

**THE
MACARONI
JOURNAL**

**Volume 57
No. 3**

July, 1975

Macaroni Journal

JULY, 1975



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Fibreboard, now with paperboard packaging plants on both east and west coasts, proudly presents the East Coast number one name in macaroni packaging, Rossotti.

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July
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Creamettes' New Plant
Equipment News
Convention Headliners—Milling News
71st Annual Meeting Program
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FDA Analyzes Data on Food Plant Inspection
Wheat Quality versus Wheat Grade
Canadian International Grains Institute
Hershey Views on Important Issues
Speak Up, Businessman
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Editor's Notebook:

Inflation, recession, and shortages—
are interrelated.

The market research firm, A.C. Nielsen Company, reports food store prices up 11% over a year ago, but housewives think they are up 30%. Reason: She is still thinking of grocery stores in terms of what was happening a year ago, when the prices of meat, poultry, fish, produce and many dairy products were going through the roof.

Macaroni manufacturers know the problem well. While meat prices have come down and potatoes are plentiful and cheap, wheat prices have hung up to a pretty lofty level, although they too have declined since February. But pasta has lost ground to competitive foods such as potatoes,

rice and beans, and products packaged dinners with meat and cheese have slipped from the top five growing product categories to appear nowhere on the list.

What is the best strategy? Nielsen says there is no one set of rules; it is clear that marketing emphasis should be placed on quality, value, economy and additional features for products, so they can be stretched to fill more needs. And, perhaps before too long, stress can be laid on convenience.

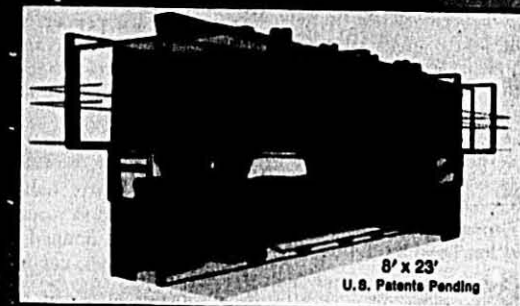
The formula sounds made to order for pasta. Let's take advantage of it. In this issue there are reports on grocer's concerns as discussed at the National American Wholesale Macaroni Association, Super Market Institute Convention and Western Association of Food Chains.

THE MACARONI JOURNAL

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July, 1975

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Some Like It Hot—Some Like It Cold!

The busy pattern of today's living creates a need for easy-to-prepare recipes. Economy is playing an ever increasing role in menu planning as is the nutrition a meal provides.

Rely upon pasta products as these three elements are considered. Both novice and experienced cooks appreciate the simplicity in preparation. Select elbow macaroni, spaghetti or egg noodles. The National Macaroni Institute recommends this method of cooking. For eight ounces, just add one tablespoon of salt to three quarts of rapidly boiling water. Gradually add the pasta and cook, with an occasional stir, until the pasta is tender. Drain and serve as you wish—with a sauce, cheese, some chopped parsley or pimiento—the versatility of pasta is one of its greatest beauties. Ways to present are almost limitless.

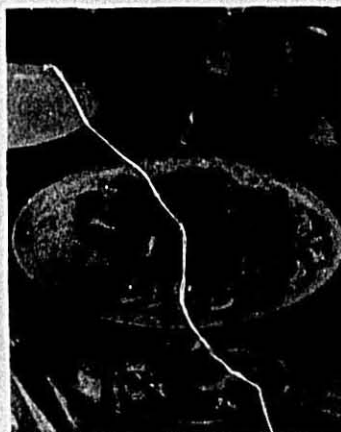
Consider macaroni salads. Ever think of making a salad in a pot? It's fun to fix and great to eat. After cooking and a quick rinse with cold water, elbow macaroni is turned back into the cooking pot and marinates with tuna, vegetables and seasonings in an oil-vinegar dressing. Cover and chill several hours to blend flavors. This is a perfect make-in-the-morning, eat-in-evening dish. Or, if you prefer, prepare the night before for a good luncheon the following day.

One Pot Salmon and Macaroni is made to order when time is at a minimum. This tempting quick-to-make dish combines macaroni with salmon, cheese, peas and carrots. The name of the recipe is self descriptive—all ingredients cook together in one pot—no big cleanup chores when dinner is over.

Pasta is nutritious eating. Teamed with complete protein foods, fish, eggs, cheese, poultry, meat, economical enriched macaroni is a fine source of protein. It also contributes iron and the B vitamins-niacin, riboflavin and thiamine to our diet.

One Pot Macaroni-Tuna-Vegetable Salad (maker 6 servings)

- 2 cups elbow macaroni (8 ounces)
- 1 tablespoon salt
- 3 quarts boiling water
- 1/2 cup salad oil



One Pot Fish & Macaroni

- 1 tablespoon vinegar
- 1 tablespoon sugar
- 1/2 teaspoon oregano leaves
- 1/4 teaspoon basil leaves
- 1 green pepper, cut in thin strips
- 1 can (13 ounces) tuna, well-drained and broken into chunks
- 1 can (14 ounces) artichoke hearts, drained
- Salt and pepper
- Red radish roses
- Celery hearts, halved, optional
- 1 can (3-1/4 ounces) pitted ripe olives, drained, optional
- 2 tomatoes, cut in wedges

Add macaroni and salt to rapidly boiling water so that water continues to boil. Cook uncovered, stirring occasionally, until tender. Drain in colander. Rinse with cold water; drain again. Return macaroni to pot. Add oil, vinegar, sugar, oregano and basil leaves, green pepper, tuna and artichoke hearts; toss until combined. Add salt and pepper to taste. Turn out on serving platter. Cover and chill for several hours. At serving time, garnish salad with chilled radish roses, celery hearts, olives and tomatoes.

One Pot Salmon and Macaroni (Makes 4 main dish servings)

- 3 cups water
- 1 can (10-3/4 ounces) cream of mushroom soup, undiluted
- 2 cups uncooked elbow macaroni (8 ounces)
- 1/4 teaspoon pepper
- 1/2 teaspoon dried dill weed

- 1 1/2 teaspoons Worcestershire
- 1 package (10 ounces) frozen peas and carrots
- 1 can (7-3/4 ounces) salmon, drained and broken into chunks
- 1 jar (5 ounces) pasteurized cheese spread with pimientos
- Parsley sprigs

Bring water and soup to a boil in a 4 quart pot; gradually add macaroni so that water continues to boil. Cover and simmer about 8 minutes, stirring occasionally.

Stir in seasonings, peas and carrots; cover and simmer about 6 to 8 minutes longer or until vegetables and macaroni are tender. Stir in salmon and cheese spread. Cook until mixture is hot throughout and cheese is melted. Turn into serving dish; garnish with parsley. Serve immediately.

Tuna Helper Advertising

Tuna Helper unveils its new summer ad campaign with salad ideas to help "keep the livin' easy." The July/August ad will appear in Family Circle both months, and in five of women's magazines with a combined circulation of about 50 million.

The four-color ad presents a delicious Tuna Cheese Salad that is easy and economical to prepare. Continuing the spring time economy theme, the ad explains that this salad costs less than 40¢ a serving, which includes the price of a 6 1/2-ounce can of tuna fish.

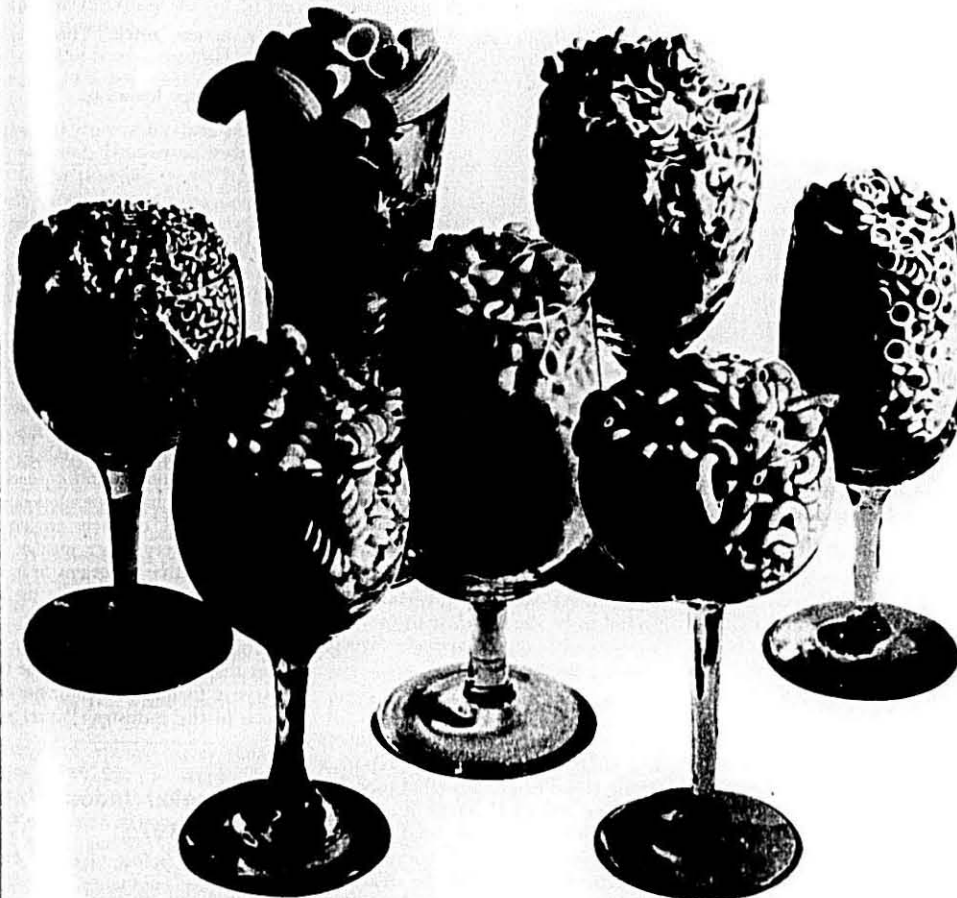
The ad supports all four flavors with recipe ideas on the back of specially marked packages.

The ad is timed for impact during the peak summer months. In addition to Family Circle, it will appear in Good Housekeeping, McCall's, Better Homes & Gardens and Woman's Day.

Basic

Directions

1. Use large sauce pot, heat 3 quarts of water to rapid boil.
2. Add 1 tablespoon salt.
3. Gradually add macaroni; ensure water continues to boil.
4. Cook uncovered, stir occasionally, until tender.



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The inflation-fed rise was accompanied by changes in the habits of both consumers and grocers, with adjustments noted from warehouse to checkout to kitchen.

Size Not Necessarily Clout

As for the "big bully" view of the marketplace: "Size doesn't necessarily mean clout on the retail scene," Walzer observed. He noted that independent supers and non-public chains last year scored dollar advances well ahead of the all-industry average, with the ten top chains and all publicly-held chains slightly below.

Growth Is Real . . . Consumer Basket "Smarter"

The factor of inflation, Walzer noted, should not obscure the fact that last year's sales increase ran ahead of the rise in the Consumer Price Index for food at home. What this translates into is that there was "real" growth in terms of tonnage growth, not simply in bloated dollars, a healthy sign.

Consumers traded down last year, as the industry is well aware—and the actual consumer market basket is far different from the theoretical one on which the C.P.I. is based. Actually it is a "smarter" basket that includes specials and a flexible, sensible mix. To this extent consumers "outmaneuver" the index—and analysis of available data indicates they "beat" the statistical basket by at least 6%.

Fewer, Larger Stores

The long-term trend toward fewer but larger stores continues, with high building costs and interest rates holding down the rate of construction.



Edgar B. Walzer

Overall, the number of food stores in operation has dropped to a new low of 198,130. This is actually less than half the number Progressive Grocer counted just 25 years ago, back in 1950. Fewer, larger stores—this is expected to be the trend, with even the heavyweight super market division growing more slowly.

Consumer Attitudes Mixed

The very price-conscious consumers and chain spokesmen alike report a strong trend to private label (one out of three families reporting such a shift). However, since total tonnage of private label did not increase dramatically, it might be reasoned that this reflects expanded buying by relatively light users.

As to the consumers' present state of mind, they feel a bit better than they did a few years ago about prospects for the economy—about food price stability—about their own economic situation. However, their attitudes are still basically pessimistic. They may think that conditions will simply worsen at a slower rate.

Interestingly, today's price-conscious, bargain-bent, economy-minded consumer can't really recall what her groceries cost. Progressive Grocer conducted a test in a number of New England super markets recently. Consumers were interviewed right on the selling floor, handed a number of packages and then asked how much each one cost. Forty-four popular items were covered, and fewer than one out of four customers could come within 5% plus or minus of any given

item's actual price. This was a wide range:

Consumer Price Knowledge

Correct + or -5%	Users
Marlboro Cigarettes	71%
Scott Towels	52
Pvt. Label Coffee	47
Dole Pineapple	35
Campbell's Tomato Soup	33
Tide Detergent	24
Pvt. Label Salad Dressing	19
Pvt. Label Applesauce	16
Maxwell House Instant	9

Communications Improved

Whatever the accuracy of consumer information, they are trying to get more, and operators are pleased. Seven of ten independent supers least half of the shoppers talk to someone on staff (not counting checker). And 74% of chain operators quote say additional contacts are needed. Actually, a very large number have instituted active programs to encourage conversations—both in the store and within the community.

Progressive Grocer research indicates that major efforts will be made this year to improve consumer confidence in the industry, Walzer says.

Supermarket Industry Speaks — 1975

Net profit before taxes for the supermarket companies participating in a Super Market Institute study rose to 1.8% last year from 1.3% in 1973, but on a quarterly basis the ratio of profits to sales progressively declined from 2% in the quarter to 1.5% in the fourth.

Bill Bishop, SMI vice president for research and operations, gave the report at the SMI convention. Using another yardstick, return on total assets, Bishop said the figure in 1974 was 4.1 per cent, compared with 3.5 per cent in 1973, but below the 5.3 per cent in 1969 and 1970. The figures were 5.3 per cent in 1971 and 4.1 per cent in 1972.

But Bishop cautioned that there is concern that assets may be undervalued because of heavy emphasis on leasing, that is, if a company has a high percentage of its stores leased.

Return on equity was 9.5 per cent in 1974, compared with 5.6 in 1973 and 8.6 in 1972, but below the

1969 11.3 in 1970, and 11 in 1971. This part of the study was of 50 publicly held companies.

The cost of food consumed at home increased 14.9 per cent at retail in 1974.

Identical store sales last year rose 13 per cent, compared with 9 per cent in the previous year. Real (deflated) identical store sales decreased 6 per cent in 1974, compared with 9 per cent decrease the previous year.

Wholesale sales last year rose 16 per cent, against 14 per cent in 1973. The real wholesale volume gain was 11 in 1974 and 2.3 per cent in 1973.

Store Openings

Store openings increased 4.4 per cent last year, compared with 4.6 per cent in 1973, while remodelings remained constant at 6 per cent the past three years. At the same time, store closings increased 6.4 per cent against 5 per cent in 1973.

The net change after openings and closings was a 2 per cent drop in the number of stores at the end of 1974. The stores opened totaled 66,910 sq. ft., while those closed totaled 3,968,566 sq. ft.

The stores opened were doing a volume of \$80,220 a week, while those closed averaged \$32,612 a week. The average size of stores opened was 223 sq. ft., average of stores closed was 10,959 sq. ft. Average weekly sales of all stores in the study last year was \$64,743.

Gross Margin

Average gross margin of stores with a warehouse was 20.9 per cent. Bishop said the figure has been hovering around the 20 per cent mark for the past three years. Average gross margin for stores without a warehouse was 19 per cent, compared with 18.6 per cent in 1973.

Direct labor expense last year was 37 per cent, compared with 8.3 per cent the previous year. Fringe labor expense in 1974 was 1.4 per cent, only marginally above the 1.3 per cent in 1973.

Sales per man-hour last year were \$70, compared with \$42.63 in 1973 and \$34.39 in 1969. The real (deflated) sales per man-hour last year were \$37, while they were \$30.15 in 1973, \$33.09 in 1972 and \$33.21 in 1971.

On a square-foot basis, sales last year were \$5.09 per week against \$4.71 in 1973, but deflated sales per square foot were \$3.13 last year, compared with \$3.33 in 1973.

Sales per Transaction

Sales per customer transaction in 1974 were \$8.23 against \$7.47 the previous year, but the respective deflated figures declined to \$5.07 and \$5.28.

Last year the average number of items carried in a market was 8,948, compared with 8,000 in 1968. The 1974 figure included 6,823 grocery items, 156 produce and 550 frozen items.

The study showed 52 per cent of respondents used coupons last year as a promotional tool, while 36 per cent advertised in newspapers, 28 per cent used television, 26 per cent used mailers and flyers, and 24 per cent used radio.

The earlier consumer study showed 41 per cent of respondents almost always clip coupons in newspapers, while 71 per cent said they find food ads in newspapers helpful in shopping; 27 per cent said TV was helpful, and 19 per cent said radio.

The number of markets that said they discount rose to 48 per cent in 1974, from 42 per cent in the previous year, while 17 per cent said they gave trading stamps last year, compared with 23 per cent in 1973 and 37 per cent in 1969.

Keep Stocks Low

Retail prices will come down and base wholesale prices will decrease, so keep inventories of regular shelf merchandise low, Red Owl franchise operators were advised at their convention.

"There's no profit to be made when you get caught in a down market," said Neal Jansen, Red Owl's vice president, marketing. "On regular shelf merchandise, take some outs if you have to."

"You are going to need deals . . . to make your customer buy, so buy deals—and I mean lots of them," he advised.

Jansen, discussing supply and demand in today's volatile market, said a 1 per cent increase in demand for a product—when there isn't enough

extra product to go around—will increase the price by 20 per cent.

Inflation is Food Industry's Most Serious Problem

Although problems of the moment always seem the most difficult to surmount, Michael J. O'Connor, president, Super Market Institute, feels inflation is the industry's most serious concern.

O'Connor added other concerns of supermarket management. They include:

- The proper application of technology is a real and interesting problem.
- The industry's public image also is a real problem. "People have been disillusioned with 'the establishment' and we are a part of it."
- Investigations by the Federal Trade Commission and Congress, one on top of the other, not only have placed roadblocks for supermarkets, but also have been costly in some instances. For example, O'Connor said, one company reported a study for FTC of one store in one city cost the firm \$100,000.
- The trend of Government controls over every phase of (industry) life and its increasing size loom over us. Also, how do we cope with it (Government)?

"Moreover, our Government is using food as a main part of our foreign political efforts and as a balance of trade. This is raising the price of food.

"We are having serious troubles with unions. We just cannot take strikes.

"We have old systems that are almost impossible to change." The transportation system is an example, O'Connor said. Trains may have been stopping in certain cities for decades and it is unlikely that will be changed.

O'Connor stated it is important that the business not become fractionalized and break up into armed camps. He believes 1976 will be a better financial year for the industry.

But he does not see the next decade as one of progressive improvement. "We will continue to have our ups and downs, with the ups a little higher and the downs lower for the next five years.

(Continued on page 12)

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- The trend of Government controls over every phase of (industry) life and its increasing size loom over us. Also, how do we cope with it (Government)?

"Moreover, our Government is using food as a main part of our foreign political efforts and as a balance of trade. This is raising the price of food.

"We are having serious troubles with unions. We just cannot take strikes.

"We have old systems that are almost impossible to change." The transportation system is an example, O'Connor said. Trains may have been stopping in certain cities for decades and it is unlikely that will be changed.

O'Connor stated it is important that the business not become fractionalized and break up into armed camps. He believes 1976 will be a better financial year for the industry.

But he does not see the next decade as one of progressive improvement. "We will continue to have our ups and downs, with the ups a little higher and the downs lower for the next five years.

(Continued on page 12)

**10
1,000
65,000,000,000**

Braibanti
Machinery for pasta production



In 10 years we've installed 1,000 lines, producing 65,000,000,000 pounds of pasta products.

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TELEPHONE (212) 682-6407

Inflation Problem

(Continued from page 9)

"The weak (in the industry) will fall by the wayside, and the strong (companies) will make it. I don't see a repeat of the 1950s and 1960s" when most of the two decades were years of prosperity. "Those who do not very carefully analyze their business, and keep up to date with what it takes to control it, will be in trouble."

Fewer Use Prepared Food

Consumers are reacting to hard times by using fewer prepared and frozen foods, and by going without meat at some meals, according to a study by Yankelovich, Shelly & White, prepared for General Mills.

The American Family Report, according to Daniel Yankelovich, is "a snapshot of the American family taken at a moment of economic stress." Over 2,000 interviews were conducted late last year to determine the impact of current economic conditions on the family, its values and its behavior.

The study found 24 per cent of respondents using fewer prepared and frozen foods. Also, 19 per cent said they have given up meat at some meals and are buying less liquor and beer. This trend is more pronounced among families who said their standard of living is worse than a year ago, with 32 per cent of this group using fewer convenience and frozen foods, 28 per cent eschewing meat occasionally and 26 per cent buying less liquor and beer.

Scanner Study

A payback period of 2.53 years for a store with \$100,000 weekly volume, and 1.3 years for a \$60,000 store, can be expected with full scanning, figuring only "hard" savings. J. Weingarten, Inc., has calculated this in a study done before installing the chain's first scanning system. The study included item-price removal.

Figuring in projected "soft" savings improves the pay-backs to 1.46 years for the \$100,000 store and 2.17 years for the \$60,000 store, the study showed.

The study, done by Weingarten's and IBM, whose scanning equipment Weingarten's is using, is based on six

checkstands for the larger store and five for the smaller, and assumes 75 percent of the volume has Universal Product Code symbols. Weingarten does not, however, plan to cut the number of checkstands back to those figures in its pilot installations, which have eight check-outs.

In addition, a major industry segment—89 per cent—expects scanning to reduce inventory shrinkage. The savings in that area alone would also allow the equipment to pay for itself, according to a Chicago consulting firm.

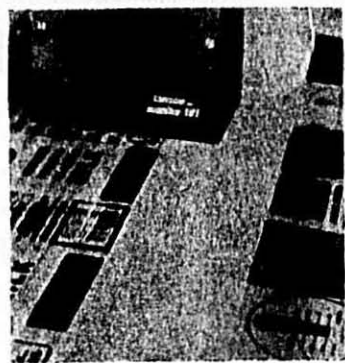
UPC Scanner-Reader

Packagers, beware! The pressman's eye used to be the ultimate judge of his press's printed product. Not any longer.

Universal Product Code (UPC) printing tolerance for packages, cartons and containers of grocery products will soon demand rigid quality control standards.

The reason is simple. With the installation of laser-based Point of Sale (POS) checkout stations increasingly more supermarkets, a radical change in the way Mrs. Homemaker does her shopping is just around the corner. The only acceptable response to anticipated consumer resistance to POS systems seems to be an accurate, error-free grocery receipt. Thus, POS operation and acceptance both critically depend upon the system's ability to read each UPC code without error.

Now researchers at Metrologic Instruments, Inc. of Bellmawr, N.J., in



Focused laser beam sweeps across a UPC symbol on a milk carton. Monitor 101 allows the packager and food processor to verify UPC-symbol readability before the carton is filled and sent to retail outlets.

cooperation with Surescan, Inc., have developed and successfully tested a laser-scanner computer system enabling food processors to check each package's UPC symbol for readability before filling it. Called Monitor 101, this new UPC scanner-reader provides food processors for the first time with immediate, in-house assurance that each package they fill meets rigid UPC tolerances. By insuring the correct label goes on the proper package, Monitor 101 also insures against underpricing—a loss to the retailer—and overpricing—consumer fraud.

"Because it scans symbols with a laser—the same way supermarket POS systems work—Monitor 101 provides a quality control check not available with any other system," according to Metrologic's President, Harry Knowles.

"It protects the packager's front end product and distribution costs before bad symbols have a chance to foul-up POS systems at the supermarket," Knowles continues.

The new scanner-reader not only identifies a good or bad UPC symbol on each item received from the printer, but also records the total number of packages being run for inventory control purposes. All labels are compared to a standard (reference) number issued to individual manufacturers through the Uniform Product Code Council. In addition, the scanner checks each label for UPC parity coding.

Shakedown of the new scanner-reader was accomplished through the cooperation of B.C. Sturgis, manager of technical marketing, Weyerhaeuser Company, at one of that company's flexographic printing facilities in Pennsauken, N.J. On its trial run in early February, Monitor 101 successfully identified a percentage of the press's output which did not meet UPC specifications and possibly could not have been accurately read by supermarket's POS system.

Monitor 101's selling price is projected at \$6,565, including optional printer. For additional information on how the Monitor 101 system can be adapted to your packaging requirements, call (609) 933-0100. Printers can contact Surescan, Inc. at (609) 456-0101 or (301) 687-3907.

Maintenance Service

Preventive maintenance on Dies resolves itself into both quality and quantity control of products. For improved quality we strive to control obvious flaws in appearance such as dough rings, roughness, splits, breakage, collapsing, color, uneven wall thickness, raggedness, and shape. For increased and continuing production we strive to control hidden difficulties which may be encountered in drying, packaging and handling.

In view of the many variable factors involved in production, and the highly complex equipment necessary for the close adherence to high standards of controls, it is recommended that Dies be returned for reconditioning at regular intervals of from 3 to 6 months. This will insure trouble-free operations and maximum production output.

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Private Label Myth

Private label products increased their share of market less than half a point between 1970 and 1973, C. C. Daniel, senior vice-president, Selling Areas Marketing Inc. (SAMI) told the West Coast Marketing Seminar held by Grocery Manufacturers of America recently.

Mr. Daniel said an SMI study of private label sales in over 400 warehoused categories showed a sales increase of 0.44 of a share compared between 1970 and 1973. Dry grocery food and non-food categories were up 0.88 point; health and beauty aid categories up 0.60; frozen and refrigerated categories down 1.09 points.

The marketing executive declared reports in trade journals and the mass media "would lead us to believe that nationally advertised brands are in extreme jeopardy in food stores, and are about to be pushed off the shelves in favor of the controlled store brands. He said the SAMI statistics do not support these reports.

Several Factors

Several factors "by logic should have been conducive to important inroads for private-label brands in U.S. food stores", Mr. Daniel said. He listed the recession economy of 1970-71, the price wars triggered by A&P's move to its WEO discount pricing program, higher food prices and private-label expansion into new categories and items.

Then he pointed to deterrents: (1) consumer distrust; brand loyalties are established before private-label products are offered. (2) A decrease in the price spread between private-label and brand products has also prevented increases in market share. (3) Product shortages in the past year or so have been a deterrent.

More Coupons

A record high 29.8 billion cents-off coupons were issued during 1974, according to estimates developed by the Nielsen Clearing House, the division of the A. C. Nielsen Company that processes redeemed coupons for manufacturers and retailers.

This record volume represents an increase of 2.2 billion coupons over the 27.6 billion distributed in 1973. Manufacturers use of cents-off coupons has expanded steadily over each of the last five years since 1970 when distributions amounted to 16.4 billion; over this five-year period, distributions increased 82%. These estimates

include all regular cents-off coupons issued by manufacturers but exclude in-ad coupons circulated in retailer newspaper advertisements.

Half in Newspapers

Newspapers continue to account for slightly over half of all cents-off coupons distributed. Sunday supplement magazine distributions account for 12.7%, while coupons circulated in free-standing inserts in the Sunday paper represent 7%. The growth in manufacturers' use of free-standing inserts to distribute their coupons reflects a significant development over the past few years. Shown below is a comparison of coupon distributions by media for 1973 and 1974:

% of Coupons Distributed by Media	1973	1974
Newspapers	50.7%	51.8%
Sunday Supplement (Magazine)	13.3	12.7
Free-Standing Inserts (Sunday)	4.5	7.0
Magazines	17.7	16.7
Direct Mail	6.9	4.6
In/On Pack	6.9	7.2
Billions of Coupons	27.6	29.8

Backhaul Study

A survey on which manufacturers allow backhaul, what allowances are made and why, will be conducted by the Super Market Institute staff.

Louis Fox, president, Associated Wholesale Grocers, Kansas City, Kan., and chairman of the SMI backhaul committee, outlined the plan approved by its board.

"We will survey manufacturers to determine which companies allow backhauls on a fully cost-justified basis, which allow less than fully cost-justified backhauls and which manufacturers do not allow backhauls. We will detail their reasons for taking these positions," Fox said.

"The SMI study will cover how the various kinds of backhaul allowances work, how much they reduce food costs.

"We should know why Procter & Gamble and Clorox do not allow backhaul, while Lever Bros. and Purlex do," he added.

Most manufacturers allow some sort of backhaul allowance but many of them are not cost-justified and therefore are meaningless to the wholesaler or retailer, Fox noted.

Energy Savings Essential

Energy costs will continue to rise much faster than ways to save energy use are effected. Unless store operators conserve energy, however, the costs could drive them out of business, an SMI seminar on Techniques for Energy Conservation was told.

James F. Kernan, manager of engineering, equipment and utilities at A&P, Montvale, N.J., said the projected power costs faced by Patliss for a store slated to open in New York, was put at over \$1,000 a day.

Kernan, panel chairman and chairman of the NAFC energy committee, pointed out that in many cases power costs now are greater than the cost of rent for supermarkets.

With more than 3,000 power companies in the United States, each averaging more than five different schedules, anticipating store costs for electricity can almost become a store-by-store process. Costs of a kilowatt hour for electricity have risen as much as 100 per cent, he said, now ranging between 1¢ and 7¢ a kWh. (Aside, he noted that the 1¢ rate has not changed.)

Urges Testimony

He advised all retailers to testify at utilities rate hearings. "You probably won't get the rates cut or even lowered. But you will let it be known that increased costs must be passed through to the consumers—and that utilities commissions act as if they didn't know that."

Out of Every Food Dollar

The farmer gets 38¢.

Labor gets 30¢.

The middleman (processor, wholesaler and retailer) gets 31¢ which goes as follows:

- Packaging
- Transportation
- Profits, after tax
- Federal Taxes
- Business Taxes
- Depreciation
- Rent
- Advertising
- Repairs
- Interest
- Other-Utilities, Fuel, Insurance
- Profits pay stockholders and purchase new plants and equipment

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Is your factory running seven days a week and are you looking for a 25th hour in every day? Relax, let modern, high capacity, smooth running production lines cut the plant back to five days so you can become re-acquainted with your family.

Hoskins Company represents three manufacturers of production lines which can increase your efficiency and production:

DENACO builds noodle, short cut and long goods lines from 25 pounds per hour to 4000 pounds per hour. Premixers can be put on new or old presses to improve mixing and sanitation. The new die washer can clean 4 long goods or 3 short goods dies in approximately one hour.

ASECO has installed accumaveyor systems for gentle storage and handling of noodles in most of the major noodle factories. Conveyorized stationary short cut bin storage has reduced labor and space substantially.

SEMCO engineers and builds flour handling systems from small sack dump systems to completely integrated million pounds systems including welded tanks, blending, regrind handling, and air filtration systems to eliminate flour dust throughout the factory.

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Very truly yours,

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Prize Winner

Goldsholl Associates, 420 Frontage Rd., Northfield, Ill., has received a top award: Excellence in Retail Graphics, for package design of Mamma Mia pasta line introduced recently by the D'Amico Macaroni Company of Steger, Illinois.

Award was made May 13, 1975 at the 8th Annual Packaging Competition, Chi-Pak '75, sponsored by the Chicago Chapter of the Packaging Institute.

The design features the product name reversed out of a field of dark blue bordered by stripes of red, white, and green to achieve a strong "billboard" look, while at the same time, retaining traditional Italian color notes.

The symbol, a familiar sheaf of wheat, is enclosed in an "archway". Adding a heart was another of the designer's contributions. The symbol is placed on a panel of golden yellow, suggestive of the enriched nature of the product.

Through the use of graphics, strong color, and legibility, a distinctive package is born—combining both traditional and modern qualities in a single retail package, so necessary in today's "automatic" world.

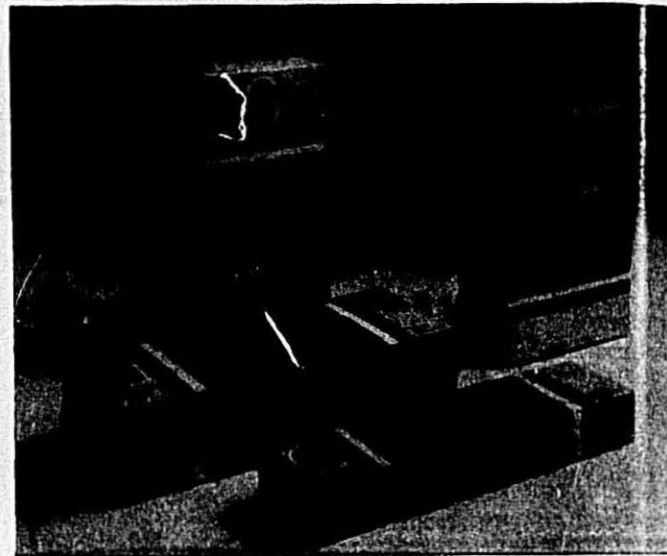
And its successful entry into a competitive market has been attributed in a large measure to the design, according to the client.

Corrugated Shipments Distorted by Inventory Adjustments

Shipments of corrugated boxes "were extraordinarily expanded by inventory building" in the fourth quarter of 1973, leading up to the sharp comparative declines of the fourth quarter of 1974 when shipments "were extra-ordinarily depressed by inventory liquidation," according to Robert F. Rebeck.

Rebeck, Vice President of the Fibre Box Association, related the industry's trends to the general economic framework in his semi-annual statistical update at the Association's Spring Meeting.

General economic growth, he noted, had virtually flattened by the second quarter of 1973, and declined in each



Prize winning packages of D'Amico Macaroni

quarter of 1974. Meanwhile, corrugated shipments continued to show strong growth throughout 1973—up 7.6 percent—and the first quarter of 1974. The second and third quarters were basically flat, while the fourth quarter declined sharply.

The aggregate decline for the year, 5.3 percent, was exceeded only by 1942's wartime drop of 17.7 percent. "Really, the industry has enjoyed a strong, stable growth trend over a long period of years," Rebeck noted. "Only nine out of the past 32 years have had any decline whatsoever," while annual growth has averaged five percent.

He also noted that the 18.7 percent decline of 1974's fourth quarter shipments, compared to the same period of 1973, was being measured against one of the highest periods in the industry's history. By the same token, his update for the first quarter of 1975—shipments down 25.9 percent from the same quarter of 1974—was measured against the highest quarter in history. The inventory-building of 1973-'74 and inventory liquidation of 1974-'75 on the part of box users tend to further distort these comparisons, he said.

Turning to industry price trends, Rebeck noted that 1974 set a record, with the average price for all corrugated products climbing 25.1 percent

over 1973's average. Coupled with decline in shipments, this increase brought the dollar value of all shipments up 19 percent, to approximately \$5.8 billion.

Average price trends must also be put in context, Rebeck said. He examined 15 categories of products selected from the components of the wholesale price index, and showed that 13 have increased more than 10 percent over the past five years. "If prices were to continue to rise as fast as they have over the past five years, prices would be true of many other materials and even more so," he noted.

"The relative stability of the price trend has extended into this year," Rebeck said, with the first-quarter average up 24 percent over the fourth quarter of 1974. "Regional differences are non-existent" in the rate of change.

The industry's inventory of corrugated board, from which corrugated boxes are made, has improved since the tight supply levels of 1972 and early 1974, he said. Mill production rates maintained high levels during the period of declining consumption to achieve recovery, although production commitments are now taking effect. By March 1, inventories—measured against reduced demand—were 8.8 weeks of supply.

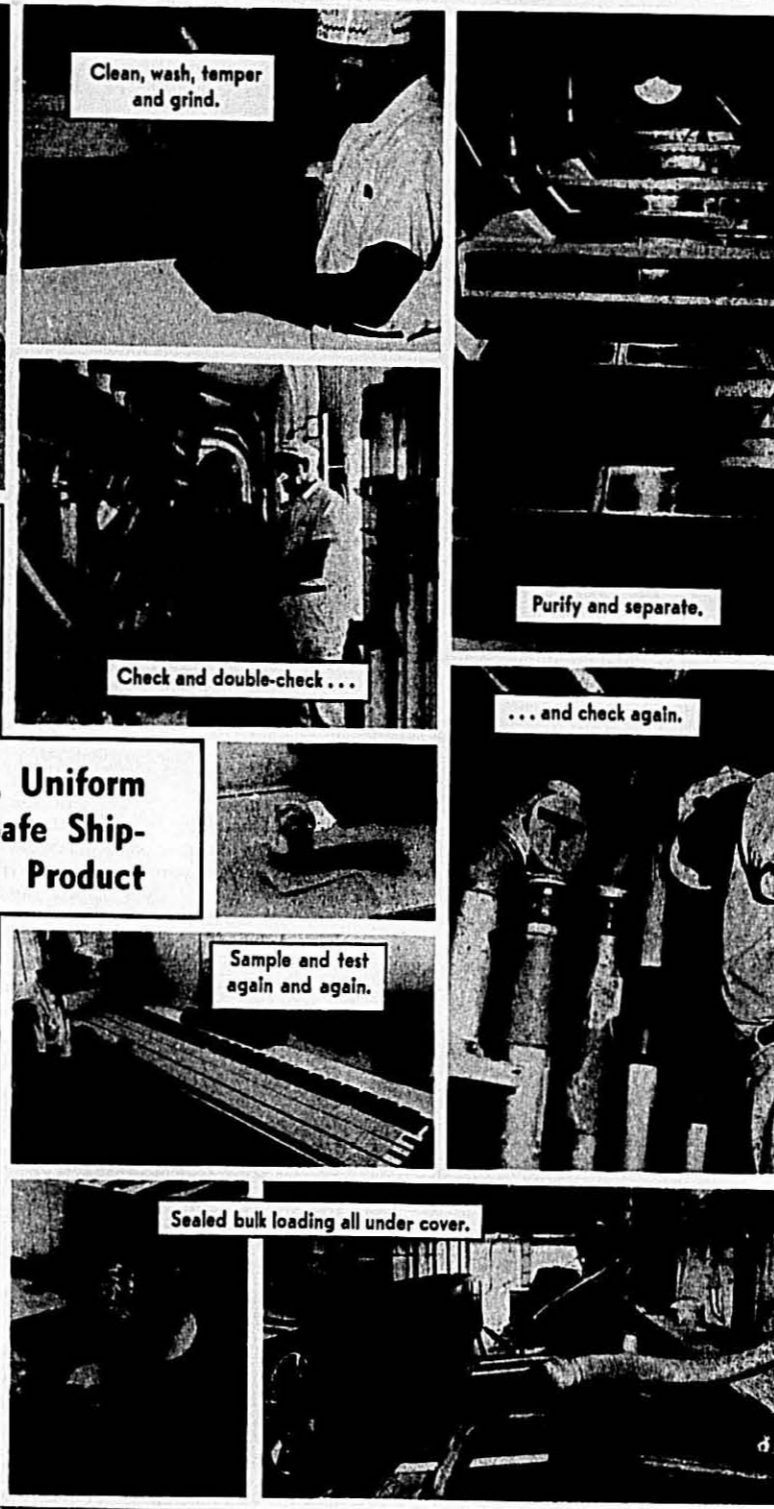
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Creamettes' New Plant

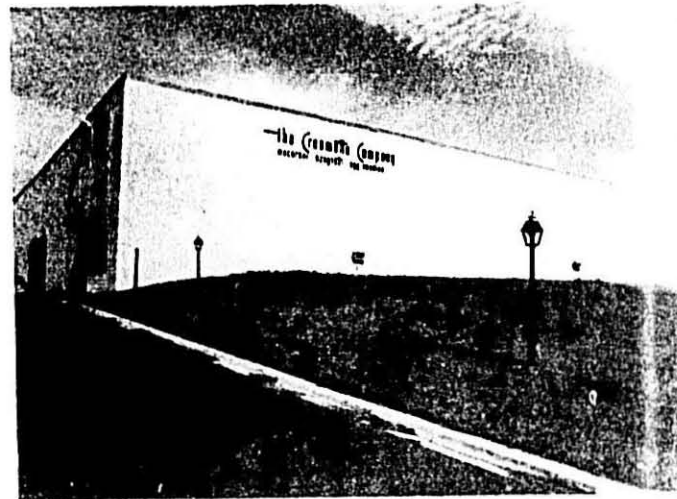
by John Linstroth, Executive Vice President

The Creamette Company has recently opened up a new plant in New Hope, just outside Minneapolis. The building of pre-stressed concrete was designed for ease of cleaning and will permit expansion to twice present capacity.

Buhler-Miag System

Flour receiving and storage is a combined vacuum-pressure system by Buhler-Miag. There are eight storage silos, each with a capacity of 75 tons. Ingredients can be unloaded and stored at a rate of 48,000 pounds per hour. The vacuum system holds dust problems to a minimum. Product can be conveyed from one or more storage bins simultaneously, permitting automatic mixing of semolina or re-grind material.

Short goods are extruded at 30 to 33% moisture content and fall into a shaker pre-dryer. Approximately 1 to 2% moisture is removed in the shakers, but the main purpose is to surface dry the shapes to avoid sticking in the latter high-temperature pre-drying zone. In the pre-dryer at elevated temperature, the product is dried from approximately 30% down to 19 to 20% within twenty minutes. After the pre-dryer, the product is



The front of the building.

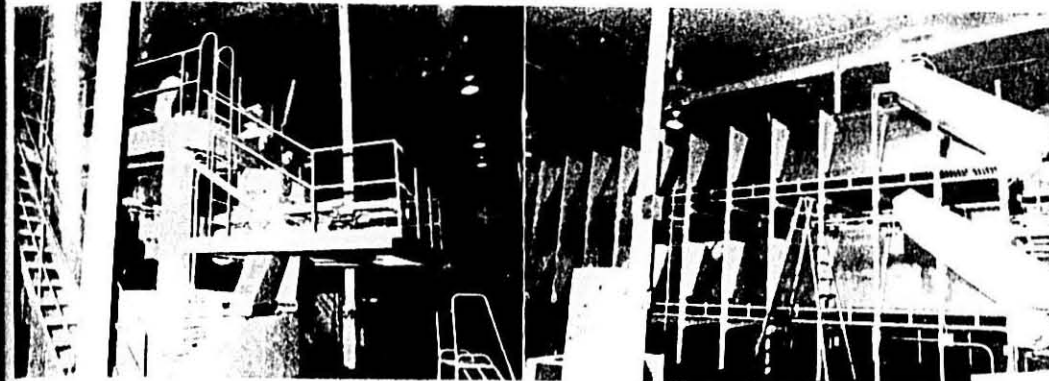
conveyed by bucket elevator for the final dryer.

Spaghetti coming from the extruder enters a pre-aeration chamber which has the same function as the shaker pre-dryer on the short goods line. After pre-aeration, a three-level pre-dryer reduces moisture from approximately 30 to 20%. This requires approximately one and a half hours. In

the following final dryer, during 2 to 3 hours, moisture is reduced to 12 to 13%. From the final dryer there is a goods storage unit capable of 18 to 24 hours production.

Dryer Construction

Walls of the long goods are two-inch polymethane core with a glass skin. The storage unit for short goods is a conventional type



View of extrusion press.

Belt type storage for noodles.

featuring three-stick transport on all risers. The storage unit has nine product levels. Each single level of storage can be fed or discharged independently, allowing the bypass of levels as desired for different products.

Packaging

Spaghetti automatically moves from the cutter at the exit of the storage unit to the packaging unit. Electronic scales make a major weighing and then dribble single strands of spaghetti to desired set weight. Hoelger Karg equipment operates with an accuracy of 1/8 of an ounce. These scales have the capacity of 150 to 175 cartons per minute.

Short goods such as elbow macaroni and egg noodles are packaged in form fill seal machines from Triangle Paper Products Company. A model C7 conical cartoner from Clynne Company handles five and noodle packages

with speeds up to 150 cartons per minute.

Short goods packaged in flexible plastic pouches are packaged on form fill seal machines from Triangle which can handle bag sizes up to 8 inches by 16 inches. Product is fed directly from the storage system to the scale system on the packaging machine.

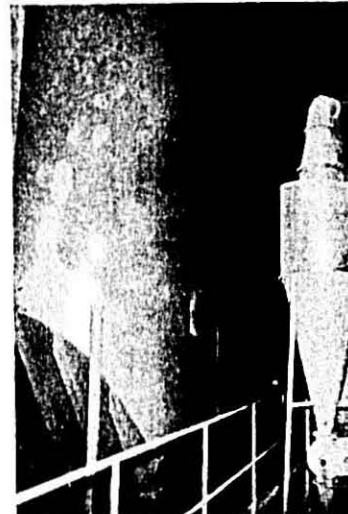
All packaged goods are transported to the four Standard-Knapp casers and five case gluers handling the entire operation. The caser handles eighteen product sizes at speeds of up to 150 packages per minute.

Storage

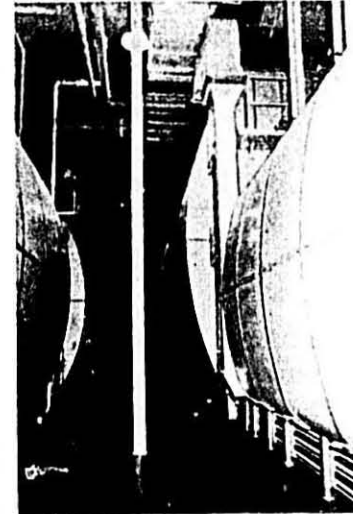
Free flowing products such as elbow macaroni are stored in silo type bins with hoppers bottoms. The system is used to continuously receive and store products from processing lines 24 hours per day and to discharge to packaging during a single 8 hour shift. Goods enter the bins

from the top spiral down let down chutes which control rate of descent of product and prevent breakage of the fragile items. Each spiral let-down chute is connected to two vertical support tubes, one on each side, by support bars which are staggered and form a ladder arrangement for personnel entry into the bin for cleaning or maintenance. Bins have level indicators at top and bottom for products fill control. Discharge gates are of the slide-gate type and discharge into troughed conveyors which are of white food approved neoprene belting. Discharge rate from each bin is variable to meet the packaging line speeds. This system was designed by Food Engineering Corporation of Minneapolis.

Cased goods are stored in the warehouse with a stacker crane and rack entry module for moving palletloads in and out of the storage racks. The system designed by Control Flow (Continued on page 21)



Semolina storage hopper.



View of dryers.



Stacker crane for finished goods.



View of packing area.



Automatic case filler.

Peavey doesn't quit working until dinner is served.

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wheat to make King Midas
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It takes art and science.

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uses the newest laboratory equipment to
analyze every crop of durum wheat.

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and a pocket knife. Peavey's newest durum mill,

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milling process to maintain quality and uniformity.

But our miniature macaroni press still needs
the knowing hand of a pasta maker.

We can precisely graph the color,
nutritional content, even
shape retention in finished pasta.

But bite and flavor are
personal evaluations again.

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PV **PEAVEY COMPANY**
Flour Mills



Creamettes' New Plant

(Continued from page 21)

Systems, Inc., Lancaster, Pennsylvania, consists of two feed lanes, three discharge lanes, 202 storage faces, 36 order pick faces, and has capacity for storing 2826 pallets of cased goods. Pallet size is 48 inches by 40 inches, with height of pallet and product of 6 feet 6 inches.

The module is positioned by the crane at the desired level for storage or retrieval. No special pallet is required because the module provides transportation. The module can store or retrieve pallets for a distance of 60 feet on either side of the crane. The system permits storing of up to twice as many pallets of product in a given space as would be possible with a lift truck storage system.

The Creamette Plant is the last word in sanitation, safety, labor efficiency, and flexibility.

New Equipment Firm

A new society has been formed for the manufacture of pasta producing equipment.

Grondona—Impianti per l'Industria Alimentare S.p.A., Via Cantore 8 G—Int. 101, 16149 Genova-Sampierdarena, Italy.

The company will make continuous automatic lines for long goods, short cuts and specialties, including presses, dryers and pre-dryers.

On assignment they can furnish projects for factories complete in every detail such as heating air-conditioning, electrical equipment, raw material handling, weighing, packing and transportation equipment.



Grondona automatic press.

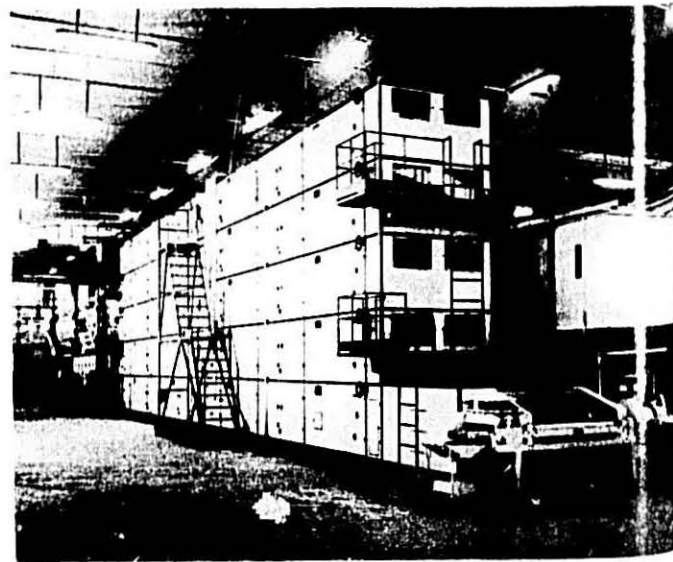
Pavan Uses Rilsan Nylon 11

A leading Italian pasta machine manufacturer, Pavan, is now coating the drying slats of the machinery with Rilsan Nylon 11 coating powder to prolong the life of these parts under the severe processing conditions involved. The slats are used to convey the pastas through a drying chamber where the drying temperature is between 175 F and 212 F and relative humidity is 100%. Upon leaving the oven, the trays fall onto a platform before the spaghetti is discharged.

Each pasta machine comprises several thousand slats. Depending on the size of the machine, the slats range in size from about 48" to 98" in length. The smaller sizes are coated by the fluidized bed process, whereas the larger trays are electrostatically coated.

Other materials tested as protective coatings and later rejected were:

- (a) Phenol-formaldehyde—rejected due to sticking and disintegration problems.
- (b) Polyethylene and polypropylene—rejected due to heat deformation.
- (c) PVC (film)—rejected because of deformation problems and unsuitability for use with foodstuffs.



Grondona continuous dryer for long goods.

- (d) Epoxy—rejected due to brittleness.
- (e) PTFE—too costly and slippery.

Rilsan Nylon 11's exceptional resistance to heat, moisture and impact as well as its suitability for use as foodstuff (USDA and FDA) products make it a highly desirable coating for food industry equipment.

Other applications include bake-kneading machine blades, cheese-pickling racks, shelving, container wire baskets, etc.

For more information on Rilsan Nylon 11 coating powders write: Rilsan Corporation, 139 Harrison Road, Glen Rock, N.J. 07452.

For Cracks & Crevices

The Hugel Company, Inc. announces the acceptance of two residuals by EPA for use in certain products areas as Crack & Crevice treatment: Excelsior SM Residue #1 contains Baytex, Malathion, Pyrethrins for immediate and long term results. Resifume is a residual containing Diazinon and Vap for extended effectiveness. Use either or both, in proper compliance with Crack & Crevice directions, to eliminate the threat of contamination, crawling insects.

For more information, write: Hugel Box 24198, St. Louis, Missouri 63131.

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VIBRATING CONVEYORS

Ideal for conveying materials without degradation such as potato chips, cereals, snack foods, etc. Sanitary—self-cleaning troughs balanced designs, capacities up to 6500 cu. ft./hr. Processing designs available for screening, dewatering, cooling and drying while conveying. Write for Bulletin CVC-20.

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The only Automatic Belt Storage System with first-in and first-out for the storage of non-free-flowing materials such as snack foods, cookies, frozen foods and/or other items prone to bridge.

Capacities up to 70,000 lbs.
Bulletin CAC-20

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CONVENTION HEADLINERS



First Session

Dr. Virgil O. Wodicka, Consultant in Food Technology and Quality Assurance.



Second Session

Arthur J. Grundberg, Super Market Institute V.P. Education, moderates grocers' panel.



Third Session

Barbara D. Sullivan, National Director of Consumer Affairs, A&P Company.

Peavey

New Peavey Trademark

The board of directors of Peavey Company has approved a new corporate trademark which over a period of years will replace the company's familiar "PV" symbol now in use.

A corporate identification team, headed by John Larson, corporate advertising director, conducted a six-month study of the traditional Peavey trademark in recommending the new symbol. "The end result," Eric Madson, graphic designer, said, "was this distinctive mark which is easy to read, has strong visual impact and unique letterforms, is free of extraneous clutter—and which proudly represents the personality and heritage of Peavey."

The modified mark is an attempt toward standardization of the company's identification, William G. Stocks, executive vice-president, said. "As Peavey has grown and diversified, reaching new markets and areas," he said, "many of our customers not traditionally connected with the company's activities did not readily associate the letters 'PV' and the diamond with the Peavey Company."

Implementation of the graphics transition Mr. Larson said, may take some years to complete, with replace-

ment of the former Peavey identification taking place as conditions warrant.

Peavey Sales & Earnings

Peavey Company announced net earnings of \$11,970,000 or \$3.17 per share on sales of \$361,930,000 for the 9 months ended April 30, 1975. This compared with net earnings of \$12,404,000 or \$3.26 per share on sales of \$385,715,000 for the same 9 months a year ago.

In the third quarter ended April 30, Peavey earned \$3,142,000 or \$.82 per share on sales of \$104,076,000. For the same period a year ago Peavey earned \$3,578,000 or \$.93 per share on sales of \$127,969,000.

"Improved worldwide grain supplies coupled with slow demand for U.S. grain exports during the third quarter resulted in diminished earnings opportunities for our Agricultural Group," said Fritz Corrigan, Peavey President, "however, we have continued to benefit from reduced interest expense and improved performance by our other three Operating Groups."

Corrigan noted that reduced flour prices, resulting from lower wheat costs, were primarily responsible for the reduction in third quarter dollar sales.

**NATIONAL MACARONI WEEK
WILL BE CELEBRATED
OCTOBER 9-18, 1975.**

Multifoods Dividend

International Multifoods has declared a regular quarterly dividend of 34 cents per common share, payable July 15, to shareholders of record as of June 30.

A regular quarterly dividend also was declared on each series of the company's preferred stock.

ADM Dividend

Archer Daniels Midland Co. declared a quarterly dividend of 68 cents a share on the common stock payable May 30 to holders of record May 23. This is ADM's 195th cash dividend and 175th consecutive quarterly payment, representing more than 30 years.

The Tax Man Taketh

Despite the impending tax reductions and cuts, the New York Tax Foundation has figured out that in an average eight-hour day the typical American worker labors one hour, 24 minutes to pay his rent; an hour and one minute to buy his food; and 38 minutes to pay for his transportation. To provide the clothes on his back takes 17 minutes' work, while 23 minutes are required to pay for his medical care. But sure enough, the longest portion of his work day—two hours, 38 minutes—goes for taxes.

CONVENTION PROGRAM

71st ANNUAL MEETING

National Macaroni Manufacturers Association
Del Monte Lodge, Pebble Beach, California

- Monday, July 13**
- Arrivals and Registration in the Library.
 - 9:45 a.m. "In the Grocery Store" Panel discussion of three retailers moderated by Arthur J. Grundberg, Vice President, Education, Super Market Institute.
 - 12:00 noon National Macaroni Institute Committee Luncheon in the Card Room.
 - 2:00 p.m. Board of Directors Meeting, Centre Room.
 - 7:00 p.m. Welcoming Reception in the Pebble Beach Room.
 - 8:00 p.m. Dinner in the Cypress Room.
- Tuesday, July 14**
- First Business Session in the Council Room.
 - 9:00 a.m. Greetings from President Nicholas A. Rossi. Appointments of Convention Committees: Nominations, Audit, Resolutions.
 - 9:30 a.m. "The Importance of Industry Statistics" by Melvin S. Sjerven, Senior Editor, Milling & Baking News.
 - 10:00 a.m. "Government Regulation" by Counselor Louis R. Marchese.
 - 10:30 a.m. "Report of the Director of Research" by James J. Winston.
 - 10:45 a.m. "Progress Report" by Dr. John H. Nelson, Peavey Company Technical Center.
 - 11:00 a.m. "A Look at Quality Assurance, Good Manufacturing Practices" by Dr. Virgil O. Wodicka, Consultant in Food Technology and Quality Assurance. Discussion - Adjournment.
 - 1:00 p.m. Round-Robin Tennis Mixer at the Beach Club.
 - 7:00 p.m. Suppliers' Social at the Beach Club.
 - 8:00 p.m. Italian Dinner Party.
- Wednesday, July 16**
- Third Business Session in the Council Room.
 - 9:00 a.m. "Product Promotion Plans" North Dakota State Wheat Commission, Mel Maier, Administrator.
 - 9:30 a.m. Durum Wheat Institute, Howard Lampman, Executive Director
 - 10:00 a.m. National Macaroni Institute, Elinor Ehrman, Vice President, Theodore R. Sills, Inc.
 - 10:30 a.m. "Consumerism in the Super Market" by Barbara D. Sullivan, National Director for Consumer Affairs, A & P Company. Discussion.
 - 11:00 a.m. Convention Committee Reports—Nominations, Audit, Resolutions. Adjournment. Afternoon free for recreation.
 - 7:00 p.m. Suppliers' Social at the Beach Club.
 - 8:00 p.m. Dinner-Dance.
- Thursday, July 17**
- 9:00 a.m. Board of Directors Meeting in the Centre Room. Adjournment by noon.

Quarterly Durum Report

Growers plan to increase durum wheat acreage as durum is still priced high compared to other spring wheat. The Crop Reporting board on May 1st reported prospective acreage of durum wheat totals 4.3 million acres, 5 percent above last year and 45 percent above 1973 seedings. The indicated acreage is 4 percent below the January, 1975 prospective plantings of 4.5 million acres. Each of the five durum wheat producing states expects to increase planted acreage from 1974 levels. North Dakota growers, who account for 85 percent of the Nation's durum wheat acreage, expect to plant 4 percent more acres. Montana growers plan to increase planted acres by 11 percent and South Dakota growers plan a 2 percent increase over 1974. In North Dakota, by the first of May, virtually no durum wheat was seeded, as cool, wet weather kept farmers out of the fields. Normally, about 10-15 percent has been seeded at that time. Additional moisture created a more favorable outlook with topsoil moisture in North Dakota plentiful to surplus.

Prospective Plantings—1,000 acres			
	1975	1974	1973
Minn.	130	86	60
No. Dak.	3,640	3,500	2,590
So. Dak.	220	215	115
Mont.	300	270	185
Calif.	4	3	2
Total U.S.	4,294	4,074	2,952

Durum Wheat Stocks

On April 1, 1975, stocks in all positions totaled 43.6 million bushels, 14 percent below a year earlier and the smallest for the date since 1962. Farm holdings at 32.1 million bushels were 7 percent below a year ago, and off-farm stocks showed a 30 percent decrease. Disappearance during the January-March quarter is indicated at 24.3 million bushels, compared with 16.8 million for the same quarter a year earlier.

Exports

During the July-March period, U.S. exports of durum wheat totaled 30.0 million bushels. This was only 7 million bushels less than previous year, but 12.7 million bushels less than the same period in 1972-1973. Withdrawal of some large importers, such as U.S.S.R., United Kingdom and Peru,

led to decline in total exports. Canadian exports of durum, July-March, amounted to 38.6 million, 38.7 million the same period a year ago.

Canadian Situation

Durum wheat acreage is expected to increase by 650,000 acres and if acreage intentions are carried out, prairie farmers will plant 3,650,000 acres to this crop compared to 3,000,000 grown in 1974. Canadian durum wheat stocks on May 1 were at 20.3 million bushels. Last year, the visible supply of durum was 28.1 million bushels.

Rapid Planting Progress

Spring wheat and durum farmers in North Dakota made excellent progress in seeding operations in mid-May. Many private estimates were that nearly half of the state's crop was planted in the brief period of hardly more than a week. Thus, after getting under way the latest in the history of record keeping for North Dakota, or since 1950, progress of planting approached normal and, given continuation of good weather, would be completed earlier than normal. Some opinion even was that acreage would be increased from March intentions because farmers like to plant oats and barley earlier than wheat and season was late enough to encourage some shift to wheat.

Egg Supply Adequate

U.S. Department of Agriculture reported that June output may be 6% below year earlier and 8½ less than June 1972-74 average.

The nation's laying flock produced 5,271 million eggs during April, 6% less than in April, 1974, according to the Crop Reporting Board. Layers on farms May 1 totaled 272 million, down 5% from the 287 million a year earlier and 2% below a month earlier. Rate of lay on May 1 averaged 64 eggs per hundred layers, down from 64.7 a year earlier but the same as last month. Egg type chicks hatched during April, 1975 totaled 48.1 million, down 12% from the 54.6 million produced a year ago. Eggs in incubators on May 1 at 44.3 million, were 7% below a year ago.

Grain Scandal Investigation

Following the convictions or guilty pleas of several individuals for violating export grain inspection requirements at the Port of New Orleans, several federal agencies and Congressional committees in addition to the USDA, are now entering into the investigations or planning to hold hearings on this matter. The convictions at New Orleans, a port through which corn and soybeans predominantly move into export markets, were for violating stowage regulations by falsely certifying the cleanliness of ships to receive grain. The individuals convicted were privately employed grain inspectors, although licensed and supervised by the USDA to perform these services. So far, all convictions were related to false certification of the fitness of vessels to receive grain, and not related to the quality grade or weight of the grain. Consequently, numerous allegations have now been made and questions raised in the press about further violations of the U.S. Grain Standards Act. These charges, presently being investigated by the USDA and other investigative agencies, could involve the possible fraudulent certification of the grade and/or weight of export grain shipments. If in the course of the ongoing investigations such alleged violations are substantiated, the USDA indicated this week the additional steps and procedures will be taken to correct immediately any irregularities in export grain inspection practices in order to insure the integrity of the U.S. Grain Standards Act.

Egg Prices Rise

The usual springtime decline in egg prices—so welcomed by bargain-hungry food shoppers and so dreaded by egg farmers—already may have come and gone this year.

In late April, wholesale egg prices were rising again, and retail prices expected to follow suit. Thus, consumers may find egg prices rising in the spring months when they usually fall. And if the predictions of some forecasters come true, prices could drop further later on.

(Continued on page 29)

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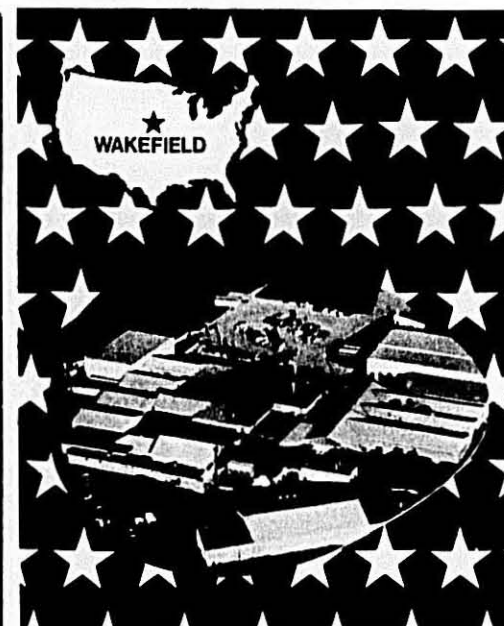
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Egg Prices Rise

(Continued from page 28)

Some analysts think that tighter supplies and higher prices for meat may stimulate consumer demand for eggs, and that this is currently helping push prices up. But others say the main factor is that egg farmers have been cutting back on their flocks in recent months because at times last year they were losing nearly eight cents on each dozen eggs produced.

On April 1, there were 276.7 million hens and pullets of laying age on U.S. farms, down about 5% from a year earlier and the smallest number for that date since detailed record keeping began in 1925. Egg production in the first three months of this year was 16.04 billion eggs, down 4% from the 1974 period.

"The people at our plants tell me that there's good demand for eggs," says a spokesman for one large egg processor. "It's just possible that when prices dropped they went too low. There's maybe an additional advance of a cent or two a dozen in the market soon."

Other analysts think that wholesale prices will level off for a while, then start climbing gradually to a peak in late summer or early fall of 65 cents to 70 cents a dozen, which would be 12 cents to 15 cents higher than yesterday's prices.

Besides improved consumer demand, analysts expect the processors of frozen and dried eggs, who buy and break eggs that are used to make cake mixes and other products, to buy more actively to avoid paying higher prices later. The degree to which those processors follow this strategy in the next several weeks will influence cash-market prices in the near term, analysts say.

Egg Inspection: Some Exemptions

The Agriculture Department has amended egg-product inspection regulations and egg and poultry grading regulations.

Under the amendment, freeze dried products, imitation egg products, egg substitutes and dietary food are exempt from mandatory provisions of the Egg Products Inspection Act. Before the USDA announcement, they had been exempt only in practice.

But all liquid, frozen, or dried eggs used in the preparation of exempt products must be inspected by USDA.

The amendment also will permit producers to sell certain types of eggs at their own retail outlets.

In the voluntary poultry grading regulations, the grade standard for oven-ready raw roasts has been changed to permit the use of up to 8 per cent of pulverized meat. The regulations also permit the exposed portion of oven-ready roasts to be prepared without a skin cover, or to be covered with emulsified rather than whole skin.

Other changes in the regulations cover the proper use of USDA grade shield; nutrient labeling; minimum facility and operating requirements for shell-egg grading and packing plants.

Farm Bill Veto Sustained

The House sustained President Ford's veto of an emergency farm bill.

The vote was 245-182, far short of the 60 per cent majority needed to override.

The bill would have raised target prices and loan rates for wheat, feed grains and cotton. It also raised the support levels for soybeans and milk.

The Administration contended the bill would cost taxpayers \$1.8 billion this year, resulting in higher retail food prices, especially for dairy products.

The bill was designed to protect farmers against financial losses if this year's harvests are plentiful and farm prices fall.

In a statement issued after the vote, Ford lauded the 182 members who voted to sustain his veto for acting "in the best interest of the economy, of the consumer and of farmers themselves."

Social Security Rise

Social Security taxes must be raised to 17% from 11.7½, trustees concluded.

The Ford administration today will forecast that the \$56 billion fund for paying retirement and disability benefits will be exhausted by 1938 without higher payroll levies. It will recommend a long-range increase of 5.3 percentage points, almost double the increase trustees called for a year ago,

in the current combined payroll levies of 11.7% on employers and employees.

Social Security officials believe the financing problem is manageable in the short run by an infusion of money and in the long run by a restructuring of the benefits system.

The Social Security trustees, Secretaries of Labor, Treasury and HEW, predicted nearly a doubling of the system's long-range deficit. They assumed that revenue will be held down by unemployment and by a declining birth rate, and that rising prices will continue to drive up benefits.

FDA Analyzing Data On Food Plant Inspection

The Food and Drug Administration has entered the second phase of what it calls its "super measure-act-measure" project designed to determine effectiveness of FDA's food-plant inspection program.

In May and June, the Federal agency will be tabulating and analyzing data it collected during the first phase of the three-year program.

The study began in May 1974 with a stratified random sample of food from seven commodity groups chosen and inspected, to establish "base line" violation rate for each commodity.

From May until September 1975, firms from the commodity groups—macaroni and noodle products; breakfast cereals; processed grains and starch products; candy, chewing gum and chocolate; spices and salt; and nut products, and cured and processed vegetable products—were inspected.

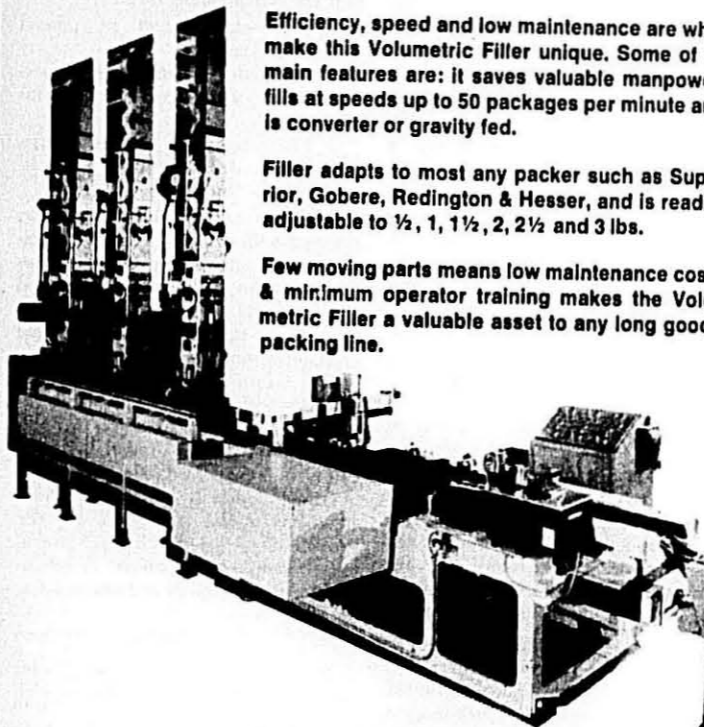
Data from this initial "measure" phase of the project are being computerized for statistical and evaluation. According to FDA, over 200 firms were visited and inspected during the four-month "measure" period.

Almost 300 sanitation samples were collected; over 500 samples were collected for aflatoxin examination and over 100 samples of pickle products were sampled for pH analysis.

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Wheat Quality versus Wheat Grade

by Robert J. Bruning,
International Multifoods

Whenever there is a meeting of people working in industry or government associated with cereal grains, the topic of grain grade versus end product quality generally stimulates some interesting discussion.

I should like to explain briefly the history of the wheat grading system and its use in the marketing of wheat and the relationship of wheat grade to the raw materials used by the pasta manufacturers in this country.

Wheat being one of the all time human foods came to this country with the early colonies. It was first grown on North American soil in the early 1600's. As the early settlers moved West, the growing of wheat naturally moved with them. In 1839 the first agricultural census was taken and the total wheat crop that year was 85 million bushels. About half of this was produced on either side of the Allegheny Mountains. The next ten years, to 1849, showed little change in either total production or growing location. The next decade, 1849-1859, however, produced a significant shift in the wheat producing area. The states of Illinois, Wisconsin and Indiana became the leading producers and for the first time wheat was grown in the far West of California and the Southern plains of Texas. In 1859 the total crop harvested was approximately 173 million bushels which was nearly double that of the first recorded crop of 1839. It was during the next decade that the Central plains were established as the permanent and primary source of wheat in the United States.

By 1910 wheat farming was the principal agriculture in Kansas, Nebraska, North and South Dakota, Montana, Idaho, Eastern Washington and Oregon. As the market place for most of this grain was in the populous areas of the East, a need soon developed for a commercial language to express the class, quality and condition of individual lots of grains, so that buyers and sellers at separate points in the country could trade without examining the grain itself or without an exchange of samples.

USDA to the Rescue

Different grain trade organizations instituted their own system of grading; however, there was no universal system whereby all trading organizations used one system. In 1901, the United States Department of Agriculture came to the rescue. It organized a study group to investigate the various commercial grain standards and how these standards were applied to the marketing of wheat at that time. In 1916 the politicians finally finished their work, and the United States Grain Standards Act was passed. In part the Act provides for:

1. The establishment of official grain standards.
2. The Federal licensing and supervision of the work of grain inspectors.
3. The entertaining of appeals from the grades assigned by the licensed inspectors.

The Secretary of Agriculture was charged with responsibility of investigating and establishing Federal standards for the most commonly traded grains. Under this Act, there are current official standards for most cereal grains, including durum.

The Grain Standards Act further provides that all grain shipped in interstate or foreign commerce be officially inspected and graded before it can be merchandised. The enactment of these federally controlled grain standards is the foundation for the present day efficient, although somewhat complicated, wheat merchandising, transportation and storage systems.

Chart Below

The chart shows the various grades and grade requirements for durum

Durum Wheat—Numerical grades; Sample grade shall be wheat which does not meet requirements for any of the grades from No. 1 to No. 5, inclusive.

Grade	Minimum Test Weight Per Bushel (lbs.)	Heat-Damaged Kernels	Damaged Kernels (total)	Foreign Material	Wheat of Other Classes (total)	Shrunken Kernels
1	60	0.1%	2.0%	0.5%	3.0%	3.0%
2	58	0.2	4.0	1.0	5.0	5.0
3	56	0.5	7.0	2.0	10.0	10.0
4	54	1.0	10.0	3.0	10.0	12.0
5	51	3.0	15.0	5.0	10.0	20.0

wheat. The extreme left hand column lists the U.S. grades #1 through #5 plus sample grade. The other columns list maximum amounts of defects allowable for each grade classification. Let's examine at this time the minimum requirements which must be met for a sample of durum wheat grade U.S. #1. In the first column, must have a bushel weight of at least 60 pounds. Of the various defects, more than 1% can be heat damaged kernels. In total, not more than 2% of the kernels can be damaged. There would include fungus damage and sprout damage. Foreign material allowed up to .5%. Shrunken and broken kernels are allowed up to 3.0%. The aggregate of these four defects cannot exceed 3.0%. In addition to this, there can be a maximum of 1% other grains such as corn and wheat of other classes up to 3.0%. You will note as the grade number changes, the amounts of these defects also change.

No Quality Factors

A close examination of this data reveals that factors effecting the quality of semolina are not to be found. No provision is made for semolina color, granulation, speckiness or cooking quality. These grading factors relate only to the physical characteristics of the grain itself. They do not relate to spaghetti making quality of durum wheat, or bread baking quality of hard wheat. The 1972 durum crop produced excellent color Semolina and durum flour. This crop had 5% grade 2HAD or better. By contrast the 1974 crop, one of the poorest in semolina color, had 78% grade 2HAD or better. Hardly a significant difference.

Attempts have been made in the past to incorporate end product quality factors into wheat grades. The most classic example of this occurred in 1963 and was identified as the Zeleny Amendment. This amendment

required that wheat earmarked for government loan be subjected to a sedimentation test which was supposed to be a measure of gluten quality relating directly to bread making quality. To make a long story short, the test proved unreliable and the amendment was repealed.

One important thing, however, was learned from this exercise, and that is that future attempts at establishing end product quality factors in wheat grades would require the approval of more than one segment of the industry, before they would be adapted.

One more point I should like to make regarding the responsibility of the grain inspection program, is that provisions have been made for the government to monitor items of filth, poisonous chemicals, and any other factor which would render the grain unfit for human use.

Canadian International Grains Institute in Winnipeg

On April 30, 1971, the telex machine started humming. The first words appeared . . . "Request for quotation for a proposed mill installation for a Canadian Grains Institute to be located in the new Canadian Grain Commission Building." By the time the machine shut off, Buhler had 42 inches of message. The telex also stated that the building was already under construction, so the installation of some of the mill equipment would have to be coordinated with the building schedule.

The mill would be utilized for the following purposes in order of decreasing priority:

To teach the principles of commercial flour and semolina milling.

To make available a demonstration mill in Canada as a technical service to buyers of Canadian wheat.

On request, to investigate milling problems experienced in foreign countries using Canadian wheat.

To study new varieties of Canadian wheat on a commercial scale prior to licensing for commercial production, if necessary.

General specifications and other information:

1. The mill capacity must not exceed 8 tons (2200 lbs.) per 24 hours, and should be as low as possible but still meet requirement No. 2.

2. The design and operation of the mill must be as close as possible to a commercial mill; commercial machines (rolls, sifters, purifiers, etc.) must be used.

3. The mill must be designed so that it can be fitted into the space available on the 11th and 12th floors of the new Canadian Grain Commission Building, now under construction.

4. The mill should be adaptable for milling straight grade flour and semolina.

5. The operation of the mill should be completely automated and controlled from a remote control panel. All products would be transferred by a pneumatic system.

Instructional Facility

The telex went on with specifications and conditions. For those readers not familiar with it, the Canadian International Grains Institute is a newly created instructional facility for the World grain industry, located in Winnipeg, Manitoba. The institute has 20,000 square feet (about 1900 m²) of space in the new Canadian Grain Commission Building, including classrooms, conference rooms, library, laboratories and pilot bakery besides the flour mill.

The Institute works in affiliation with the Canadian Wheat Board, Canadian Grain Commission and various departments of the government of Canada and works closely in day to day operations with all segments of Canada's Grain Industry.

The Institute offers courses in grain marketing, handling and technology to existing and potential customers of Canadian grains and oil seeds, Canadian trade commissioners, Canadian grain industry personnel and Canadian farm leaders.

The general offices and classrooms are located on the 10th floor. On the 11th floor are the milling laboratory, grading area, flour and dough testing laboratory, pilot bakery, analytical laboratory, oilseeds laboratory and the flour mill.

A mill with commercial machinery located on the 11th floor of an office

building raises questions such as how to bring wheat to the mill, what shall be done with finished products, how to solve the noise problem, how to filter the air and keep an adequate supply of air to the mill. Successful solutions had to be found and implemented.

Wheat to the 12th Floor

The wheat is pneumatically conveyed to two raw wheat bins located on the 12th floor. The grain hopper is located in the parking lot behind the building. Since the wheat is already pre-cleaned, only a milling grain separator and a vertical scourer with outlet aspirator are installed. A cold tempering in two steps is used for the wheat preparation.

The mill itself with three roller-mills, one sifter and one purifier, is divided into 4 breaks and 8 middling passages. Two flour bins and one feed bin are located adjacent to the mill in a separate room for the finished product. There, the direct packing and weighing are done. The packed bags are put on pallets and then transferred either to the bakery or to user through the freight elevator. From there, they are loaded onto the trucks.

Durum System Similar

For durum grinding, the same system is used. The cleaned semolina, instead of going to the first midds roll, is brought to one of the flour bins, whereas the clear flour is brought into the second flour bin.

The rolls are equipped with a water-operated cooling system. With the same system, hot water can be pumped through the rolls to warm them up, thereby reducing the time required to bring the mill on grade.

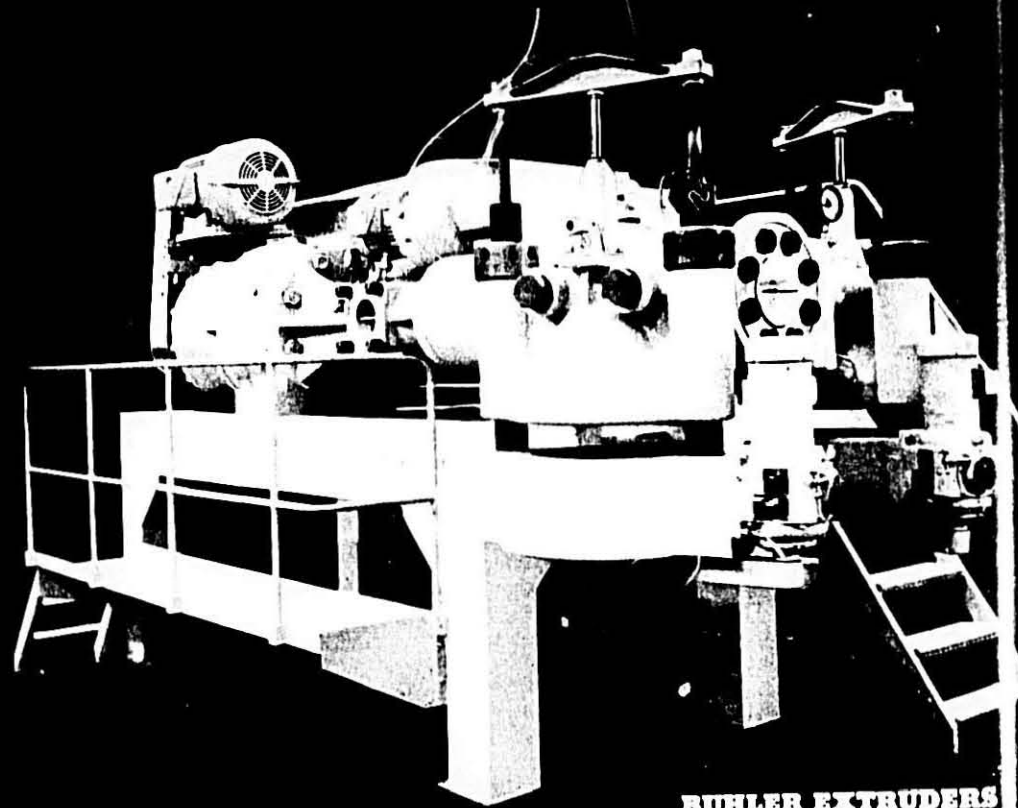
Good Results

The results with hard wheat agree with those obtained by commercial flour mills in regard to yield and ash. With durum, however, the semolina yield is less, as the mill does not have any sizings and only two purifier passages. Typical results of the sacked products were:

61% semolina with 0.6 to 0.68% ash
16% flour with 1.07 to 1.24% ash
23% bran and shorts

This pilot mill is the dream installation of every miller or anyone associated with the grain industry.

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- **Drive guards** are open at bottom so dust falls through and accumulates.
- **One-piece mixing trough** has smooth rounded corners for easy cleaning, no place where dough can lodge.
- **Unique trough design** virtually eliminates product hangup on mixer walls.
- **Outboard bearings** on mixer shafts absolutely prevent any product contamination by lubricant.

Finest Quality Product

- **Efficient vacuum** completely de-aerates product.
- **All processing elements** are of proven design, properly sized and balanced to rated capacity.

Several Models Available

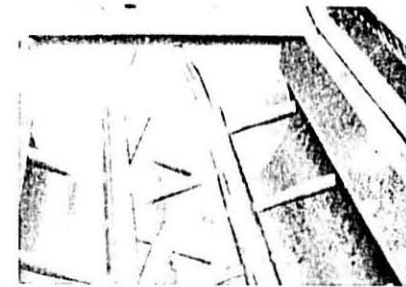
Model	Lbs./hr. Capacity
Single Screw	660-1,320
Double Screw	1,320-2,640
Single Screw	1,000-2,000
Double Screw	2,000-4,000
Single Screw	2,000-4,000
Double Screw	4,000-8,000
Four Screw	8,000-16,000

U.S. Plant Drives

All motors, sprockets, chains and electrical controls are standard components readily available throughout the U.S.

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6010

Details on the new Buhler extruders and other Macaroni Equipment Call us or write BUHLER-MIAG, INC., 8900 Lyndale Ave. S., Minneapolis, Minn. 55426 (612) 545-1491 Eastern Sales Office: 1000 Sylvan Ave., Englewood Cliffs, New Jersey 07632 (201) 871-1000
BUHLER-MIAG (Canada) LTD., Don Mills, Ontario (416) 443-6310



Mixing trough is one-piece design with smooth rounded corners. Unique shape prevents product hangup on mixer walls.



Bearings of mixer shafts are completely separate from product area. Shafts may be replaced without need for special tools or equipment. Product contamination is thus completely eliminated.



Process and product quality reflect the clean, well-maintained equipment. Buhler-Miag's sanitary extruders produce macaroni that is consistently high quality. All parts are made of stainless steel, ensuring long life.

Complete Macaroni Plants by

BUHLER-MIAG

Hershey Views on Important Issues

Hershey Foods Corporation is the parent company of San Giorgio and Delmonico Macaroni. In the 1974 Annual Report, Mr. Harold S. Mohler, Chairman of the Board and President, expresses the corporate viewpoint on some important issues:

Nutritional Labeling

Within the past two years we introduced nutritional labeling on several chocolate and confectionery products as well as fortified products in the pasta division. The program initiated in the pasta division involved a mandatory requirement of the Food and Drug Administration. Our decision in the Chocolate and Confectionery Division was strictly voluntary. We firmly believe that it is a most appropriate course of action to provide consumers with nutritional information regarding our products.

Children's Advertising

We are quite sensitive to the developments related to children's advertising, whether they spring from the Federal Trade Commission, industry, self-regulating organizations or other sources. All of our commercials are reviewed and approved by individuals representing various disciplines within the Corporation. Additionally, we have retained outside expertise in the area of measuring the impact of advertising on children to ensure that our commercials are neither false nor misleading nor have the potential to be misunderstood by children.

We are, as a corporation, committed to advertising our products to all market segments, including children; and we realize that we have an even greater responsibility when we direct commercials to children.

Food Advertising

The Federal Trade Commission recently proposed a regulation which would require food advertisers to comply with certain procedures when referencing the nutritional value of the advertised product.

The medium of television has received credit for being the most powerful communications mode; thus, we have experienced an attempt to control the types of messages a food ad-



Harold S. Mohler

vertiser can use on the air. The mechanisms the FTC would require advertisers to follow leave serious doubt as to whether they will, in fact, achieve the program objectives.

We believe nutritional education will demand a total communications approach. This includes commercials, labeling, point of purchase materials, and other educational tools. To concentrate on advertising alone is not enough.

We are hopeful that a position acceptable both to the FTC and the food industry can be realized in the near future. Otherwise, there could exist the potential for misconception and misunderstanding relative to the role of nutrition in the diet, as well as other factors related to why people consume foods.

Product Safety

We believe the single most important issue confronting food manufacturers today as they prepare long-range programs involves the ability of a company such as Hershey to provide consumers with a safe product, free from health hazards to the maximum extent possible, while simultaneously ensuring that traditional quality is maintained.

In the recent Congress, legislation was introduced to require manufacturers to meet certain specifications. We believe that food processors know their industry best and should develop safety procedures and programs to ensure the quality and safety of their products. We would concede that the Food and Drug Administra-

tion should have the responsibility to monitor the programs that we as manufacturers would develop. Hopefully, the Congress will realize the logic of this procedure.

For some time this Corporation has had self-certification programs in effect at the chocolate and confectionery plant in Oakdale and the San Giorgio plant in Lebanon. Accepted by the Food and Drug Administration Assurance Program, our own programs involve, to a degree, self-regulating activities. They are based upon adherence to a set quality assurance specifications satisfactory to both the FDA and Hershey. They require reporting to the FDA all deviations from those specifications at the plants. We are now about to include the Reese plant in the self-certification procedure.

Currently, a format has been devised by our scientific affairs, financial and government relations departments to develop a more sophisticated procedure in connection with a second generation of the FDA's self-certification program. We thereby hope to ensure that Hershey is among the leaders in the food industry on safety and health matters.

Energy & the Environment

The Corporation has a basic responsibility to comply with all government regulations. In recent years, we have seen much activity in the area of environmental affairs. Fortunately, our approach has been professional and we have not only kept abreast of these regulations but also have developed programs to ensure that we are in compliance before legislation that we adhere to certain specifications.

We are concerned about the availability of energy in this country. Several regulations on air pollution were written prior to the current energy shortage. We constantly monitor these factors to ensure that we can operate our facilities while complying with governmental requirements.

More Regulations

Perhaps every manager in a corporation our size feels that the regulations and requirements of government complicate the decision-making process. We must concede, however,

that much legislation directed to industry results from voids in the competitive marketplace and the necessity of ensuring that products are manufactured and marketed with safety, quality and fairness in mind.

Unfortunately, in the development of these regulations and requirements, the cost are not adequately evaluated. We would like to see economic impact statements required in the future so that consumers can more fully appreciate both the developmental and pass-through costs of new programs.

Government Relations

Hershey believes a close working relationship with the government is necessary to maintain our position of leadership in our industry. We maintain a sensitivity to trends in the legislative field that may impact on our business. When appropriate, we furnish information and data which is helpful in establishing reasonable laws and regulations.

The Company has introduced manufacturing programs, labeling declarations and other procedures in accordance with the date required for compliance by the government. Although it is not our intent to be the pioneer in every endeavor, we do plan for the adoption of programs required by public sector.

Johnson Elected

Dr. Ogden C. Johnson, vice president, Scientific Affairs, for Hershey Foods Corporation, has been elected to the Board of Directors of Leeds & Athrup Company, a worldwide manufacturer of electronic instruments and process control systems headquartered in North Wales, Pa. Dr. Johnson directs quality assurance, and laboratory activities for the Chocolate Confectionery Division, in addition to coordinating similar functions for the corporation's subsidiaries. He has been with the company since early 1974.

For four years prior to joining Hershey Foods, he served with the Department of Health, Education & Welfare as Director of the Office of Nutrition and Consumer Affairs in the Food & Drug Administration. During his tenure with the Federal Government he was also as-

sociated with the National Institute of Health where he held various high-level posts.

Speak Up, Businessman

If the food industry is to survive as a profitable enterprise, then the time to draw the line against Government interference is fast approaching, Clarence G. Adamy told the Western Association of Food Chains convention.

"Ask yourself how much freedom and flexibility your company has today as compared with five years ago. How much of your company's manpower and financial resources are committed solely to compliance with Federal, State and local laws? How fast can your firms move today in accordance with competitive instinct and practice?"

"Where does one draw the line between good government in the public interest and strangulation of private enterprise? I suggest we will soon have to draw that line."

Activists Scored

He criticized consumer activists who insist on attacking "phantom excess profits" in an effort to reduce food prices, adding that the Government takes much the same attitude. "The Government will spend millions of dollars on hearings, investigations, studies and commissions to learn what we have said all along—that there simply is no villain," Adamy said.

The greatest potential for stabilizing food prices is increased productivity, he noted, and the electronic front end can be a means to that end, but government threatens to interfere in that area as well. "The development of a shelf pricing system beyond criticism will inevitably emerge, but genuine experimentation cannot continue if State or Federal legislation prohibits it."

Professional consumerism has a place in this country, he said, but it must have "intelligent cooperation" from business to avoid extremes. Since electronic frontends will not be in common use for approximately 10 years, the industry has enough time to perfect the system and adjust it to human needs.

In an ironic aside, Adamy noted that, with food prices declining, the

heat is off the industry regarding the price issue for awhile. "But it is always amusing, in a grim sort of way, to ponder how the alleged oligopoly simply doesn't work right when prices go down, but is vigilant and well-greased when prices go up."

Echoing that thought in another convention session, Bud Semrau, northern California division vice president for Albertson's, warned retailers that the errors of one are often regarded by the public as the sins of all.

"If the public suspects one company, they suspect us all," Semrau said. "And if the Government suspects one company, it inspects us all."

Needed Qualities

In another session, Michael J. O'Connor, president, Super Market Institute, listed qualities he believes retailers ought to have if they hope to be successful:

- "The ability to be memorably different."
- Good internal financial controls.
- Good employee relations. "This is supposed to be a big, impersonal business," O'Connor noted, "but it's not so impersonal that people do not make a difference."
- Good customer relations. "You know more about customers than all the consumer activists and editorial writers combined, so don't let yourself be pushed around."
- Good community relations. "These relationships are not always what they should be, because people don't trust institutions. You've got to budget for community relations and do it for the right reasons."
- Good facilities, including equipment and buildings. "Some companies allow their facilities to deteriorate and don't develop new ones because they don't want to get caught in a financial crunch. But if you hold that posture for too long, major surgery may be necessary, as A&P is finding out."
- Consistency. "People hate change, yet society demands it. So you've got to maintain a delicate balance of maintaining consistency while changing."
- Curiosity. "You can't be a good merchant without being curious. No computer can wonder or dream about how to do a job better—only you can."

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Ambrette Dough Sheet Former with teflon slot die for 20" sheet, 1000 lb./hr. Die-support stand and connecting tubes. Excellent condition. Call or write A. G. DeFalice, U.S. Macaroni Co., East 601 Pacific, Spokane, Wash. 99202, (509) 747-2085.

Horace P. Gioia Dead

Horace P. Gioia, 60, president of Bravo Macaroni Company, Rochester, New York, died of cancer May 24.

A lifelong Rochester resident, Mr. Gioia headed the family-owned business, which also included two fruit farms in Kendall and Hilton operated in partnership with his three brothers.

Mr. Gioia was active in many civic and community groups. He had served on the boards of Central Trust Company, Genesee Hospital, Center for Government Research, Community Chest, Catholic Youth Organization, Otetiana Council of the Boy Scouts of America, and Hanover Houses.

From 1953 to 1963 he was a member of the Rochester Zoning Board of Appeals, serving as chairman for two years.

He was president of the National Macaroni Manufacturers Association from 1958 to 1960, and served on the



Horace P. Gioia

board for a long period prior to that. He had a keen interest in durum relations and frequently attended the Durum Show in Langdon, North Dakota.

Besides his wife, Concetta, Mr. Gioia is survived by three brothers, Anthony, Joseph, and Alfonso Jr.; two sisters, Mrs. Josephine Ambrette and Mrs. Amo Piccoli; and four sons, Alfonso II, Horace Jr., Nicholas and Peter.

At the U.S. Chamber

Dr. Richard L. Leshar is the new President of the Chamber of Commerce of the United States, Washington, D.C. He was previously President and Chief Executive Officer of the National Center for Resource Recovery and former Assistant Administrator of technology utilization for the National Aeronautics and Space Administration. Dr. Leshar replaces Arch N. Booth, who is retiring after 32 years of service with the chamber.



Arch N. Booth

Mr. Booth will remain in the Washington area and plans a new career as a writer, lecturer, and commentator on national affairs and issues.

Ron Kennedy Retires

Ron Kennedy retired as vice president of public affairs for the Peavey Company on May 31. He had been associated with Peavey since 1958. Prior to that he was executive director of American Heritage Foundation, New York, executive vice president of the Minneapolis Grain Exchange and secretary of the Northwest Commercial Elevator Association.

During his 18 years with Peavey he has been an active member and officer in a number of community organizations in Minneapolis. He has been president of the Minneapolis Rotary.

While in retirement, Mr. Kennedy and his wife, Juanita, will maintain their residence in Jonathan, which is part of Chaska, Minnesota.

Consumer Commentary

Today's super market shopper is frustrated and angry.

• She is more dissatisfied with shopping than ever before. Based on a sample of 3,291 questionnaires, the main grievance is food costs (84% followed in order by product shortages (47%) and food quality (38%).

• In her predicament, she is attempting to control her spending by altering her shopping patterns and her family's eating style. This she is doing in a variety of ways.

• Even the shopper who describes her shopping as "more satisfied" (17%) is concerned, and she is changing her buying habits.

• She is much less satisfied than before with her life as a housewife and a woman, and is increasingly troubled by much of what she is seeing happening in the country.

• In her outlook for the future, both for herself and the world at large, her feelings waver between "fearful" and "hopeful."

This new mood of the supermarket shopper, and her changing behavior, are analyzed in a recent issue of "Today's Super Market Shopper" conducted by Family Circle Magazine.

THE MACARONI JOURNAL



Packaging is more than a Box

When it comes to pasta, the choices are many... macaroni, spaghetti, vermicelli, lasagna, ziti, farfalle - and numerous more.

But when it comes to packaging, Diamond International is your logical choice. Diamond packaging

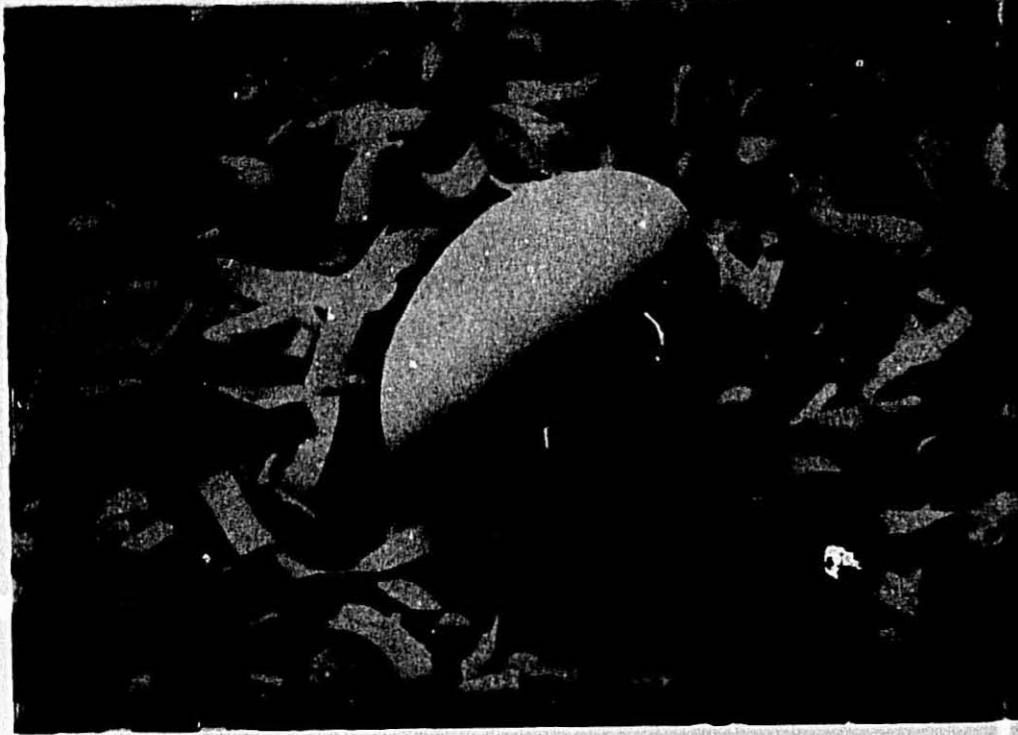
is designed to provide your product with creative folding cartons, plus labels, streamers shelf-talkers and point-of-sale displays... Diamond can be your one-stop, one-source for packaging and merchandising aids.

We're in the middle of it all!



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**Okay.
Who put egg in the noodles?**



Sal Maritato did.

So now when you buy Multifoods' new noodle mix called "Duregg" — all you add is water.

We've gone ahead and added the egg solids to Multifoods' top-quality durum flour.

A number of our customers have already ordered "Duregg" in hefty lots.

Here are a few reasons why you should:

- Duregg eliminates time-consuming, in-plant blending of flour and egg solids with expensive machinery.
- Duregg is ready when you need it. No thawing,

less chance of contamination, and less time and mess.

- Duregg eliminates the need to re-freeze unused egg.
 - Duregg assures a consistent blend.
 - Duregg eliminates the necessity to inventory two ingredients. Storage and record keeping is reduced.
 - Duregg simplifies delivery. Now it's one source — Multifoods.
 - Duregg lowers your manpower requirements.
- Enough said. Order your Duregg with a phone call.

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