

**THE
MACARONI
JOURNAL**

**Volume 65
No. 4**

August, 1983

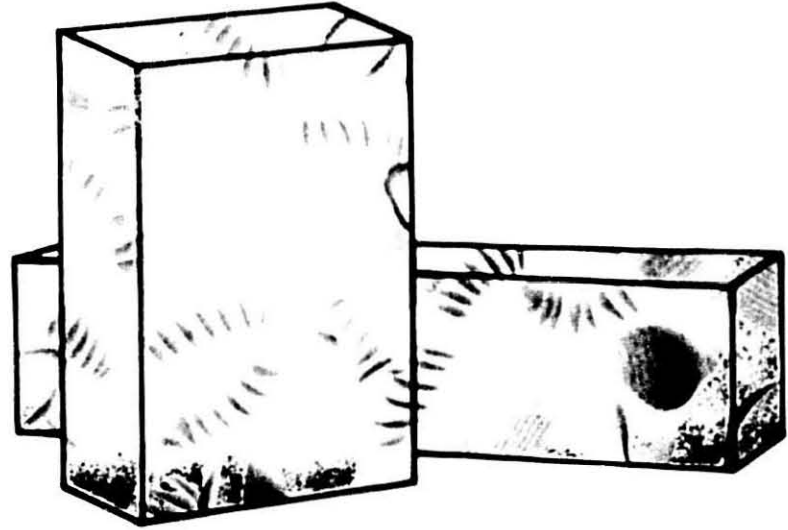
Macaroni Journal

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The

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Officers

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Association Holds Press Conference—Writes President Reagan

Chairman Joseph P. Viviano has written President Ronald Reagan to take immediate and strong action to remedy the European Economic Community's unfair export subsidies on pasta, which have been found to violate international law and which have injured U.S. pasta producers.

A press release explains: More than a year and a half ago the United States pasta industry challenged the unfair competition from Italian imports by filing an official complaint with the U.S. Trade Representative, who then asked that a panel of the General Agreement on Tariffs and Trade consider the complaint. The panel's recent vote supported the U.S. industry's position by a three to one vote.

The final GATT decision is made by what is known as the Subsidies Code Committee, which is comprised of representatives from nations which are signatories to the subsidies code of multilateral trade agreements. The subsidies code is an international agreement which establishes what type of assistance is proper or improper for signatory nations to bestow upon the export industries. The committee reviews the panel's recommendations and decides whether to accept them, reject them, or take no action.

On June 9, in Geneva, the Subsidies Code Committee met to discuss the panel's recommendations. No vote was taken. A number of countries expressed support for our position and a number of countries opposed it. Discussions will continue in July and, in the interim, there will be bilateral discussions between the U.S. and the EEC.

If the Subsidies Code Committee adopts the GATT panel report, then the EEC must eliminate the pasta subsidy or face GATT-authorized countermeasures. According to Joseph P. Viviano, Chairman of the National Pasta Association, "If the Subsidies Code Committee rejects the panel's report, or takes no action on it, then we believe quite firmly that the U.S. Government must be prepared to act against the subsidy program."

Section 301 of the Trade Act of 1974 authorizes the President of the United States to take appropriate ac-



Joseph P. Viviano

tion, including imposing duties or other import restrictions, on the products of a foreign country violating trade agreements. We believe that such action by the President, if needed, would be a positive step toward ensuring that a competitive American industry remains healthy.

Since 1975, the European Economic Community (EEC) has been subsidizing Italian pasta under its Common Agricultural Policy. This is a farm policy applied by the member governments of the EEC. Under it, EEC spends about \$6 billion a year to subsidize agricultural products. Of that, about \$300 million a year goes toward products processed from agricultural products.

While international law prohibits the subsidization of processed products, the EEC attempted to justify its subsidies of Italian pasta on the basis that it is an agricultural product — namely durum wheat. The subsidies of agricultural products are not strictly prohibited.

The subsidy on Italian pasta has ranged from three cents a pound to 12 cents a pound. It is now 10 cents a pound.

When the subsidy began in 1975, Italy exported about 10 million pounds of pasta to the United States. In each year since, there has been an increase — with the most dramatic growth from 1980 (26.7 million pounds) to 1981 (41.8 million pounds). In 1982,

some 53 million pounds were imported to the U.S. from Italy, and projections are that it will be 60 million pounds in 1983.

The Italian imports have increased because of the EEC subsidy at prices that are as much as 20 percent less (at the wholesale level) and 15 percent less (at the retail level) than domestic pasta. American brands average 69-75 cents per pound, while the subsidized Italian pasta sells for between 49-59 cents per lb.

Washington Press Conference

Burson-Marsteller's Washington Office working closely with Collier, Shannon, Rill and Scott law firm, handled the press conference held at the American Harvest Restaurant in the Vista Hotel in Washington, DC at 10:00 a.m. on June 14.

NPA Chairman Joseph Viviano and NPA President Joe Lichtenberg addressed the press on the continuing growth of subsidized Italian imports. Viviano commented on the strong support of the GATT panel which voted three to one in behalf of the U.S. pasta industry's position. He went on to update the press on the subsequent meeting of the Subsidies Code Committee on Thursday, June 9 in Geneva to discuss the panel's recommendations. Such discussions will continue in July. Viviano pointed out that if the Subsidies Code Committee rejects the panels' report or takes no action on it, then the U.S. pasta manufacturers believe the U.S. Government must be prepared to act against the subsidy program. To this end, the press was given a copy of a letter from Viviano to President Reagan urging immediate and strong action to remedy the EEC subsidies of pasta and bring relief to pasta producers.

A good press turnout attended the Conference, including Associated Press, Associated Press-Radio, SIA, Los Angeles Times, Reuter's Newspapers, Cable News Service, National Public Radio. Telephone interviews were given to specific press outlets including the States-News (servicing such prestigious papers as the New York Times), the Thompson News Bureau (servicing small-town

press persons nationwide), ABC News and others.

In introducing Viviano, Joe Lichtenberg called attention to the verifiability of American pasta — and the marketing pasta snacks which were served with coffee to the press — including Bacon-Noodle Waffle Strips, Caviar Pesto-Cheese Shells, Deep-fried Egg Noodles, and Blueberry Bantans.

Press kits included a copy of the letter to the President, a general release, a background on the pasta industry, two pasta recipe leaflets and recipes for the four snacks served. Complete press kits were messengered to all press unable to attend the conference in person.

The Italian Position

Milling & Baking News reports that the Unione Industrial Pastai Italiani in Rome in an effort to refute the complaint of the National Pasta Association of the U.S. against the E.C. under Section 301 of the General Agreement on Tariffs and Trade. The Italian organization's statement describes the subsidization claimed by the U.S. industry as "not subsidization but a reimbursement for the amount of the agricultural withdrawal on imported durum." In other words it is not acknowledged that pasta is imported from Italy as a processed commodity, but as durum.

With reference to prices on the Italian imports, they state: "The reaction of American pasta manufacturers with regard to price levels maintained by Italian exporters is indefensible if it refers to supposed subsidies favored or directly determined by the amount of the reimbursements. In fact, they merely compensate the difference in raw material cost which can be easily deduced from the difference in frank mill prices of durum wheat in the two countries."

An argument is presented that the increase in Italian pasta imports in the U.S. is related to quality. The statement says: "The recent progressive evolution of Italian pasta should be attributed to its appreciation by consumers who recognize that the quality of Italian pasta corresponds to its image: It is known, in fact, that most American manufacturers utilize mixtures of hard and soft wheat which, aside from lowering costs (and therefore rendering even

more unfounded the accusation of unfair competition), have a negative effect on its resilience during cooking, a fact noted by consumers and reflected by their response."

The Italian group also suggests that the importation of pasta into the U.S. from Canada "is much more important than importation from Italy."

It is cautioned that in comparing prices, the differences in marketing systems should be taken into consideration. It is claimed, "Frequent promotions, such as 'three for a dollar', by local manufacturers, in fact, make the famous national brands available to consumers at prices even lower than those of Italian pasta as they are not burdened by high promotional, advertising and distribution costs."

Canadian Gallup Poll

The Canadian Pasta Manufacturers Association has just conducted a Gallup Poll Analysis. Highlights:

Frequency of Serving: More than half of all Canadians (55%) eat pasta at least once per week, on average.

- About one-quarter of all Canadians (27%) eat pasta once per month or less.
- Quebecers are by far the greatest pasta eaters, with three quarters (73%) of them eating pasta at least once a week.
- Older people (aged 50+) are less likely to eat pasta than younger people. Only 38% of Canadians aged 50 and over eat pasta once per week or more frequently, compared to 65% aged 18 to 49. Also, almost one quarter (23%) aged 50 and over eat pasta less frequently than once per month, compared to only 6% aged 18-49.
- Men are somewhat more enthusiastic pasta eaters than women, as 59% of men eat pasta at least once per week, compared to 52% of women.
- Canadians with high school education or more are greater eaters of pasta than Canadians who do not have a high school diploma.
- Low-income (under \$10,000 per year) and high income (\$30,000 per year or more) Canadians eat more pasta than middle income (\$10,000 to \$29,999 per year) Canadians.
- Canadians who have French as their mother tongue eat more

pasta than other Canadians; those with English as their mother tongue eat more pasta than Canadians with a third mother tongue (neither English nor French).

Pasta is non-fattening. One-half of all Canadians disagree with this statement, one-quarter disagree strongly. Only 30% agree.

- Residents of Quebec and British Columbia are more likely to agree with this statement, although even in these locations a majority still disagree.
- The strongest disagreement comes from Ontarians.
- Women are slightly more likely to disagree than men.
- Canadians with French as their mother tongue are more likely to agree with this statement than are other Canadians, although more disagree than agree (46% vs. 35%).

Pasta is economical. The vast majority of Canadians (87%) agree with this statement, more than half (53%) agreed strongly.

- Residents of British Columbia are particularly supportive of this statement; residents of the Atlantic Provinces slightly less supportive.
- Women and Canadians aged 18-29 are slightly more supportive of this statement than men and Canadians aged 30 and older.

Pasta is versatile. Three-quarters of all Canadians agree with this statement, 40% agree strongly. One in seven Canadians disagree.

Pasta is nutritious. A large majority (70%) of Canadians agree with this statement, 35% agree strongly. Only 13% disagree.

Pasta is easy and quick to prepare. Canadians are virtually unanimous across all categories in their agreement (92%).

Conclusions. There is still a high level of ignorance about the caloric content of pasta, indicating a need for continued education on this topic. Fortunately, there is also a substantial level of indecisions on this question, suggesting that people are open to persuasion.

- An area with potential for increasing pasta consumption is in the over-50 and third language mother tongue market. The data suggest that the greatest educational challenge lies in smaller communities.

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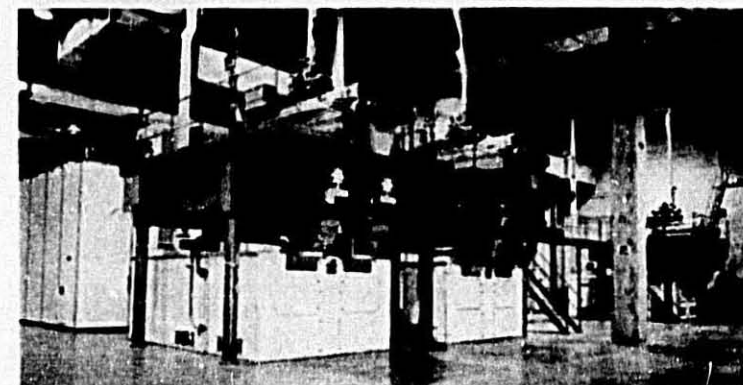
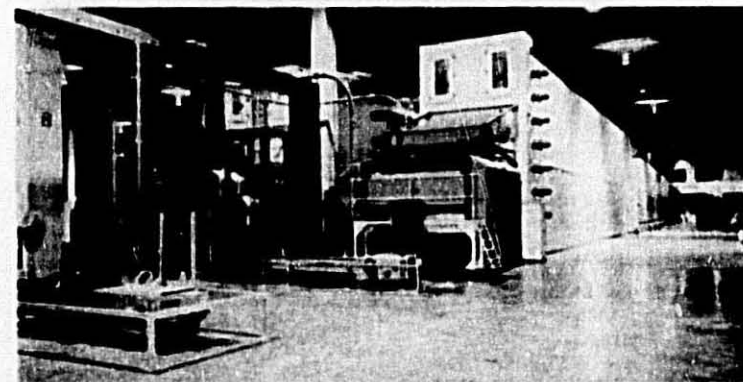
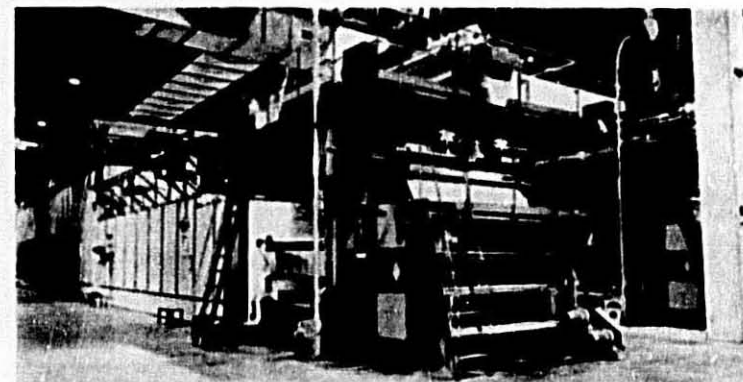
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- 1 in FINLAND
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- 1 in GREECE
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AUGUST, 1983

Airline Articles Publicize Fresh Pasta

Ann Pleshette, Redbook food editor, writes a portrait sketch of Marcella and Victor Hazan, whom she calls "American Masters of the New Italian Renaissance — educating a sophisticated generation of family chefs and wine lovers in the classical arts of la buona cucina." It appeared in the April issue of United Airlines in-flight magazine.

Victor and Marcella Hazan are a couple most often credited with changing the image of Italian food in America, and perhaps American tastes as well. Having grown up on the limited, pseudo-Neapolitan menus served in every town's requisite yet romantic Italian restaurant, America is now following a culinary pied-piper away from overspiced tomato sauce, shrimp scampi, and leaden lasagna. Marcella Hazan's message is simple: There is no such thing as "Italian cooking," a label that hardly does justice to Italy's rich and varied regions. Rather than try to master what she calls Italy's "six thousand basic recipes," Marcella's disciples are taught to experiment with, understand, and above all, enjoy Italian food — from the simplest plate of pasta to a more time-consuming osso buco.

Favorable Response

Hazan's approach to cooking has hit a responsive chord. Her cookbooks, *The Classic Italian Cook Book* and *More Classic Italian Cooking*, are best-sellers. The Hazans' cooking school, a week-long intensive course held in Bologna, Italy, and booked months in advance, has been so successful in attracting tourists and publicity that the city built them a \$100,000 teaching kitchen. And Bloomingdale's in New York City expanded its delicacies department to include Marcella Hazan's Italian Kitchen, a food boutique featuring sauces, selected Italian imports, and fresh pasta with the Hazan imprint.

Bloomingdale's interest perhaps best testifies to just how far Victor and Marcella have come in spreading the gospel of Italian cooking. To add cachet to its cannelloni, the store chose Marcella Hazan's name — because in the world of food, Hazan is to pasta what Calvin is to jeans. But should anyone accuse the Hazans of selling their family secrets, Victor is quick to point out that only the pasta carries Marcella's name.

Move to New York

Marcella Hazan remembers: "When we moved to New York, I was terrified — not of cooking—but the refrigerator! It was a monster. And the supermarket—enormous! I had never seen a supermarket, and I could not read English."

At that time Marcella had a job at the Guggenheim Institute for Dental Research at New York University. But when their son, Giuliano, was born, she stopped working and occupied her free time with classes in modern art, flower arranging, and Chinese cooking with Grace Zia Chu, to whom Marcella's first book is dedicated. "You know, Grace Chu used to be a teacher of physical education. She had the strength, the power, to catch the attention of students."

But actually it was Marcella who caught the attention of her fellow classmates. "They asked me questions about Italian cooking—what we were eating at home," she relates. "Then they wanted me to teach them about Italian food. I was a little surprised, because I had not been cooking very long. But I agreed, and that's how my classes got started — six people, six classes, once a week."

Victor recalls coming home from work one day to have Marcella report — more or less in passing—that someone from the *New York Times* had called to ask about her classes.

"What was his name?" asked Victor.

"I don't know—Cliben, Clay . . ."

"Claiborne?" Victor interjected.

"Yes," Marcella replied.

"What did you tell him?"

"I invited him to lunch."

Craig Claiborne enjoyed his lunch immensely and said so in the *New York Times*. The phone started ringing the next day. Marcella Hazan career was launched.

Cooking School in Bologna

The cooking school in Bologna is an outgrowth of Marcella's New York cooking classes.

"Our objective with the Bologna class was different from New York," Victor explains. "We thought about how wonderful it would be to have a chance to show students what Mar-

cella was talking about—to take the experience how we live and why we eat the way we do. In Bologna, we're introducing people to Italian life through food and wine. It's much more than a cooking school. It's Italian culture through gastronomy and wine. Food brings together people. Wine brings together people. We have students from all kinds of backgrounds who become instantly harmonious with each other."

And the school in Bologna is indeed a family affair. Victor lectures on wine during breaks in Marcella's cooking classes and during meals, while son Giuliano acts as guide when the group treks off to tour a Parmesan cheese factory or to taste a local bottling at a nearby vineyard.

The teamwork that contributes to the success of the cooking school comes into play in Marcella Hazan's other projects. Although she refuses to hand out recipes ("You must learn to feel how much is right"), her books are characterized by easy-to-follow, dependable instructions. "Victor is the one who forces me to make my recipes precise," Marcella says.

But after more than a decade of teaching, writing, traveling, lecturing, and promoting, the Hazans view the future with an eye toward winding down, perhaps by moving to Venice, where they recently bought a house.

Pass the Pasta, Please!

Carol DiGrappa writes in *United Airlines Magazine*:

On Sundays when I was a kid, my aunts Rosina, Luchia, Clara and Carolina would gather to make pasta. Fresca, fatt'a mano, fresh pasta made by hand.

On the stove there was a pot of salsa di pomodoro. The ragu of fresh tomatoes, garlic, and basil, flavored with fennel and stewing meat, completed a first course of pasta for 30. How the room would quiet down as platters were passed around. After prayers and a raising of glasses, my grandfather would smile, nod, and wink, with a gesture that turned his finger in a pasta-puffed cheek (meaning "It's good!"). As soon as I finished,

(Continued on page 10)

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Pass the Pasta, Please

(Continued from page 8)

my plate was refilled with hearty urges to "Mangia! Mangia!"

Health Food Boom

The recent health-food boom has undoubtedly helped spread the good word on pasta as an alternative to meat. Medical studies have found a lower incidence of cancer and heart disease among Italian-Americans whose diet is high in pasta, as compared to their neighbors who eat mostly meat and potatoes. And pasta's complex carbohydrates will keep your energy level higher longer on fewer calories than the protein and fat of even a lean hamburger. There is 13 percent more protein in pasta than in potatoes, and pasta supplies all the phosphorus, calcium, niacin, thiamine, riboflavin, iron, and potassium recommended for U.S. daily adult allowances. It's also low in sodium, and contains only 1.4 percent fat. Some nutritionists even consider pasta a diet food. An average serving of four ounces contains only 210 calories.

Sauce

It goes without saying that pasta without sauce would be a dull dish. Besides the salsa di pomodoro that was such a strong part of my childhood, there are several other basic sauces. Pesto is a puree of fresh basil and pine nuts; salsa alla bolognese is a ragu, or red sauce with meat; aglio e olio is simply garlic and olive oil; salsa alla romana and all'alfredo include cream, butter, and cheese; salsa primavera (springtime) combines several fresh vegetables.

Choosing the right pasta to go with a particular sauce (or vice versa) can enhance your enjoyment of the dish; for example, macaroni such as conciniglie will catch the meat in a salsa bolognese, while noodles such as fettuccine should be coated with something like a smooth sauce all'alfredo.

Cooking

Cooking pasta for four requires a pot with four quarts of water, four teaspoons of salt, and two teaspoons of oil. When the water begins a rolling boil, add the pasta and stir gently. After a few minutes, test for the firm, chewy al dente stage. Fresh fettuccine will be done in one to three minutes; commercial spaghetti requires about seven to eight minutes. Every batch or brand will cook differently, depending on climatic conditions and water.

Most people drain pasta in a colander and toss it with sauce in a bowl to coat and separate the noodles. But there is another method to treat delicate handmade pasta more gingerly: On the back of the stove, keep a big bowl containing a stick of softened butter or some olive oil waiting for the pasta. Use a fork or slotted spoon to lift the pasta out of the water, let it drain, then place it in the bowl. With wooden spoons, toss the pasta with the oil or butter. This separates it and locks in moisture. At this point, for hot pasta, add half the sauce and some freshly ground pepper; toss again and serve with the remaining sauce. For a cold dish, refrigerate the oiled pasta until you're ready to serve.

Don't Rinse

Don't make the mistake of rinsing pasta. Cold water might stop the cooking and wash away excess starch, but it also produces a soft, gummy mess.

A freshly grated mixture of Parmigiano, Romano, and Asiago cheeses is delicious sprinkled over pasta at the table. The prepackaged, pregrated cheeses are tasteless by comparison. The best Parmigiano is Reggiano, the finest Romano is Pecorino, and both are superior when made in Italy by Locatelli. Asiago is traditionally from the province of Vicenza, but the domestic Stella and Frigo brands are preferable.

Home Pasta Machines Being Distributed

One million pasta machines will be distributed for only \$5.00 a piece in a mammoth publicity drive being conducted by the Pasta Publicity Center, Box 1235, Westbury, New York 11595.

A recipient of the mailing in North Dakota sent us a copy which says: "Your name has been selected by computer as one of 1 million persons eligible to receive a new 1983 model imported pasta-making machine for only \$5 as part of a nationwide publicity campaign."

"If you assist us by completing our survey and returning the response form before June 17, 1983, the Pasta Publicity Center will give you this brand new (1983 model) imported pasta making machine for only \$5. Each pasta machine carries a full one-year guarantee and will be replaced by the company, free of charge, if it ever fails to function." The survey has a column to check as "My

Favorite Pasta is: Ronzoni, Ettore Prince, Goodman, De Bokes, D. Cecco, San Giorgio, Spigadaro, list Other."

Then they ask where the consumer buys it: Supermarket, Grocery Store, Gourmet Shop, Mail Order.

Gourmet Guru

A *Gourmet Guru* talks about specialty selling on page 99 of the June Progressive Grocer Magazine.

Giorgio DeLuca and Joel Dean run a 2,800-sq.-ft. store in New York's SoHo district. They say: "You can't afford to miss pasta — it's become a staple and it's a good way to lead into other Italian products. It is not necessary for supers to make fresh pasta on the premises. It is too labor intensive. They offer a fresh-frozen product which can be thawed and merchandised as "fresh". "I'd also have a dry pasta section on shelves nearby the fresh", says DeLuca.

He would use the pasta section as a launching pad for new products.

Canadian Press Luncheon

Canadian Pasta Manufacturers Association sponsored a press luncheon in Toronto in April.

Luncheon invitations in spring colors of green and yellow attached with green ribbon to a ziti containing fresh daisy were hand delivered to key media in Toronto and followed up by direct contact.

Luncheon was attended by 27 media from the Toronto area. Pre-kits were mailed to those who could not attend. Comments from those who attended was excellent.

Pasta Premiums

L. M. International Group Inc., 225 Fifth Avenue, New York, New York 10001, (212) 683-3430, are offering a three-piece pasta kit with a pasta finish. Included: covered pasta storage can, cheese shaker and pasta portion measure. They are seamless, rustproof and suited for being customized with company logo or name.

Background Material: "Pasta Portfolio" — 28-page booklet containing: Manufacture of Macaroni Products; Directions for Cooking The Many Shapes of Macaroni; Guide to Buying; Etiquette of Spaghetti Eating; Macaroni Legends. This booklet sells for 50¢ each shipped f.o.b. Palatine, Illinois.



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1983 Food Industry Personnel Demand and Salary Levels

Skilled, experienced supermarket managers, food plant supervisors, and sales representatives are the three groups of professionals currently most highly prized by employers in the nation's multi-\$ billion food industry.

Brisk demand for these and other "hands-on" line personnel within the labor-intensive U.S. food industry has elevated median 1983 salaries by an average of some 10 percent over year-ago levels. These are among the major findings of a just-completed nationwide survey of more than 900 major employers and 30,000 job candidates engaged in processing, marketing, and merchandising the nation's food, on which U.S. consumers spend more than 19 percent of their average annual income.

The survey, which involved companies of every size in every major U.S. market, was conducted by Roth Young Personnel Service, Inc., a coast-to-coast leader in food industry personnel recruitment and placement.

According to David Roth, President of Roth Young, whose headquarters are in New York, the recruitment focus in 1983 is on finding experienced, proven food industry personnel "who can hit the ground running." Indeed, Roth says, the emphasis on hands-on experience has never been greater, as food companies strive to increase efficiency and productivity.

Supermarket Managers Much Sought-After

In the supermarket sector of the industry, managers with proven leadership skills lead the demand spiral nationally, with median salaries of \$30,650 in '83. They are followed closely by warehousing supervisors (\$24,700 annual U.S. median salaries), grocery buyers (\$32,350), and deli-bakery supervisors (\$30,150). Other high-demand supermarket-sector personnel, and their current median U.S. salaries, include zone managers (\$40,750), wholesale/retail counselors (\$27,400), store development managers (\$31,600), industrial engineers (\$32,500), field merchandisers (\$26,750), and convenience-store operations managers (\$36,750).

Plant Supervisors in Strong Demand

Manufacturing plant supervisors who can keep production lines oper-

ating smoothly are at the top of the demand list in the \$300 billion food processing industry. With 2-5 years of experience (the level employers consider ideal in terms of skills combined with reasonable salary expectations), plant supervisors are earning a median \$24,750 nationally.

Other high-demand food manufacturing personnel, and their median national '83 salaries, include maintenance engineers (\$28,300), production managers (\$30,550), quality control engineers (\$27,100), junior food technologists (\$23,250), plant engineers (\$33,450), plant managers (\$51,900), quality control supervisors (\$24,600), sanitation supervisors (\$22,550), and project engineers (\$33,000).

Food Sales Reps Continue in Healthy Demand

In the vast, complex area of food sales and marketing, "hands-on" line sales representatives with 1-2 years of experience remain in solid demand throughout the nation, earning median U.S. '83 salaries of \$19,800. Among those with greater experience, a healthy demand exists for key-account sales reps (\$25,300 median '83 U.S. salaries), national-account sales managers (\$40,650), regional sales managers (\$36,700), district sales managers (\$28,100), area/zone sales managers (\$43,250), product/brand marketing managers (\$39,600), division sales managers (\$48,700), assistant brand marketing managers (\$31,450), and national sales managers (\$54,900).

A detailed copy of the complete survey findings, which covers 1983 U.S. food industry salaries and salary ranges for 148 individual job categories, is available free of charge from Roth Young, 43 West 42nd St., New York, NY 10036.

Safety Top Priority At Pillsbury

The American government is built on a system of checks and balances. When it comes to product safety, The Pillsbury Company is also built on a system of checks and balances.

"In the manufacturing of food products not everything is done in one specific area and by only one person," said Howard Bauman, vice president, Science and Regulatory Affairs. "It's a total team effort. You could say there are a lot of cogs in our

wheels. That's our system of checks and balances."

Mr. Bauman defines product safety as "the procedure by which we control the ingredients, the process, the personnel and the packaging so when consumers buy Pillsbury products they're assured the products are safe and wholesome."

Safeguards Guarantee Safety

In the pasta production process, for example, all incoming ingredients from suppliers are thoroughly inspected before production begins. Quality Assurance staff closely tracks points of possible contamination. The most crucial point in pasta production is the mixing operation—where water is added to the durum wheat mix. Before the pasta reaches the consumer it is retested. These safeguards help guarantee the safety as well as the quality of the product.

Jolvon Stein, vice president, Quality Assurance, takes Mr. Bauman's definition one step further. Meeting various federal and state government regulations, he said, is another aspect of product safety. All food manufacturing procedures must comply with the Food and Drug Administration (FDA) and the United States Department of Agriculture (USDA) regulations. The most stringent regulations come in the area of dairy products where individual states set up their own labeling standards. Federal law states that a food product must be packaged to prevent contamination that could cause illness.

Ten Point Program

The foundation for assuring safe, wholesome and legally compliant products is established and outlined in Pillsbury's Ten Point Safety Program. The program was initiated over 10 years ago by former Pillsbury Chairman and Chief Executive Officer, Robert J. Keith. He made product safety a top priority at Pillsbury.

The 10-point program begins with product specification and ends with incident reporting. Product specification insures that each product has a written and approved set of specifications describing all quality and safety procedures involved in product production and distribution of each product. Incident reporting involves the communication of all regulatory agency activity as well as any product safety failure at a Pillsbury plant facility.

You're someone special...

Our customers are very special. You deserve our best efforts to provide you with the kind of consistent quality that assures you a successful product. Without question, the finest durum flour and semolina are produced from durum wheat raised in North Dakota. From quality durum wheat, we produce Durakota No. 1 Semolina, Perfecto Durum Granular and Excello Fancy Durum Patent Flour. You're someone special, and you deserve the best!

The durum people



NORTH DAKOTA MILL
Grand Forks, North Dakota 58201

Pillsbury Safety Program

(Continued from page 12)

The 10-point program also includes mechanisms to guarantee manufacture of a safe, wholesome and tasty product. One mechanism is the Physical Systems Hazard Control system, which is designed to prevent foreign materials from entering products.

"Hazard controls is where you identify in advance critical points where something could go wrong," said Mr. Stein. "You identify them in your process and you establish a monitoring system to prevent mishaps from occurring."

The number of hazard control points differ with each product.

The product safety office headed by Mr. Bauman, augments the 10-point program. The "office" is a committee whose members include representatives from Quality Assurance, Operations and Engineering. Its purpose is to approve all aspects of the manufacturing process for every Pillsbury product.

The safety and quality of a Pillsbury product has been a company tradition since Charles Pillsbury founded the company over a century ago. Pillsbury has always been committed to providing its customers with safe foods and protecting the food from contamination.

"We're constantly looking at ways to make improvements in our production process," said Mr. Bauman. "Our first priority is that we produce a safe product. The second priority is quality. Fortunately, they go hand in hand."

Perhaps Mr. Stein stated the Pillsbury philosophy best when he said, "It's a basic requirement for being in the food business. If a food company can't deliver safe food they have no right to be in the business and probably won't be for long. Safety is an absolute minimum requirement. Pillsbury products meet this requirement. In addition, they deliver high quality and good price value."

Wholesalers Had a Mixed Year

Most wholesalers reported sales and tonnage gains last year but the performance in gross margins and net profits was less than satisfactory.

These were just a few conclusions reached in Progressive Grocers' 50th annual report on the grocery industry.

presented at the NAWGA convention by Edgar Walzer, the magazine's editor in chief and publisher.

The study, whose participants account for more than 50% of wholesale sales, found that the wholesale sector had a sales gain of 5.6% last year, outperforming the 4.6% increase chalked up by the retail sector. Voluntary groups in the \$100 million-plus category had a rise of 10.2% in revenues.

Tonnage Increase

Tonnage increased among 63% of those surveyed. But increases in gross margin percentages were reported by only 41%, while just more than one-third of those surveyed had gains in net profits.

Just about half of the wholesalers in the survey increased the number of items carried, and 47% increased the number of turns.

Walzer noted that about 30% of wholesalers had added warehouse space last year and 31% expect to expand facilities this year. But among the larger firms, the percentage of expansion plans increased. For example, of wholesalers doing over \$100 million per year, nearly half plan to build.

In wholesale operations, the study found that employee turnover decreased among 53% of those responding but remain the same for 40%. Warehouse pilferage declined among about one-quarter but remained the same at 61% of the wholesalers.

Backhaul Progress

Backhaul progressed last year, with about one-third of the wholesalers reporting over 20% of their tonnage in backhaul. Another third reported backhaul at under 10% of tonnage, and a third were in the 10-19% category.

Wholesalers also progressed in serving chains, the report stated, being the primary suppliers for eight of 10 stores owned by small chains (20 or fewer stores). Wholesalers also were the principal suppliers for one of every 10 stores belonging to the largest chains.

According to the study, Walzer said, wholesalers supply an estimated 20% of all chain supermarkets in the country.

In labor costs, about 58% of wholesalers expect them to go up as a percentage of sales, compared with 19% who anticipate a decline. About 38%

look for some increase in gross margins, while 23% expect a decline.

There are several major problems as perceived by both wholesaler and chains, but to slightly different degrees. Energy costs are seen as a major problem by both sectors but more so among chains (67% vs. 5%). Almost 50% of the chains see labor costs as a major problem, compared with 36% for wholesalers. Productivity gains are viewed as a major problem among chains, and 30% among wholesalers.

In the retail sector, as noted, sales were ahead 4.6%, which the report called the smallest annual gain since 1966.

Although store construction was slow, the survey found a net gain of some 270 markets, bringing the total number of stores to 28,950, accounting for total sales of \$180.7 billion.

RHM Shows Gain

Pre-tax profits of Ranks Hovis McDougall P.L.C. in the six months ended March 5 increased 23% over the same period of the preceding year. External sales in the half year gained 1%.

Summarizing the six-month operations, P. W. J. Reynolds, chairman of RHM, said:

"Profits from our flour milling, grocery and packaged cake businesses increased significantly, and there was an encouraging increase from the agricultural division.

"The substantial trading losses of British Bakeries continue and the overseas division, while achieving creditable performances, was slow the high levels of last year as a result primarily of severe competition in the U.S."

Snack-pack Eggs

Chemically sealed cooked eggs that don't need refrigeration crack the market, in-snack-counter six packs and vending-machine two-packs. The maker, Milton G. Waldbaum Co., Wakefield, NE, calls the product Eggs to Go. For Independence Day the shells came in red, white and blue.

Processed Egg Prices

U.S.D.A. reports nest run eggs ranged from \$12.30 to \$14.10 in June. Dried whole eggs \$1.77 to \$2.02; dried yolks \$1.97 to \$2.27.



From left to right: Mr. Salvatore Di Cecco, Mrs. Laura Ricciorelli, Mr. Mario Ricciorelli, Mr. Aldo Ricciorelli, Mrs. Mirco Di Cecco, Mr. Alessandro Di Cecco.

C. F. Mueller Company — American Success Story

The Frenchman Zerega brought spaghetti and vermicelli to the United States, but it was German immigrants who brought a German dish — noodles, pasta with egg added — to America some fifty years before the Italians came over in full force.

Christian Frederick Mueller was one of those German immigrants. He came from the Black Forest area with his wife in 1866 when he was 26 years old. Born in Nagold, the young man had gone to school until he was 14. He then learned to be a baker.

He came to America to work. And he did work. Slowly but surely he built up his door-to-door trade selling baked goods made in the kitchen of his home. At the time, North Jersey had a large German population. Before long, Frederick realized that his fellow countrymen, although very fond of his pastry, were also very fond of egg noodles, and he soon decided to abandon his bakery trade to concentrate on the noodles. He followed the same pattern — making the noodles at home, then selling them direct house to house in a pushcart. He was producer, salesman and delivery man all in one.

Mueller's egg noodles became so well known that by 1870, flour was being bought by the barrel instead of the bag, the pushcart replaced by a horse and wagon.

First Factory

Fifteen years later, the company's first factory was leased to keep pace with the ever-increasing demand for Mueller's egg noodles.

In 1890, still larger manufacturing facilities were needed, and the company moved again, this time to its first company-built plant on Boyd Avenue in Jersey City. Here, for the first time, machines were used. The dough was no longer kneaded by hand but by a dough mixer. The rolling pin gave way to huge machines with stainless steel rollers which performed the same function, only better, producing a more uniform thickness of dough.

Until 1894, the company made only egg noodles. In that year Mr. Mueller again made a decision. He added macaroni to his line. The decision turned



Christian Frederick Mueller

out to a good one. From the beginning, sales warranted a daily output of 500 pounds of macaroni. Shortly afterwards Mueller's began manufacturing spaghetti as well.

The popularity of all three products continued to grow. In 1915 the company built the largest and most advanced macaroni plant in the country. Distribution was expanded gradually along the east coast from Maine to Florida and as far west as Indiana. Christian Frederick Mueller's standards, to produce the highest quality products possible, have been rigorously maintained by his successors.

Association Activity

His son C. F. Mueller, Jr. was elected the fourth president of the National Macaroni Manufacturers Association at the one-day meeting held in St. Louis May 17, 1910. He was to serve for six years.

It was noted that the use of durum flour and semolina was then becoming widespread, and the durum millers evidenced their first interest in the industry that was using so much of their output of these products.

Early in Mr. Mueller's administration the "egg noodle law" was a topic of general concern. The first anti-coloring law of the land, passed by Ohio in February, 1912, was approved as a basis for a federal law on the matter.

In 1913 the matter of cooperative advertising came up, and it was agreed to start an "educational publicity campaign." The campaign did not materialize, because the Executive Committee failed to agree on a fair working basis. Consumption was then estimated at about two pounds per capita. The subject came up again in 1914, but a resolution was passed advising against it, because of the outbreak of World War I.

When the war started the United States was importing about 160 million pounds of pasta products annually. Most of this originated in Italy and landed in New York City. Records show that for a number of years preceding this date, practically the same amount of product came in from abroad. It is evident, therefore, that a large amount of consumption was supplied from this source.

Flood of Imports

The price of pasta was controlled entirely by the amount of the number of shipments arriving. Every time a boat arrived from Italy in New York City, auctions of bulk macaroni products were held at the piers, and the price dropped accordingly. Milling rate the time was 50¢ for a 22-kilobox (22 pounds). Few domestic plants could compete with this flood of imported product. The American manufacturers could not purchase the raw materials at such a price, neither did they have the kind of equipment to meet this kind of competition. Furthermore, practically all foreign ma-



Henry Mueller

THE MACARONI JOURNAL

... sold in this country was canary yellow ... color due to the use of artificial color. And labels were laden with gold medals which the pure food laws did not permit domestic manufacturers to use. However, in 1915, when Italy joined the allies, importation of macaroni products ceased abruptly. There was created an enormous demand for domestic product. Every American plant was enlarged, old mixers and presses brought back from the junk pile and put to work, but soon the macaroni manufacturer began to experience some difficulties, particularly with the price and availability of his raw material.

By 1917, when the United States entered the war, the government through the food administration restricted the use of wheat with a "Save the Wheat" program. By 1918 pasta manufacturers were required to reduce their use of wheat products to 70 percent of pre-war capacity, and they were encouraged to make up the difference by the use of substitutes. Some manufacturers suffered considerable losses due to their use of wheat substitutes, for which there was no previous experience. But by and large the end of Italian imports made the industry grow up overnight.

Association After the War

James T. Williams of the Creamette Company, Minneapolis, was elected Association president in 1917. Through his efforts he made the industry become conscious of the fact that cooperative efforts did pay dividends. In 1919 the Association employed Modesto John Donna, Braidwood, Illinois, as paid editor of the Macaroni Journal and full-time secretary and treasurer for the Association. In the same year the Association launched its first advertising campaign. \$50,000 was subscribed and expended in an effort made by the industry to have the government enforce the pure food laws, standards, and labeling requirements. In 1920, the Association established its laboratory in Washington, DC and retained Benjamin R. Jacobs of the Bureau of Chemistry of the Department of Agriculture to enforce a self-policing program for the industry in checking labels, ingredients, and for artificial color. The Washington office was also instrumental in having the tariff on macaroni products increased to 2¢ per pound. The requirements for egg noodles were

also changed from whole eggs to 5.5 percent egg solids from either whole eggs or egg yolks.

Trade abuses were a concern, and recommendations were made to the Federal Trade Commission for a set of trade practice rules. Dissension and misunderstanding within the industry resulted in a lower attendance at the convention in 1921, and Christian Frederick Mueller was brought back as President. Unfortunately, he died six months later in December, 1921, and Mr. B. F. Huestis of Huron Milling Company, Harbor Beach, Michigan, served the balance of the term.

Henry Mueller Elected

At the next convention Mr. Mueller's son Henry was elected president to serve for the next six years.

During his administration a uniform system of cost-accounting was adapted for pasta operations, a new plan of Association financing, based on production, was developed, and the Association elected to offer a trophy of the best sample of durum wheat during the year.

In 1923 the convention voted to join the "Eat More Wheat" movement. A committee was appointed to work on increasing consumption of macaroni products. A slogan was sought but not agreed upon. Resolutions were adopted favoring the compilation of industry statistics, the elimination of artificial coloring, and the opposition to free merchandise deals.



C. Frederick Mueller

In 1924 an Association of bulk macaroni manufacturers was formed. They began their own publication, "The Macaroni Manufacturer", but gave it up after a year and were brought back into the fold by President Henry Mueller.

Henry Mueller died in 1946, leaving two daughters, a brother and a sister, nephew C. Fred Mueller, and a business worth \$3 1/2 million.

New York University

The following year a group of alumni of New York University law school, led by H. Edward Toner who practiced law with a firm called Toner, Crowley, Woelper, and Vanderbilt, approached Arthur T. Vanderbilt, then the law school's dean, and convinced him that the shares of the Mueller firm might be available for purchase at promising terms. Moreover, the entire sum could be conveniently borrowed for this purpose from the Prudential Insurance Co. of America. The deal was consummated, and a new institution, the Law Center Foundation, was created to receive distribution from Mueller and dispense them to the law school. In the process Mr. Toner was made president of the C. F. Mueller Company.

Fred Mueller, in his early forties, having served apprenticeship by working in a grocery store and as advertising manager for the Mueller Company, became executive vice president. At this time there were about 379 dif-



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C. F. Mueller Company
(Continued from page 16)

ferent brands of macaroni products to be found on retail store shelves, but Mueller's familiar red, white, and blue packages were on the shelves of 33 percent of all food stores throughout the country. The nearest competitor's brand figured in only 19 percent of the stores.

Packaged Product

Almost singlehandedly the C. F. Mueller Company had established macaroni products as a basic staple of the everyday American diet. When other macaroni manufacturers were hand-rolling their product in paper packages similar to those then used for imports, Mueller was the first to break out of the traditional pattern, to adopt a machine-formed and closed "cracker box", almost as soon as complete machinery for this then revolutionary package became available. The company concentrated solely on its own brand name and a single package design.

At a time when macaroni makers in common with the majority of food product producers were local businesses relying on the economies of distribution to keep them competitive, Mueller was the first to realize that economies of large scale mechanized packaging would help a company in its field to break the pattern of local distribution and thus to grow.

The company ran the first advertising campaign in its industry, starting with car cards in 1919, and by 1920, it had become one of the most consistent advertisers in the grocery field. Media changed through the years, but Mueller's advertising and promotional efforts never slackened. Emphasis was switched gradually to radio, beginning in the days when broadcasting was young, and other macaroni advertising heard on the air was that on a few foreign language programs. When T.V. came along, Mueller was first in its field as one of the first commercial sponsors of scheduled television.

The leadership in packaging efficiency, established in 1907, was never allowed to slip from the Mueller grasp. The original "cracker box" type of package was replaced by automatically filled and weighed upright window cartons for noodles and short macaroni types as part of a thorough-going program of machine and pack-



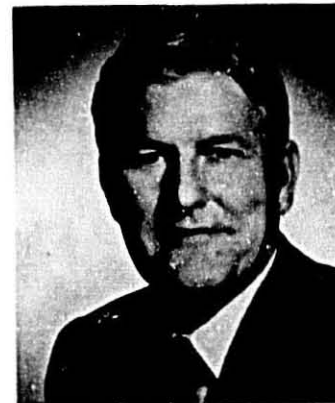
H. Edward Toner

age modernization begun immediately after World War II. One outcome of this post war program was the establishment of a unit packaging labor cost estimated to be as much as 50 percent less than that of the most efficient competitor on some items, although Mueller absorbed substantial hourly wage increases during this period.

Along with their foresight in technology they developed an excellent sales organization and achieved blanket distribution on the eastern seaboard west to Michigan.

Fred Mueller President

In 1950, when Fred Mueller was elected President of the National Macaroni Manufacturers Association, the newly incorporated National Macaroni Institute for product promotion was just two years old. He worked



Lester R. Thurston, Jr.

closely with Ted Sills, the professional publicist, and the committee which carried out the responsibilities of making for the new Macaroni Institute. At the 1950 convention he declared: "As individual manufacturers, we are responsible for three major things: (1) to establish and maintain the finest quality of which we are capable; (2) to produce at the lowest possible cost; (3) establish a price which will ensure our future and provide for the promotion of our own brands."

In June, 1950 the U.S. Tax Court in Washington ruled that the Mueller Company . . . "is not a corporation engaged in the educational institution, but a wholly separate corporation which has its own day-to-day activity, the operation of a macaroni business for profit." It pointed out that tax exemption in this case could "have a vicious effect upon non-exempt competitors because of the exempt corporation . . . might be able to undercut its competitors as a result of the tax advantage." Mueller had been paying taxes, continued to pay taxes, and Mr. Toner became more active in the company. In 1971 Fred Mueller took early retirement.

Toner Elected to Board

Mr. Toner was elected to the Board of Directors of the National Macaroni Manufacturers Association in 1961 and was elected a vice president in 1972. He was an enthusiastic supporter of industry product promotion.

From 1962-1975 Mr. Toner served as an industry trustee of the Food and Drug Law Institute. As a member of the Grocery Manufacturers of America, he was for several years GMA-FDA Food processors Council member.

Early in 1970 Mr. Toner announced the appointment of Lester R. Thurston, Jr. as vice president assistant to the president. Mr. Thurston then 47 years old, formerly president of Pennsylvania Dutch Meats, Harrisburg, PA, and had been associated with the macaroni industry since 1950 when he was married to Nancy, the oldest daughter of (Jack) Wolf, President of Pennsylvania Dutch Meats, before acquisition of the firm by Thomas J. Lipton, Inc. in 1965. Megs Macaroni became plant No. 17 in the Lipton organization, and Mr. Thurston was transferred to corporate headquarters in Englewood Cliffs, New Jersey, where he was named

C. F. Mueller Company
(Continued from page 20)

director of sales, Continental division. He was there three years. C. W. (Jack) Wolfe served as the 18th president of the National Macaroni Manufacturers Association during the war years 1941-48, the longest consecutive term in industry history. In appreciation for his leadership in Washington and for his development of good feeling among competitors, members contributed to give him a canary yellow Buick convertible at the convention held at French Lick, Indiana, in 1948.

Thurston Elected

Mr. Thurston was elected to the Board of Directors of the National Macaroni Manufacturers Association upon the death of H. E. Toner and quickly worked through the chairs to become the 35th president in 1980. His two major efforts in that year were to have a professional consultant assist the executive committee in developing a strategic five-year plan and changing the name of the organization to the National Pasta Association. The other achievement was enlarging the participation in the International Durum Forum to stress the importance of the domestic industry to the durum growers by having a top drawer audiovisual presentation on Association activities and promoting pasta by naming "tinot, North Dakota, Pastaville, USA."

President of New York University the academic year 1970-71 announced a deficit of almost \$7 million and declared that the financial situation was critical. The crisis eased in 1973 when the University Heights campus was moved to Bronx Community College. In 1976 the University and the Law School agreed to sell the Mueller Company to Foremost-McKesson for \$11 million.

Pac Info '83

"Packaging in the Computer Age". The Conference in the Big Apple, October 4-6, Statler Hotel, New York City

New Member

Weinberg Bros. & Co., egg products distributors, 889 St. Charles Dr., Thousand Oaks, CA 91360, have joined the National Pasta Association.

The Family in Business

by Frank M. Butrick, Akron, Ohio
PART XIV — Semi-Retirement: Winters in Florida and Summers Helping Your Son

You look ahead and can see it. Savor it, play with it in your mind's eye: just a few more years, and you can begin to take it easy. Not to stop working, of course — you would not know what to do with yourself. But just to cut back a bit. Maybe you have already found that those long hours are not absolutely necessary — if you still keep at them, it is mostly habit — and maybe partly because spending the evenings with your wife is somehow boring and disillusioning.

But the really gratifying aspect is your satisfaction with your son. The last few years have seen him come to full stature, a man now (though you will always think of him as your boy), the father of children — your grandchildren, the continuation of your life. He is a man now, a man who has gradually lifted much of the load off your shoulders — perhaps most of the load, when you think about it. It goes without saying that you are proud of him, thinking about him, remembering when he was just a kid, when you brought him down to see the shop for the first time. It doesn't seem so long ago; he certainly did grow up fast. And now he is ready to take over and run your business.

Well, not quite ready; he still needs more experience and that fine sense of judgment which a few more years should bring him. He is well, maybe a bit too sure of himself, a bit too impatient, willing to take risks which make you uncomfortable, especially his eagerness to take on long-term financing for faster growth. He does not always listen to what you tell him of the old days, and the truths you learned, either. And, of course, he still does not always do things just as you would do them — sometimes not even what you tell him to. But he is ready; you could have stayed home today. He would have run the place perfectly well; maybe he would not even have missed you. Probably it is best to bypass that thought.

But maybe the time has come to think about taking it easy part of

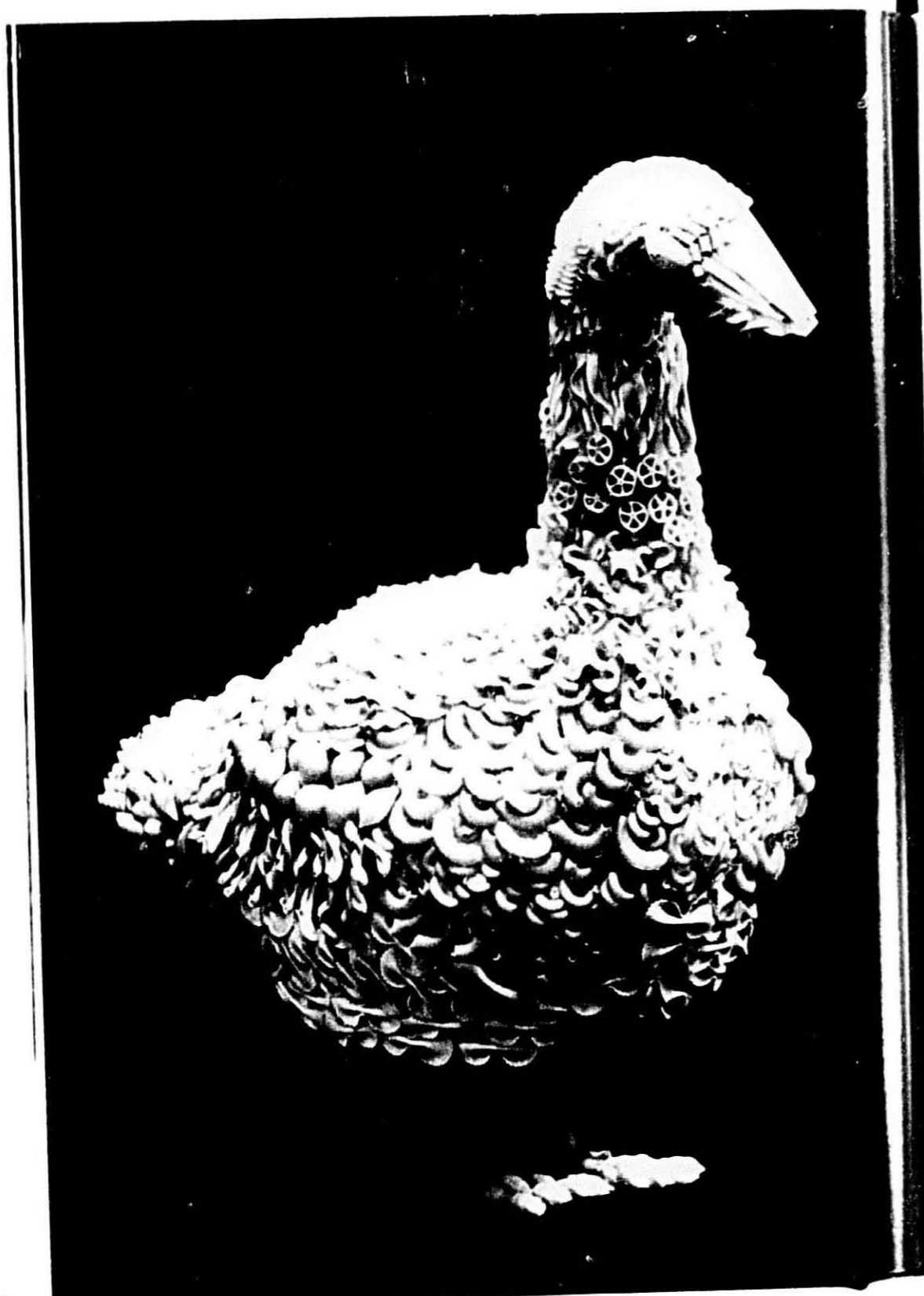


Frank M. Butrick

the time. Oh, not really retirement. You are much too young for that. Besides the AMA has published those studies which showed that the average man only lives 30 months after retirement. Of course, you are in good shape, but still. . . . However, there is just no good reason why you and your wife could not spend this winter in Florida, or maybe Arizona where it is dry; it would be nice to get away from the winter's damp. Your boy could always reach you by phone if anything comes up which he could not handle, you could fly back, and be on deck the next morning, maybe even the same day. You could talk with your banker and accountant, have them stop in and keep an eye on things, and be available if he needed advice. It should not be any problem. And you would be back in the spring, ready to roll up your sleeves and dig in again, to take over from your boy. That way the winter would be only a sort of test, just to give your boy a chance to manage the place on his own. If it worked out well, you could try it again next winter (maybe leave in the fall, when the leaves begin to come down).

Then, after a couple of years, if all went well, you could kick yourself up to chairman of the board and make your boy president. You could give him a free hand and watch him go. Of course, you would still be the owner, and as the chairman you could still give him guidance. You

(Continued on page 24)



The pasta goose lays a golden egg, too.

Pastas – let's tell it like it is.

ADM

ADM also supplies quality bakery shortening, soy sweeteners,
and soy proteins, dough conditioners and vital wheat gluten
for the baking industry.

The Family in Business

(Continued from page 21)

would let him manage the business as he wanted, but still, there is no point in throwing away your years of experience. Time and again, your boy would need your help and advice. But you would not be involved — merely stop in afternoons, perhaps, and be around when he needs you, and help out a bit.

This is the dream called "semi-retirement." Its attractions cannot be denied. But just how well does it work out in practice?

CASE HISTORY NO. 1

Cochran started his pasta business with little but sheer guts and determination; a strong and hardworking man, in twenty years he built it up to \$4 million in highly profitable sales. En route he raised a son and then brought him into the company. But Cochran is one of those men who cannot delegate authority; responsibility, yes, but not authority. All decisions of consequence, all planning, and all steering are done by him. He developed no middle management. While he has heads of accounting, sales and production, he can out-smart and out-work all three of them — simultaneously — and he made certain they knew it by frequent demonstrations.

He delighted in walking into the factory and making snap decisions concerning method and scheduling — which his production manager would learn about from the foreman. He cut through inventory problems with equal verve, exasperating his managers who felt he did not fully understand the problems because he would not listen while they explained to him. And a tactic which he used to build sales volume was to drop in unannounced on an Mr and grab the man for a whirlwind tour of their prospects. If the Mr was unavailable, he still called on the prospects. There were just two ways of doing things in Cochran's business. His way and the dismissal way.

When this son joined the firm, he started out on a lengthy tour of jobs and departments, emerging at 35 or so as Executive V.P. But the son is the antithesis of his father, a quiet, diffident man, much like his quiet mother — ideal for carrying out his fathers' order exactly and without

thought or hesitation. His real job is gopher — errand boy for his father.

Now Cochran is semi-retired, gone three months of the winter and two of the summer. At every turn he is infuriated at the "shambles" he finds and goes through the company like a whirlwind, correcting, hiring, changing, firing, and patching. But every time he comes back the mess is worse and the fixing job is greater.

OBSERVATION: Neither Cochran's son nor anybody else was ever trained (or permitted) to run anything — to make decisions. The firm does not run in Cochran's absence: It merely runs down. This semi-retirement is a dismal failure because the firm becomes more disorganized each time he leaves. He should sell. Conglomerates specialize in buying profitable companies like his — and never seem to notice the total lack of functioning middle management.

CASE HISTORY NO. 2

Smith owns a small chain of retail pizza parlors. He too is now semi-retired, spending five months in Pascagoula and the rest of the year in Pennsylvania, fishing or playing golf forenoons and "helping" his three sons run the business every afternoon. He is not around enough to actually know what is going on, but since the most superficial inspection is more than adequate for finding fault, he has become his sons' critic. "They know when they are doing well; don't need me to tell them. I am just trying to help by pointing out things they've overlooked." Naturally, many of the employees are delighted to assist in this fault finding, and keep him stuffed full of stories and accusations. Since Smith is not at any location long enough to verify things told to him, many of these "corrections" (he cannot resist issuing his orders on the spot) either worsen the situation or merely confuse it.

His older sons spend half the next morning finding out what their father did the afternoon before. Add to all this a youngest son with a flair for intrigue, who delights in setting up gullible employees with wild stories about his two brothers — knowing they will be passed to father — and you have a situation which is rapidly driving the quite competent oldest son (who is the general manager) to desperation.

OBSERVATION: This is not semi-retirement; it is professional meddling. The danger in part-time help (regardless of their position — high or low) is that they are notorious for not knowing what it going on. The idea of part-time management (whether a top executive is semi-retired or spreads himself across a number of firms, the end result is the same — part-time management) is attractive and viable, but only when done properly, with scrupulous observance of the chain of command.

In short, you must give up the old way of operating up and down the line, at every level. To retire part-time, you need a full-time replacement — a manager — who will run the place. And he must be left alone and permitted to do just that — run the place. You can pop in and talk with him, and you can chat with the employees, or perform specific tasks which you and your younger manager agree upon, but you must bend over backward to observe the rules. And that may be more of a strain than staying on at work full time.

Comments

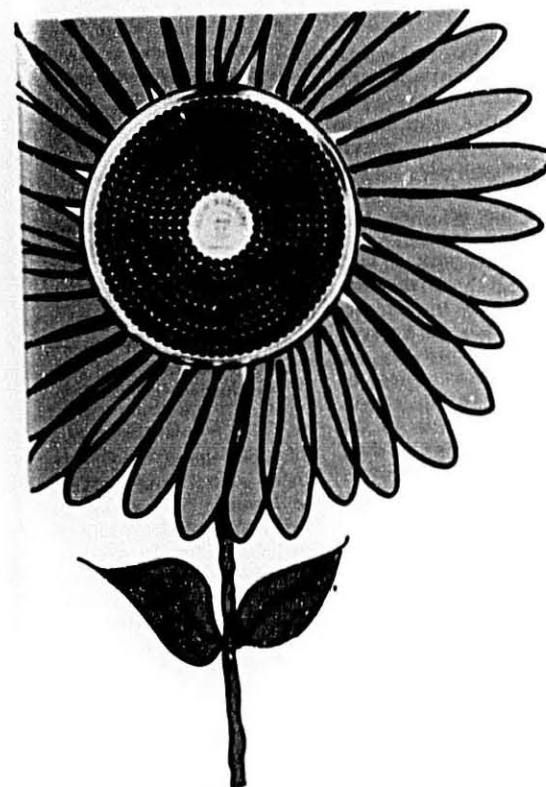
Semi-retirement, so ideal in theory, is a quagmire in practice. In all too many cases it drags on until the aging father becomes nothing but a real troublemaker. So talk it over first, draw up rules — and then stay with them. If you can.

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

Frank Butrick has, for over two decades, been a leading consultant, convention speaker and author on the family-owned business. He has written hundreds of magazine articles through the years and his concepts have been incorporated in numerous books. He averages nearly 50 convention appearances a year, and is active as a consultant, serving business organizations all over America. If you have a question upon which you would like Mr. Butrick's comments or advice, you may contact him through *MACARONI JOURNAL*, or by writing the IBI Press in Akron, or calling him at 216-253-1757. There is no cost or obligation — but if you write, be patient. His heavy travel schedule precludes quick replies to his correspondence.

THE MACARONI JOURNAL

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WHY PARTICIPATIVE MANAGEMENT

by Beverly A. Scott

Manager, Organization and Management Development

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"Workers just aren't what they used to be! The work ethic has eroded; they aren't willing to work as hard as they used to." A feeling oft expressed by managers. Is it true? Let me share with you two other quotes: One from an employee.

"The worker who performs a certain task 320 times a day, five days a week, knows more about the specifics of his (sic) particular job than anyone else, yet in sixteen years I've never been consulted or (sic) seen any other worker consulted on how to improve a job qualitatively or quantitatively. There are 'suggestion programs,' but their main concern is always how to save the company's money. 'I don't believe it is inherent in human nature to do a lousy job. Man (sic) innately wants to do good work, but he (sic) needs to be involved; he (sic) needs to know how his (sic) job relates to the work as a whole. Nothing is as frustrating as to not be able to do your job properly because a job earlier down the line was omitted. To instruct a worker in such a case to go ahead and to do his job anyway is absurd. Yet this happens, because it's the basic management philosophy to get the job done at any cost. . ."

A second quote comes from the executive vice president of Honda Motor Company in Tokyo.

"The amount of money (U.S. companies) are spending really doesn't bother me; please don't misunderstand, the U.S. is the most technologically advanced country and the most affluent one, but capital investment alone will not make the difference. In any country the quality of products and the productivity of workers depends on management. When Detroit changes its management system, we'll see more powerful American competitors."

Perhaps we need to do some re-thinking. Let's begin by looking at the beleaguered topics of productivity and quality. Then let's focus on the people who work in our organizations.

Productivity

In 1950, it took seven Japanese workers or three West German workers to match the output of one worker in the U.S. Now that ratio is two Japanese workers to one U.S. worker or three West German workers to two U.S. workers.¹ In general, the U.S. productivity rate has not even kept pace with countries normally considered economically stagnant. In fact, before 1990, the U.S. productivity rate will be surpassed by Canada, France, Germany, and Japan. Between 1947 and 1967, productivity by the American worker grew an average of 3.1% per year. This healthy growth fueled our standard of living. In the last ten years, however, our productivity growth rate has fallen to 1.6% growth per year and, indeed, in 1980, it dropped 1.4%.² At a time when the Japanese economy is growing by leaps and bounds, the U.S. has begun to take a look at the issues of productivity.

The Productivity Puzzle

There are several factors which contribute to the puzzle of productivity:

- Most organizations do not measure output per employee hour and, therefore, really don't know the impact of people on productivity.
- Secondly, the bottom line on the P&L statement or the return on investment is often used as a figure for productivity. This economic result is often influenced by external factors such as prices, taxes, raw materials, investment tax credits, etc. The prevalent managerial ethic has been that capital investment, followed by technology and management of the fiscal resources, are the most important elements in productivity. People, our human resource, are low on the totem pole.
- Management often views labor, or its human resources, as a cost to be managed, not a critical contributor toward productivity.

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their standards. One-sixth of the problems were from manufacturing, the product and process were ended. The result was less than 20% of the product failures were work-controlled.³ Juran's advice, then, includes the message that to meet the Japanese challenge, top management must take an interest in quality and communicate with all of the people in the organization.

People: Our Changing Workforce

Quality and productivity are related not only to economic issues, but to social issues. Unfortunately, the social and the economic are often polarized and placed at opposite ends of the organizational spectrum. From research and opinion surveys, we know that employees aspire to an improved life at work and employers aspire to advanced productivity and improved quality. To separate these two goals ignores the dynamic interaction of people and production. Yet the human factor in the productivity and quality continues to remain illusive. Let's explore that factor by examining our changing workforce.

The Baby Boom Bulge: We have a workforce today that is demographically characterized by the bulge of the Baby Boom. Over 40% of our hourly workforce is under 35. The bulge in that workforce today is between 25 and 34; soon it will be between 35 and 44.⁴ Because of the bulge, members of this workforce will be increasingly confronting the limited number of positions available to them as they move up in the hierarchy.

New Work Values: Daniel Yankolovitch is said,

"In the 1960's the search for new meanings was largely confined to young Americans on the nation's campuses and was masked by the political protest against the war in Southeast Asia. When the war ended in the early 1970's, the campuses quieted and the challenge to traditional mores spread beyond college life to find a variety of expression in the larger society: in the Women's Movement; in a farther expansion of the consumer-environmental-and-quality of life movement; in the emphasis on self-help, localism, and participation; in the hospice movement; in the flood of books on cultivating the self; in the questioning of

the scientific/technological world view; in greater acceptance of sexuality; in a new preoccupation with the body and physical fitness; in a revival of interest in nature and the natural; and, above all, in a search for the full rich life, ripe with leisure, new experience, and enjoyment as a replacement for the orderly, work-centered attitude of earlier decades."⁵

Indeed, many of our values regarding family and marriage have changed. A full 75% of those studied by the Yankolovitch organization changed their premise in saying that it was unnatural to be unmarried in the 1950's, to saying that it was O.K. and acceptable to remain unmarried in the 70's. Families are deciding not to have children, women are going to work and some 80% say they would work for pay even if they didn't have to. One of the most important values which is changing has to do with work. In the mid-sixties, 72% of the college students believed hard work always paid off. By the mid-seventies, the adherence to this value had almost been cut to 40%. Figures for Americans in general fell from 58% in the late sixties to 43% in the late seventies. We also know that 27% of all American workers felt ashamed of the quality of the product they were producing. A full 80% of the population is searching, in one way or another, for self-fulfillment—not the self-improvement definitions of the past, in terms of working for material well-being, family life, accumulating symbols of respectability, all based on the ethic of self-denial; but the object of the creative energies of the self-fulfillment seekers today is the self: search for satisfaction, self-fulfillment, and something meaningful to work for.⁶

Women in the Workforce: Today over 50% of American women work for pay outside the home. It is increasingly acceptable for women to be in the workforce; indeed, Yankolovitch found only 20% in the late 1970's disapproved of women earning money if she had a husband capable of supporting her.⁷

Racial Cultural Diversity: Our workforce is increasingly culturally diverse with ethnic and racial minorities receiving opportunities to leave ghettoized job classifications and move into professional and managerial ranks. Indeed, from 1960 to 1976 the black

professional ranks increased from 4.8% to 11.7%, compared to an increase of 12.1% to 15.7% for white professionals.⁸

Education: Our workforce is increasingly educated. In 1940 only one in 22 workers was college-educated; today, it is one in four.⁹ Workers are increasingly educated six to seven years post-high school. They are trained to think, to be critical, and not to automatically accept directives and objectives from their bosses.

Job Dissatisfaction: Today's workers rebel against work methods seen as destructive to their health or to their self-respect. There is a growing alienation expressed in rising turn-over rates, absenteeism, theft, sabotage, and personal abuse—drug addiction, alcoholism, feelings of frustration. Alienation has been called the non-work ethic and has been increasing in post war decades. In the early seventies, a major study supported by U.S. Department of H.E.W. reported the consistent complaint of American workers was the failure of their superiors to listen to them when they wished to propose new or better ways of doing jobs. Workers felt that their bosses demonstrate little respect for their intelligence; and superiors felt that workers were incapable of thinking creatively about their jobs. A nationwide poll that has been done every year since 1973 indicates job satisfaction in the American workforce has declined consistently each year. Many studies show that workers want more than just pay and benefits; they want esteem, equity, respect, and they want to work to achieve personal goals. A Gallup poll done for the U.S. Chamber of Commerce in 1979 found the overwhelming majority of workers believe if they're more involved in making the decisions that affect their jobs, they would work harder and do a better job.

Rights: As a result of the Civil Rights Movement and the Women's Rights Movement, increasing numbers of workers are aware of their rights in the workplace: that they don't have to automatically respond to demands and orders from their boss, and that they do not have to take health and safety risks. Indeed, workers are also pushing for their rights to be involved and to participate. The Institute of Social

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Why Participative Management?

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Research found that two-thirds of those studied felt that they had a right to be more involved in the decision making process.

What Do People Want in Their Workplace? The demographic characteristics, the new values, and increasing job dissatisfaction brings a workforce that wants and expects different benefits from their jobs. From interviews, from research, and from experience, we know that significant numbers of our workforce want such things as:

- 1) the opportunity to grow, learn, and advance
- 2) the opportunity to influence the decisions that affect them
- 3) cooperation and teamwork to get the job done—not competition and individualism
- 4) attention and self-esteem which grow out of interaction, open communication and trust
- 5) treatment with respect and dignity, not just material rewards
- 6) and they want these benefits now, not on some day in the future.

These expectations and demands from the workforce lead concerned managers to ask, "How can we more effectively meet these needs?" Or to put it another way, "How can we improve the quality of life at work?"

Quality of Working Life: What Is It?

There are many perspectives. Let me share a few with you. The president of General Motors, F. James McDonald, declares unequivocally, "As far as I'm concerned, it's the only way to operate the business. There isn't any other way in today's world." Donald W. Neukranz, Westinghouse Elevator Division, says, "It's making better decisions, getting a contribution and commitment from larger numbers of people. Management is excited and it works." Eastman Kodak Chairman, Walter A. Fallon, says, "You can't drive a good workforce 30% harder, but we found we could often work 30% to 50% or even 150% smarter." Thomas Peters of McKensie & Company describes it as "Obsessive attention to people in every aspect of the business." Irving Bluestone of the UAW describes it as democracy at

work. AT&T Chairman Charles L. Brown says, "We're dealing with nothing less than management style." For many others, it is simply labor-management cooperation and recognition, human dignity and respect. The characteristics of a good quality of life at work can best be summarized by these six points:

- 1) Sensitivity to people's needs at work which includes a recognition of employees' personal, social, and emotional needs and flexibility within the organization to allow individual differences to be met.
- 2) Effective challenging work. This area includes opportunities for new learning, growth, and development, increased responsibility and accountability, expansion of job duties, and increased involvement in planning and execution of work responsibilities.
- 3) Involvement in decision making. This characteristic includes participation and influence in broad decisions affecting employees, opportunities for decision making in one's own work area, and access to information needed to participate in and make decisions.
- 4) Control over one's own work. This includes opportunities to influence and participate in decisions impacting one's own work goals, project timelines, or work flow processes. It includes sharing and feeling responsible for problem solution and having enough authority to carry out the results.
- 5) Shared information and goals. Information about work, the organization, and the business are commonly shared up and down the organization and employees have enough information to participate, influence, and make appropriate decisions. It also includes opportunities to discuss and formulate common work group goals which support the organizational effectiveness.
- 6) An atmosphere of respect and trust. This includes feeling as if one is a significant part of the organization, that one is listened to and recognized as a contributor to the operation. It includes an atmosphere of collaborative

spirit, working together with concern and dedication.

Change? Why Today?

Although many managers today may be wondering why this sudden interest in the human factor among people in the workforce, we have known some 30 to 40 years about the basic ingredients of participative management. Such studies as the Western Electric Hawthorn Plant Studies, the studies at Harwood Manufacturing, and many eminent social and applied behavioral scientists such as Maslow, Herzberg, and McGregor have reported to us the importance of employee participation and involvement. These studies and reports did not have a major impact earlier because our booming economic and business success did not require heavy consideration of the human factor in productivity. Even today, one might well ask the question, "Is today's interest a passing fad? Or will it have a major impact on U.S. business and industry?" I'm inclined to think that it will have an impact because of several significant factors in the 1980's which have resulted in a different business climate: we have stagnant productivity, substandard quality, strong foreign competition, and a changing workforce. This means, then, that for organizational effectiveness in the 1980's, we must consider the human factor. To do so requires making a change from the way in which we have managed our workforce, how we have viewed our employees, and how we have structured the organization. We must change:

From	To
• Scientific management	• Participative management
• View of the worker as an extension of the machine—an expandable part	• Viewing employees as complementary to the machine and resource to be developed
• Workplace dominated by: - Competition and mistrust - Tight supervision - Fractionated jobs - Boring tasks - Rigid and tall hierarchies - Fixed distinctions between doing work and planning / coordinating work	• Workplace characterized by: - Collaboration & trust - Self- and work-team regulation - Multiple skills - Optimum task groupings - Flat and fluid organization - Working together to improve quality, productivity

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Why Participative Management?

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- Low risk
- Life at work innovation
- Failure to listen to employee ideas and the inclination to write worker cooperation off
- Application of democratic values in the workplace and collaboration with workers in managing the job

Successful Organizational Change

From experience in many organizations, we know that some of the keys to success come from commitment, sharing, collaboration, and training. It is important when involved in organizational change to utilize these key guidelines:

- 1) Take a systemic approach and build the new management style into the organization systems.
- 2) Be willing to risk change.
- 3) Place emphasis on enhancing employee development, not business results.
- 4) Be flexible in planning — take time to work out the bottlenecks.
- 5) Provide sufficient training and develop skills which will apply the principles.
- 6) View the change as a process — not a program. It has momentum, a dynamic on-going way of life for the organization.

Management has a significant role to play in this process by providing broad support and significant involvement of the middle levels. Management should model a participative approach in their own behavior, as well as be competent managers. The role of supervision in the organization is also significant for success. It is important for supervisors also to model a participative approach in their behavior and to encourage and develop employee leadership. Supervisors must allow voluntary participation and recognize employees for their contributions. A key that employees be reassured that their contributions will not lose them jobs or they will be reluctant to become involved. Supervisors, too, must keep their managers involved and informed and practice effective supervisory techniques.

In attempting an organizational change, there is no doubt that it is important to avoid pitfalls that other organizations have experienced. Below is listed a summary of advice offered by experienced organizations

and managements who have pioneered in organizational change and movement toward a more participative structure.

Pitfalls to Avoid

- A. A low management commitment to the concept and to participative management styles.
- B. Management which is not involved in the planning process, but rather it is delegated to a staff function.
- C. Failure to establish an active Steering or Policy Committee.
- D. Managers' attempt to control or influence employee groups involved in participative activities.
- E. Failure to involve union leadership.
- F. Failure to develop support and commitment from middle managers.
- G. Inadequate training of managers and supervisors in participative leadership skills.
- H. Management expectations that employee involvement is a panacea for a multitude of organizational problems.
- I. An organizational atmosphere in which open communication and trust are undermined.
- J. Failure of management to respond positively and promptly with encouragement to employee involvement activities and recommendations.

Conclusion

Participative management is based on these assumptions:

- That people want to contribute.
- That people are experts at their own jobs.
- That this expertise should be tapped.
- That better actions and better decisions will be the result.

Participative management also holds two values, one of which management has held for a long time: to reduce waste, inefficiency, scrap, down-time. A second value, one which is seldom articulated, and clearly is the foundation for participative management: respect for people and their needs. I leave you with this thought: That assets make things possible, but it is people who make them happen.

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At Multifoods Annual Meeting

Recent management changes at International Multifoods Corp., William G. Phillips, chairman and chief executive officer, told the annual meeting of shareholders June 17, "give us a management team that will maximize our potential in the difficult economic environments we expect through the balance of the year, and will continue to guide us to a long-term earnings growth."

In March, the board of directors of Multifoods elected Andre Gillet, executive vice-president, to president and chief operating officer, and elected Darrell M. Runke, president, to vice-chairman of the board.

At the annual meeting Mr. Phillips introduced Mr. Gillet and two other new board members — Judith S. Corson, co-founder of Custom Research, Inc., and Robert M. Price, president and chief operating officer, Control Data Corp.

In announcing first quarter results at the shareholders meeting, Mr. Gillet commented, "Overall, we had very good results in Canada and Venezuela, and a disappointing quarter in the U.S."

Net income of Multifoods in the first quarter ended May 31 was \$4,973,000, equal to 61¢ per share on the common stock, off from \$5,313,000, or 64¢ per share, in the first quarter a year ago. Sales aggregated \$243,620,000, compared with \$259,719,000 a year ago. Earnings before income taxes in the first quarter aggregated \$8,724,000, off from \$8,790,000.

Highlights of the Third Woman's Day/ FMI Family Food Study

"Supermarket Shoppers in a Period of Economic Uncertainty"

For the majority of American consumers today, life is a constant struggle between quality and price. On the one hand, consumers want "the good life" - to feed their families well and nutritiously while also maintaining their loyalty to familiar brands and favorite supermarkets. Because of the constant battle against inflation and the uncertainties of recession, however, the lure of untested products, lower priced brands and no-name generic products grows stronger.

This struggle is having a significant impact on the outlook, choices, and behavior of shoppers. While the impact is being felt by traditionally lower-income and poorer American shoppers, it is more striking among the supermarkets' major audience -- the great middle class.

The results of this study are shown by five major groups of shoppers, classified according to total family income, socioeconomic class and the degree to which their lifestyles and choices have been influenced by the economy. The five groups, organized within socioeconomic classification, include the following:

Shoppers' Concerns in a Difficult Economy

Almost two out of three (63%) shoppers feel that things are going badly in the country. The cost of food is second only to the high cost of utilities as a major economic concern among consumers.

All told, 72% of shoppers have had to make changes in their lifestyles as a result of the economy (18% reported "drastic" changes and 54% reported "some" changes). The majority of this group (40%) are not traditionally lower-income shoppers. Instead, they are historically the best customers of the nation's supermarkets and are not necessarily dedicated to the cheapest buy, but rather to the best value for the dollar. Under current economic pressures, they have become much more price conscious than quality conscious, and their shopping habits are changing.

The real key to the dynamics of the supermarket shopping world today is understanding this large group of

Today's World of Supermarket Shoppers		
Classification	% of Total	Description
1. "Happy Well-Off"	10	Total family income is \$30,000 or more, and/or the head of the household (M or F) has completed college. They have not had to make changes in their lifestyles.
2. "Jittery Well-Off"	17	While these consumers have the same income and background as group 1, they have had to make changes (some drastic) in their lifestyles because of the economy. They tend to be younger than members of group 1, with more working wives and more children at home.
3. "Coping Middle Class"	11	Comprised of mostly white collar and better-off blue collar households, these shoppers have family incomes of \$15,000 to \$30,000. The "Coping" group includes more singles, retirees and childless people who have not had to change lifestyles.
4. "Nervous Middle Class"	17	Consumers in this group have the same socioeconomic characteristics as group 3, but they have been forced to make lifestyle changes for economic reasons. They tend to have more children and are more likely to live in central cities.
5. "Traditional Hard-Timers"	33	Almost all in this grouping have felt the full impact of the economy. They have family incomes of less than \$15,000 and the struggle to make ends meet is not new to them -- it is simply more difficult now than ever before. This group is heavily populated by older and retired shoppers, widows, non-whites and those with limited education. Most (93%) have one or more children, and many are on government assistance, social security and other aid programs.

"Jittery Well-Off" and "Nervous Middle Class" shoppers, who together account for nearly half of all shoppers. After being relatively secure and contented middle class Americans, these people are suddenly feeling the brunt of the economic struggle. They are worried not only about the cost of food and utilities, but about not being able to save for the future, about job security and their ability to keep up with bills and mortgage/rent payments. These people are most likely to make changes in their shopping and eating patterns and are more likely than other groups to say that money takes precedence over improving their families' diets.

The Impact of the Economy on the Supermarket Shopper

Among the overall changes in shopping and eating habits are the following:

- 64% of all supermarket shoppers have made changes in the food they eat and serve these days (49% "some changes"; 15% "drastic" changes.)
- Among those who have made changes, the major motivation is to save money (55%), not to improve their diets (24%).
- 74% have cut back on convenience foods.

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Family Food Study

(Continued from page 32)

- 66% say they don't worry about brand names because they buy on the basis of price.
- 45% have switched to a supermarket they don't like as much because it is cheaper.
- 66% check newspapers and magazines for coupons more often than they did a year or two ago.
- 63% stock up when they find a bargain, rather than buying just what is needed.
- 66% are buying larger-sized packages which are cheaper by the ounce.

Shopping, Eating and Food Behavior Trends

Consumers reported that compared to a year or two ago, they are now more likely to:

- Pay attention to unit pricing (+58%).
- Go food shopping with a list (+55%).
- Pay attention to nutritional labeling (+49%).
- Eat together as a family (+38%).
- Buy "no-name" generic brands (+12%).
- Try new products (+24%).
- Buy unadvertised specials (+36%).

At the same time, they are less likely to:

- Buy gourmet foods (-60%).
- Eat at fast food restaurants (-51%).
- Serve precooked foods brought at store (-51%).
- Serve any food at any meal (-35%).
- Skip meals (-15%).

Major Changes and Conclusions

While nearly half of today's shoppers feel that living beyond one's means is an accepted part of life these days, a third feel that the easiest way to cut back on spending is to cut back on food budgets, and more than half feel they can eat as nutritiously on less money.

On the positive side, shoppers are becoming more discerning, more demanding, more ready to try new products and to revert to conventional views about eating patterns. Whereas in earlier Woman's Day studies, un-

conventional eating patterns appeared to be a growing trend (any food for any meal; fewer families eating together; a trend away from three-meals-a-day), in the current study these less conventional approaches seem to be losing ground.

The results suggest that customers are trying to tighten up, stick to shopping lists, cut back on precooked meals, resist impulse purchasing and cut back on fast food meals. Generally, they are more willing to try store brands, no-name and generic brands.

On the negative side, many shoppers have become overly price conscious and less quality oriented. Many are switching stores that offer lower prices, yet they still want all the attributes of their favorite supermarkets — variety, quality meats, friendly employees, good service, available advertised brands and acceptable no-name products. Although there is more attention paid to nutritional labeling, improving the diet is not as important as saving money to the majority of shoppers.

The most salient changes among the five socioeconomic groups are summarized below.

1. "Happy Well-Off" — most likely to pay more attention to nutritional labeling, try new products, shop at the same store as always, buy advertised brands as well as the store's own brand.
2. "Jittery Well-Off" — most susceptible to unadvertised specials although they are trying to resist impulse purchases at the same time. They report buying no-name products more than any other group (+20%).
3. "Coping Middle Class" — most resistant to no-name products (-8%) and store's own brand; least likely to try new products; most likely to continue their brand preferences. They report the largest cutbacks in buying precooked foods.
4. "Nervous Middle Class" — especially price sensitive; pay the most attention to coupons and shop with a list. They also cut back on gourmet foods, buy more no-names than in the past and are cutting back on buying well-known advertised brands.
5. "Traditional Hard-Timers" — pay more attention to unit pricing

than in the past, do more store hopping for bargains and buy more generics. On the other hand, they are paying less attention to nutritional labeling than they did in the past.

Working Women and Household Composition

Working Women and Household Composition provides statistics on women in the U.S. labor force, the composition of households and the income of households maintained by men and women. Among other things, these data show that the traditional or nuclear family — employed father, non-working mother and at least one child under 18 living at home — exists in only 15% of American households.

The shift away from the traditional family structure has been accompanied by major changes in eating styles, such as more meals away from home, less meal planning, skipping meals and a greater reliance on convenience foods. All these changes have broad implications regarding the focus of nutrition education/information. Traditional nutrition teaching has relied on the "common pot" theory which assumed that everyone in the family unit ate the same meal together. At the same time, mothers could be sure that the meals were balanced, because they planned, prepared and served them. Today this theory no longer applies and mothers no longer have the same kind of control over the nutritional quality of their families' diets.

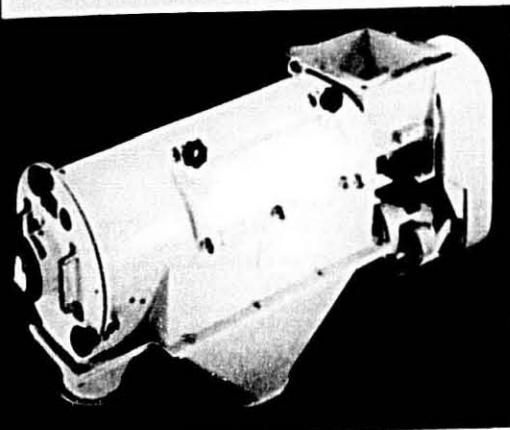
Working Women

- More than half of adult women (41 million) are now employed, representing 42% of the U.S. labor force. (1)
- 55% of working women are married and live with their husbands. (1)
- 54% of women with children under 18 are employed. (1)
- 45% of women with children under 6 are employed. (1)
- By 1990, three-quarters of all women aged 20-54 will be in the labor force. (2)
- Today, 48% of married women, 60% of single women and 40% of widowed or divorced women are employed. In 1940, only 17% of

(Continued on page 36)

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Working Women

(Continued from page 34)

married women, 48% of single women and 32% of widowed or divorced women were employed. (3)

Household Composition

- 22% of all U.S. households are composed of a single person living alone. (4)
- By 1990, 33% of all U.S. households will be composed of a single person living alone. (4)
- The traditional or nuclear family (employed father, non-working mother and at least one child under 18 living at home) describes 15% of U.S. households. (4)
- Married couples represent 62% of U.S. family households; by 1990 this figure will decline to 57%. (Family households are defined as a married couple, or a man or a woman with children, or any other combination of relatives living together. (4)
- 30% of U.S. households consist of a married couple with no children under 18 living at home. (4)

Earnings and Income

- More than half of the 48 million married couples in the U.S. consist of two working spouses. (1)
- Among two-income families, 49.5% have household heads under 35 years old. (5)
- The median income of households maintained by women is \$7,100. (5)
- The median income of households in which the husband is the only earner is \$17,500. (5)
- The median income of two-earner families is \$22,700. (5)

References

- (1) U.S. Department of Labor, Bureau of Labor Statistics, 1981.
- (2) Bureau of Labor Statistics, U.S. Department of Commerce, Bureau of the Census Current Population Reports, Series P-25, No. 104 and Series P-23, No. 100.
- (3) *Statistical Abstracts of the United States*, U.S. Department of Commerce, Bureau of the Census, 1980.
- (4) U.S. Department of Commerce, Bureau of the Census Current Population Reports, Series P-20, No. 345; Projections—Series P-25, No. 805.
- (5) Bureau of the Census Special Studies, Series P-23, No. 77, 1981.

Eating Patterns Meal Skipping/ Snacking

- During an average week, respondents to a 1978 Woman's Day survey reported the following eating

patterns: (1)

- 38% skipped breakfast
- 22% skipped lunch
- 19% skipped regular meals and ate when they felt like it
- 49% had a snack after dinner
- 10% skipped dinner
- Data from the most recent USDA Nationwide Food Consumption Survey showed: (2)
- 14% overall skipped breakfast
- 29% of individuals aged 19-22 skipped breakfast
- 25% of individuals aged 23-34 skipped breakfast
- 23% overall skipped lunch; pattern most prevalent among teenagers and the elderly
- 61% overall snacked

Meals Away from Home

- 44% of individuals in the USDA survey had food or beverage away from home during the 24-hour day preceding the interview. (2)
- 18% of all eating occasions reported were away from home. (2)
- 60% of males and 50% females aged 23-34 ate away from home during the 24-hour period. (2)
- 28% of all eating occasions among men aged 23-34 ate away from home. (2)
- 26% of adults surveyed in the 1980 Woman's Day study had been to a fast food restaurant four or more times in the past month. This represented an increase from 17% in the 1978 Woman's Day study. (3)

"Cavalier" Eating Patterns

- More than 80% of adult consumers feel that "it is all right to eat what you want when you want it." (4)
- 56% of adult consumers "are not bothered by unplanned, last-minute meals." (3)
- 6 out of 10 adult consumers feel that food intake should be balanced by the end of the day, but not necessarily on a meal-by-meal basis.

Caloric Intakes

- Per capita consumption of calories among adult population subgroups in the 1977-78 USDA food consumption survey was as follows: (5)

Age	Average Calories Per Day	
	Males	Females
19-22	2,470	1,607
23-24	2,480	1,600
35-50	2,349	1,545

51-64 2,182 1:30
65-74 1,927 1:21

Consumption of Foods

Traditional "Basic Four" recommends the following balance in the diet:

Dairy products	2 servings daily	17%
Fruits/vegetables	4 servings daily	33%
Cereals and grains	4 servings daily	33%
Protein-rich foods	2 servings daily	17%

Based on data from the 1977-78 Nationwide Food Consumption Survey, average intakes of foods from major food groups are as follows. Percentages are calculated against total grams consumed. (5)

Dairy products	18.8%
Fruits/vegetables*	20.8%
Protein-rich foods**	16.0%
Cereals and grains	7.6%
Other***	36.8%

*Soups, sauces and gravies have been included in fruit/vegetable group.

**Protein-rich group includes poultry, fish, meat, eggs, shellfish, nuts/legumes and mixed protein dishes.

***Fats and oils, desserts, foods primarily sugar, and non-sugary beverages and condiments have been included in the "other" group.

References

- (1) *First Woman's Day Family Food Study*, conducted by Yankelevich, Skelly and White, Inc., 1978.
- (2) "Nutritive Value of Food Intake: Results from the USDA Nationwide Food Consumption Survey 1977-78," *Family Economics Review*, Summer, 1981.
- (3) *Second Woman's Day/FMI Family Food Study*, conducted by Yankelevich, Skelly and White, Inc., 1980.
- (4) Yankelevich, Skelly and White, *Monitor*, 1978-1980.
- (5) Schwerin, Horace S., John L. Alvin M. Riley, Jr., and Barbara Brett, "How Have the and Quality of the American Changed During the Past Decade?" *Food Technology*, September 1981.

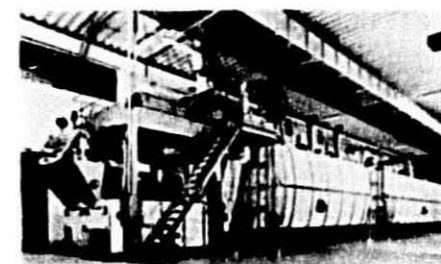
Pasta and beans may be complex carbohydrates than and potatoes because the results in less rise and fall of blood glucose levels (glycemic response) is somewhat revolutionary, as thought that only sugars gave glycemic response, and all complex carbohydrate foods did not. This study showed that potatoes act nearly like sugar in generating a glycemic response. *American Health*, May 1983, pp. 50-51; *Science*, April 29, 1983, p. 487-488.

QUALITY ASSURANCE

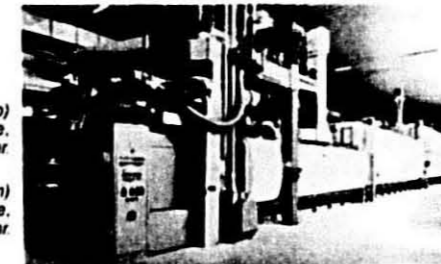
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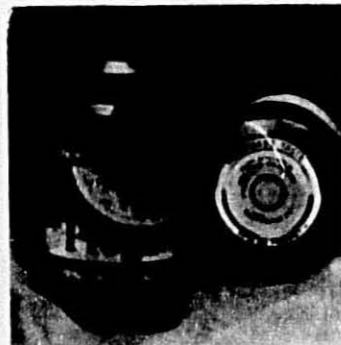


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Campbell Introduces Tamper-Evident Caps On Prego Jars

Campbell Soup Company announced it will begin marketing its Prego Spaghetti Sauce line nationally in jars with tamper-evident caps.

All three sizes of Prego Spaghetti Sauce (15½, 32 and 48 oz.) with the new "button" safety closure will be on grocery shelves within a month, according to Robert Subin, general manager of Campbell's Grocery Business Unit.

While new on a national basis to the spaghetti sauce category, button caps have been used on other products, particularly baby foods, for almost two decades. The caps are meant to reassure the consumer that vacuum has

In the SAMI Study For the Year Ending November 12, 1982:

Annual National Food Store Volume \$000:	Annual Share:
ITALIAN FOOD SAUCE \$25,098	PASTA 4.8
PASTA \$38,718	SAUCE 4.0

How Consumer Preferences for Deli Products Varies by Regions (Source: MTD Group) Progressive Grocer Magazine, June, 1983

Region	Salads	Prepared Entrees
Northeast	Potato, Macaroni, Coleslaw	Chicken, Ribs, Pasta
Southeast	Potato, Macaroni Coleslaw	Chicken, Ribs
North Central	Potato, Macaroni Coleslaw	Chicken, Ribs, Pasta
South Central	Potato, Macaroni	Chicken, Ribs
Northwest	Potato, Macaroni	Chicken, Ribs
Southwest	Potato, Macaroni Coleslaw, Waldorf	Chicken, Ribs Meat/Veg. Entrees, Pasta

not been lost, which could cause the product to spoil.

In addition to the slogan, "Home-made Taste — It's In There!" the Prego sauce caps advise the consumer that: "Safety button pops up when original seal is broken. Reject if button is up." Caps with center buttons that have popped are apparent both to the eye and to the touch. The side of the cap also carries the suggested date before which the product should be used.

"We believe that tamper-evident caps are our responsibility to consumers to assure them that the product has not been opened," said Subin.

"Our sales force makes regular checks of Prego Spaghetti Sauce on grocery shelves to remove any such opened jars. It is Campbell policy to buy back from the trade any jars that have been opened.

"We have excellent quality control and we want to reassure the consumer about the integrity of our products. It's a progressive way of showing old-fashioned concern."

Prego Spaghetti Sauce, which was introduced nationally last fall, already has expanded the spaghetti sauce category 30 percent, according to a leading national marketing research firm.

Jenny Lee Halts Production

The St. Paul Pioneer-Dispatch reports that Prince-Jenny Lee macaroni plant in St. Paul stopped production at the end of June. Begun in 1892 as Minnesota Macaroni Co. by Eugene T. Villame, the company re-incorporated as Jenny Lee in 1961. Prince Macaroni Co. brought Jenny Lee in January, 1977. Management states that the building is no longer safe for a production facility and will be used as a distribution center.

Crop Quality Council Dissolves

Crop Quality Council of Minneapolis, successor to the Rust Prevention Association that worked valiantly on 15-B stem rust during the durum epidemics of the 1950s, will dissolve on August 31, 1983. In recent years activities have centered on variety testing and reporting, the International Grain Project, fund-raising and administrative duties. Northern Crops Institute at North Dakota State University may take over some of these activities. President Vance V. Goodfellow will take early retirement. Good job, well done, Vance!

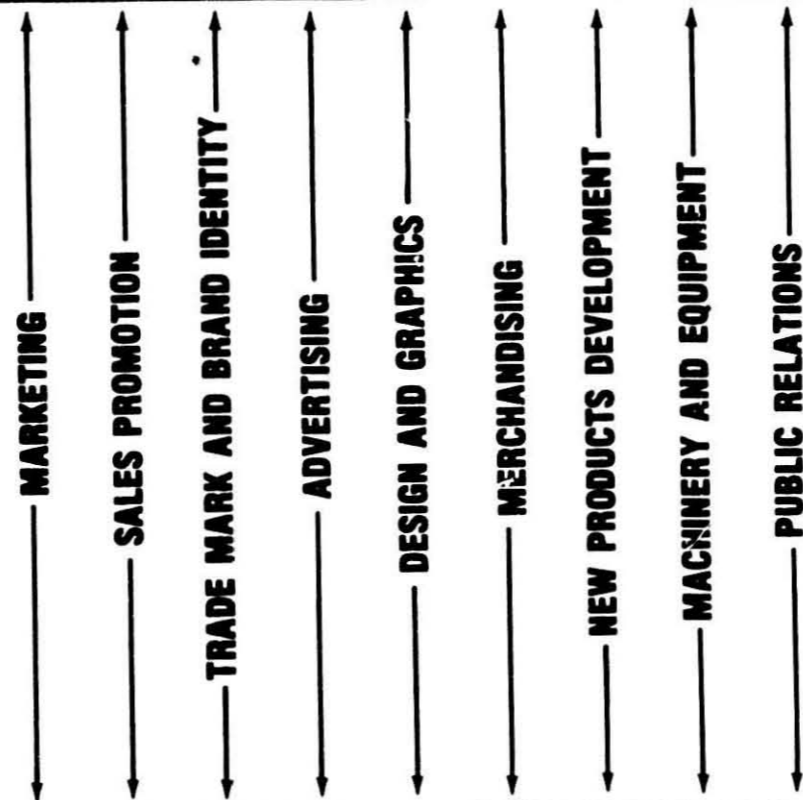
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