorite dishes. The term "Women's Editor" has been dropped by one of these publications as being offensive to the new "Ms" breed, and has been replaced with the simple title of Associate Editor.

III. Major Market Newspapers are more and more reflecting the consumerism movement, and some of the larger papers such as the New York Times, Chicago Tribune and Los Angeles Times carry special columns on consumerism subjects. These in-depth stories are a far cry from the simple food columns of ten years ago . . . or even five years ago, and we expect the



Theodore R. Sills

trend to food issues to continue. The macaroni industry with its standards controversy has been the topic of many a consumerism column. Jim Beard, for example, recently voiced violent protest to any formula change in pasta products in a story syndicated nationally. It is imperative to keep these food writers constantly informed of the industry's position in these changing times.

IV. Syndicated Food Editors of long standing such as Cecily Brownstone of Associated Press, Aileen Claire of Newspaper Enterprise Association, Jeanne Lesem of United Press International either have written or are currently writing cookbooks incorporating many of our photographs and recipes. These books are best sellers as the number one interest of American homemakers continues to be food.

V. Color pages this past year have proliferated in our results, as more newspapers are devoting more space to food. Well over 130 newspapers have used our industry photographs this past year.

VI. To reach the mass television audiences, our Television Kits continue to give us excellent coverage on a national basis. Our scripts which can be used consecutively for an 8- or 10-minute program, or separated into 2- or 3-minute segments for different program days, have been successfully used over the past few years. Color slides of the recipes featured accompany each kit, along with product and appropriate props which lend themselves to a live demonstration. We believe that the

TV demonstration kit is an excellent means of getting us hundreds of minutes of television exposure on a year's campaign. Each kit is used one or more times in our 100 market areas.

1973 Special Projects

In addition to our Basic Program, we recommend that we continue the following Special Projects:

I. Seventh Annual Macaroni Family Reunion Luncheon

We believe that the Annual Macaroni Luncheon should be maintained as an established tradition for the New York Press. This luncheon which continues to attract the top editorial food writers gives us the opportunity to keep the press apprised of the industry position on consumer subjects. Served at the luncheon can be examples of our current promotional themes which the editors can translate to their own editorial formats. The President of the NMMA is given a platform for a progress report on the industry in general, which is always of news or feature interest on the national scene.

Do-it-Yourself Television Kits

We recommend another series of three television do-it-yourself kits, which continue to have excellent reception. We suggest for Spring 1973 that we might use as a theme "Pasta for Phase III," and include our one-pot pasta meals with a strong nutrition story.

Similar kits would be prepared for summer and fall, the latter to be coordinated with National Macaroni Week. Each kit, prepared in quantities of 110 to 120, consists of the following elements:

- 2 copies of a 10-minute Television Script
- Tie-in Prop
- Set of Color Slides (3 to 6)
- Product Samples: Macaroni, Spaghetti, Egg Noodles
- Recipe Leaflets

Merchandising

At the request of the Institute Committee last Fall, we prepared layouts and copy for a number of suggested advertisements for placement with a grocery trade publication. These ads were to substitute for the regular brochure mailings to the macaroni buyers and merchandisers in the grocery chains and voluntary and cooperative store headquarters.

Upon instructions from Bob Green and the Committee, one such ad was prepared and approved and is appearing in the January issue of Progressive Grocer.

We understand that the Institute Committee is interested in the possibility of additional ads in the trade press, and therefore have prepared several roughs with copy spotlighting the following subjects:

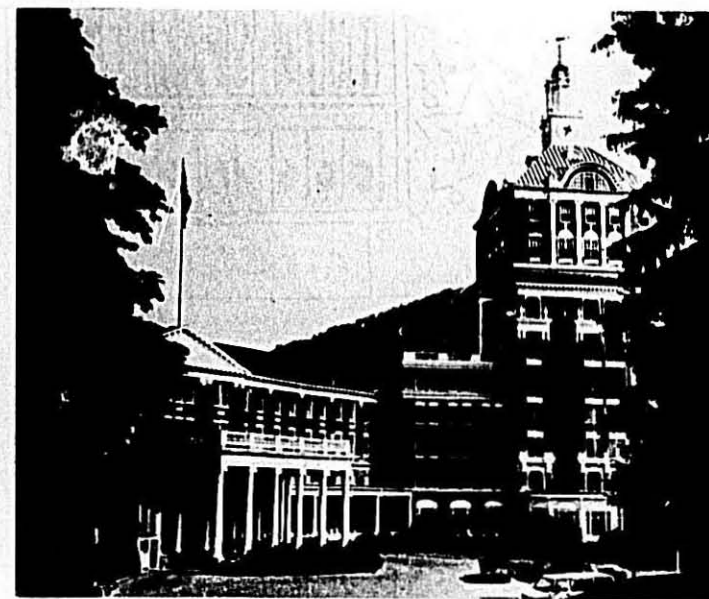
1. Macaroni's answer to "helper" packaged dinners: our One-Pot Pasta campaign which is receiving tremendous support from the nation's media.
2. Steadily growing popularity of macaroni products.
3. Day-by-day educational campaign in the various media by NMI to present macaroni products and all advantages to millions of shoppers nationwide.
4. Related-item prowess of pasta.

Photographs for Merchandising Purposes

Some of the manufacturers have asked us for permission to use color

transparencies of our One-Pot Pasta Meals, which have appeared in print in their local press. Since these color transparencies have been offered specifically for editorial use, we can not make them available for merchandising without infringing on their editorial exclusivity.

From our general files we have been able to make some black/white photographs available. However, if color transparencies are needed with recipes, they will have to be taken especially and used solely for merchandising purposes. If there is enough interest, we would recommend taking a series of three—spaghetti, egg noodles, macaroni—for such specialized use. Individual members would then buy the number of transparencies necessary at cost, once the original transparency is available.



Homecoming at the Homestead!

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July 8-12, 1973

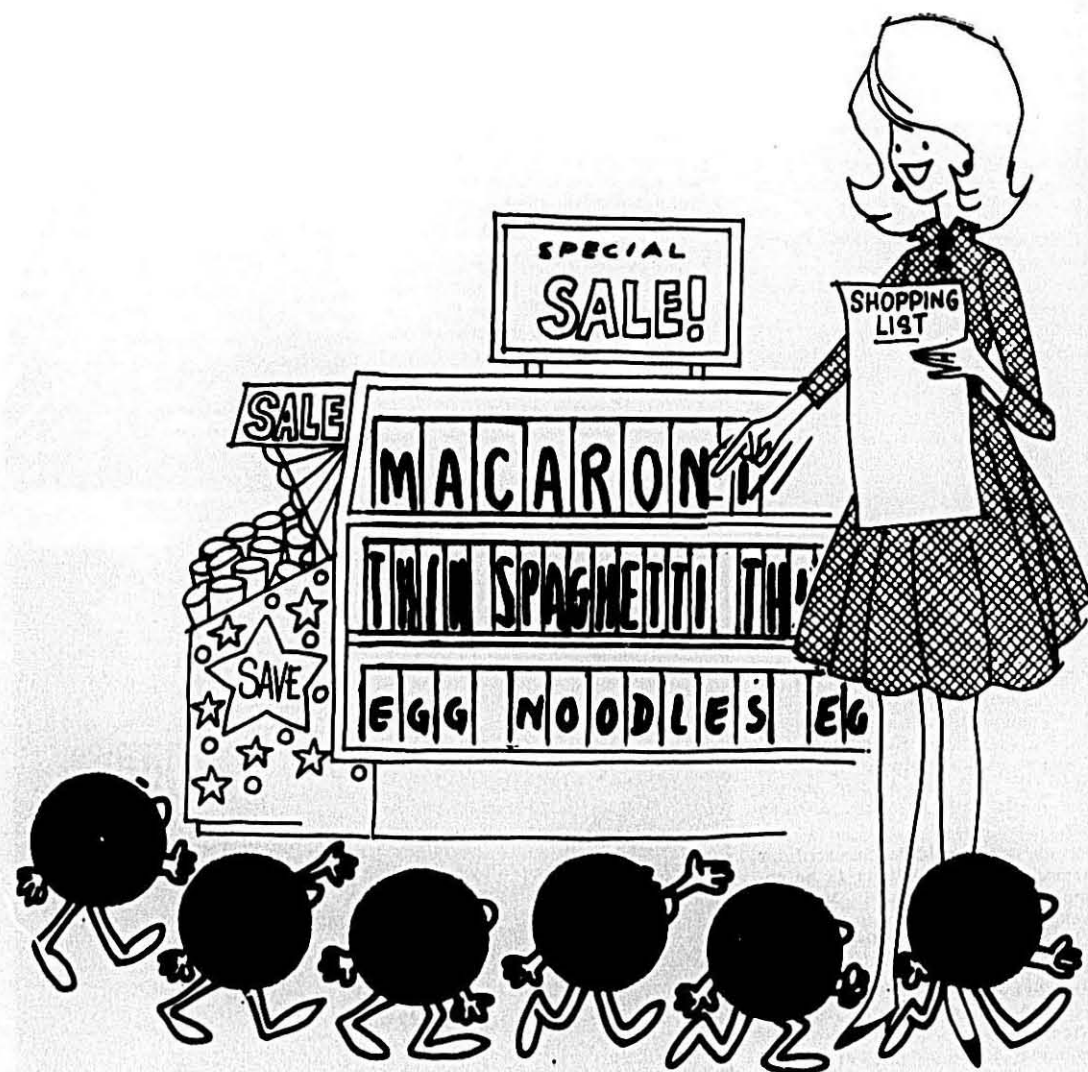
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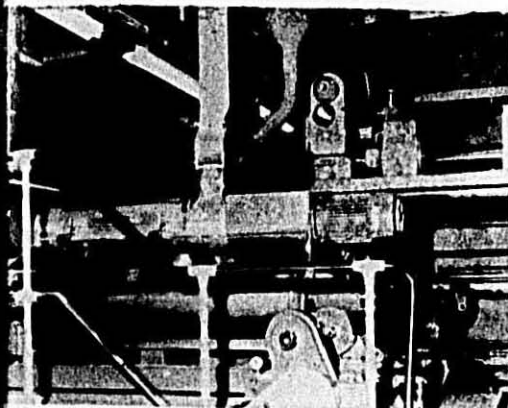


Macaroni Makes Sense / Cents

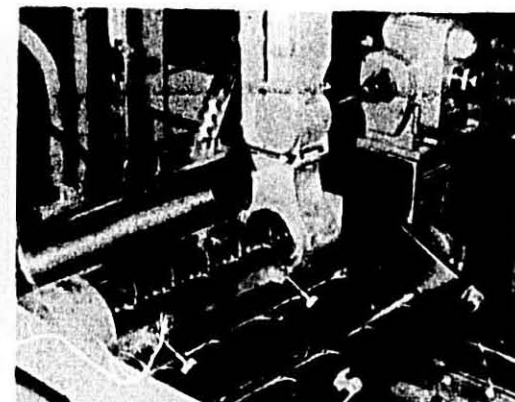
Macaroni makes sense for the consumer to balance her food budget.
 Macaroni makes cents for the grocer in building related item sales.
 The Institute makes sense for macaroni manufacturers by building a bigger market for macaroni. Send your pennies in each month.

NATIONAL MACARONI INSTITUTE

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The high speed tubular mixer mounted on one of Braibanti's new Cobra series automatic extrusion presses. Coupled flour feed and water doser shown interconnected to the mixer.



Interior of the Braibanti high speed tubular mixer, with detailed view of the flour feed and water doser. Immediately beneath, the double shaft mixing trough.

New Series of Pasta Presses From Braibanti

BRAIBANTI & Co., Milano, Italy, has recently developed and tested a new series of automatic pasta extrusion presses designed to meet the following requirements:

1. To maintain the unsurpassed levels of product quality that pasta manufacturers have come to expect from Braibanti presses.
2. To meet present-day sanitation requirements and to make cleaning as easy and simple as possible.
3. To reduce maintenance requirements to a minimum and thereby reduce overall operating costs.

Presses included in this new series are as follows:

The Cobra/800:
 1700 to 1800 pounds of dried Long Goods per hour.

2000 to 2100 pounds of dried Short Goods per hour.

Machine features two (2) 130mm diameter extrusion screws each driven by 20 H.P. motor.

The Cobra/1300:
 2750 to 2850 pounds of dried Long Goods per hour.

3100 to 3200 pounds of dried Short Goods per hour.

Machine features two (2) 155mm diameter extrusion screws each driven by 30 H.P. motor.

The Cobra/1802:
 3700 to 4000 pounds of dried Long Goods per hour.

4200 to 4,300 pounds of dried Short Goods per hour.

Machine features two (2) 180mm diameter extrusion screws each driven by 40 H.P. motor.

The Cobra/1804 is a variation of Cobra/1802 and is primarily designed for Long Goods production.

Production capacity of the two models is approximately the same but the Cobra/1804 features four (4) 130mm diameter extrusion screws each driven by a 20 H.P. motor.

Main Features

The main features of these new presses are as follows:

1. Water and Flour Metering Device:
 A volumetric doser, of the star-wheel type is used for the flour.

A piston type doser is used for the liquid.

Both the flour and water dosers are driven by a single variable speed drive thus achieving both consistent and precise control of the raw materials being fed to the press.

2. High Speed Tubular Mixer:
 While a single basic design is used on all sizes of presses in this series, the mixer on each size of press is proportioned to meet the exact throughput requirements of that press.

In addition to the flour and water, return trim from the Long Goods trimming operation is also fed into this unit and its primary function is to carry out the hydration step of the mixing process completely and consistently. This results in a dough in which the moisture is distributed to a degree more evenly than heretofore possible.

3. Double Shaft Mixing Trough:

Since the hydration step of the mixing process has already been carried out completely (see above), the only function required of the Double Shaft Mixing Trough is to properly knead (and thus extend the gluten) of the dough coming from the Tubular Mixer. Again,

while a single basic design is used for the Mixing Trough of each size of press, the mixer on each size of press is proportioned to meet the exact throughput requirements of that press.

4. Vacuum Mixer:

On each size of press this unit is of such size that it has sufficient capacity to insure the proper handling of the incoming dough and to maintain a consistent feed to the extrusion screws.

5. Extrusion Unit:

Since the concepts previously employed have proven their excellence in production applications over an extended period of time, these same design concepts are used in this new series of presses.

Characteristics

From the technological and operational viewpoints, these new presses exhibit certain characteristics which are of particular interest to the pasta manufacturer.

First, the quality of the product.

It is known that the quality of the product is extremely dependent on the hydration and kneading action the dough receives in the mixing stage, and then on the further physical transformation that it undergoes during the compression and extrusion stages.

While kneading does require time to be effective, it can be extended to such an excessive degree that the gluten structure, having reached its maximum degree of development, begins to deteriorate. This development of the gluten, followed by its reaching and passing the breaking point, is a function of the gluten itself and it does not proceed at a uniform rate. As opposed

(Continued on page 34)

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A building is no stronger than its foundation.
And the foundation for an efficient macaroni
factory is the pasta equipment itself.

Braibanti has installed pasta equipment in
macaroni factories all over the world;
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requirements of large and small factories
alike. Braibanti is one of the select group
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New Presses from Braibanti—
(Continued from page 31)

to this, gluten development does not begin until hydration has been accomplished. Thus, it is apparent that the two functions should be dealt with separately, and as was noted previously, the primary function of the High Speed Tubular Mixer is to properly hydrate the flour while the Double Shaft Mixer is used only for mixing the dough.

Operationally, the High Speed Tubular Mixer micro-humidifies the dry material such that the starch component is thoroughly moistened and the gluten is then ready to start its development process. This is carried out in the Double Shaft Mixing Trough, and by using this two-step approach to the problem, the gluten is developed to its maximum degree, over mixing is avoided, and product quality is enhanced. (Flour dust in the mixing area is now also eliminated).

Sanitation

Second, the problem of sanitation. Even the finest flour obtainable is contaminated to at least some degree. Thus, in the presence of moisture, and with the passage of time, fermentation and bacterial and mold growth will take place. While the nature of the pasta production process is such that fermentation cannot be totally eliminated, it can be reduced to an acceptable minimum. This has been accomplished as follows:

1. Reducing the total time that the dough is in process between the dry raw material state and the time when it is extruded.
 2. Elimination of all of those areas within the machine where partially mixed dough might become lodged.
- Total mixing time has been substantially reduced by the High Speed Tubular Mixer since the hydration phase of the mixing process is now being carried out with equipment that was specifically designed to carry out this step in an efficient manner. In addition, the paddles of the High Speed Tubular Mixer have been designed in such a way that all internal surfaces are swept clean with each rotation of the paddles, and the entire inside surface is thus always completely clean. Thus, not only is the mixing time reduced but fermenting dough buildups are also eliminated.

Water Micro-dispersed

An extremely important secondary benefit results from the High Speed Tubular Mixing concept in that all of the water in the dough is micro-dispersed and is already fully absorbed when the dough is delivered to the Double Shaft Mixing Trough. Thus,

there is no "free" water to build up the slimy, fermenting deposits found on the sides of most mixers.

In the Double Shaft Mixer Trough these same improvements are employed and the bowls themselves have been designed to eliminate any dead corners where dough can lay and ferment. In addition, the two counter-rotating mixer shafts can be supplied with a special oscillating device so that the walls will be constantly swept and thus also stay clean at all times.

The bowls of the Double Shaft Mixer Trough are somewhat smaller than before (since gluten extension is now the only function that is to be carried out here), and the mixer shafts can be easily pulled out for complete cleaning and sanitizing of the unit.

Additional Features

Additional sanitation features of the new presses are as follows:

1. The liquid doser is easy to remove from the press and comes apart for complete cleaning.
2. The High Speed Tubular Mixer has been designed such that its working components are accessible and easy to clean.
3. The superstructure of the machine (platform, ladders, frame, etc.) has been redesigned to insure better adaptation to function, dead corners, that could become sanitation problems, have been eliminated, and greater accessibility, for ease of maintenance and cleaning, has been provided.
4. Naturally, all parts of the machine in contact with the product are of stainless steel (or are hard chromium coated), and all materials used in its fabrication have been specially selected for the function they must perform.

From the above, it is apparent that not only has the operational superiority of Braibanti's pasta presses been further increased, but that the already low plate counts that pasta producers routinely find in products from Braibanti standard presses, has been even further reduced.

Food Trade Convention Calendar

- May 19-23: 54th NRA Restaurant-Hotel-Motel Show, McCormick Place.
- June 10-13: Institute of Food Technologists, Miami Beach Convention Hall.
- July 8-12: N.M.M.A. Annual Meeting, The Homestead, Hot Springs, Va.
- Oct. 2-4: Atlantic City, '73 Pack-Info.
- Oct. 8-14: IPACK-IMA '73, Milan, Italy Fairgrounds.

INDEX TO ADVERTISERS

A D M Milling Co.	Page 27
Amber Milling Division	23
Asseco Corporation	15
Braibanti-Werner Lebara	32-33
Brown Pharmaceutical Co.	23
DeFrancisci Machine Corporation ..	12-13
Diamond Packaged Products Div.	35
Heinz Herrmann	17
International Multifoods Corp.	36
Jacobs-Winston Laboratories	23
Macaroni Journal	17
Malderi & Sons, D., Inc.	3
Microdry Corporation	21
National Macaroni Institute	30
North Dakota Mill	9
Peavey Co. Flour Mills	18-19
Rusham Corp.	2
Waldbeum, Milton G. Co.	25

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WANTED—Subscribers to the Macaroni Journal. Twelve monthly issues \$8; add \$2 for foreign postage. Macaroni Journal, Box 336, Paletine, IL 60067.

FOR SALE—83 page book on Macaroni, Noodles, Pasta Products by James J. Winston, \$5.00 postpaid if check is sent with order. P.O. Box 336, Paletine, IL 60067.

May 7-10: 42nd National Packaging Expo, McCormick Place, Chicago.

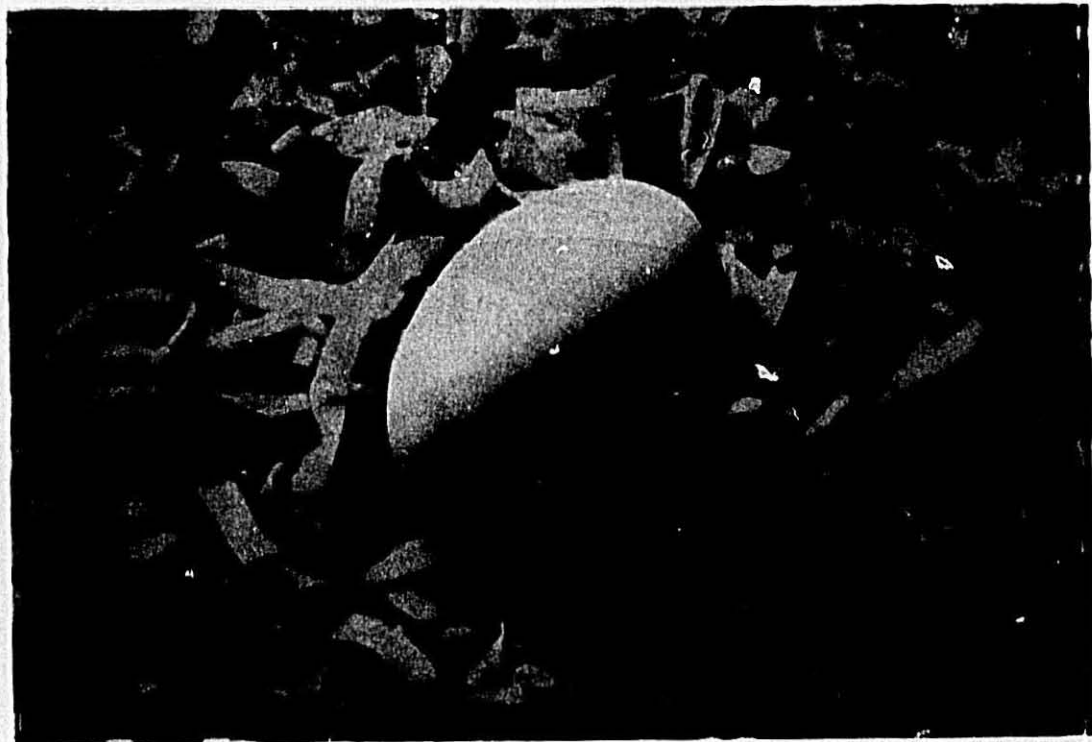
The show, one of the largest annual industrial expositions in the country, will have hundreds of exhibits. Five areas of interest will be emphasized. They are: Packaging machinery, packaging materials, containers, packaging supplies and packaging services. Because it is the only comprehensive show, covering all aspects in the packaging field, visitors from more than 25 countries annually will attend the exposition.

A "Visitors Guide" which lists exhibiting companies, program and registration details and hotel availability is available without charge from Clapp & Pollak, Inc., 245 Park Ave., New York, N.Y. 10017.

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