

NEWS & FOOD REPORT

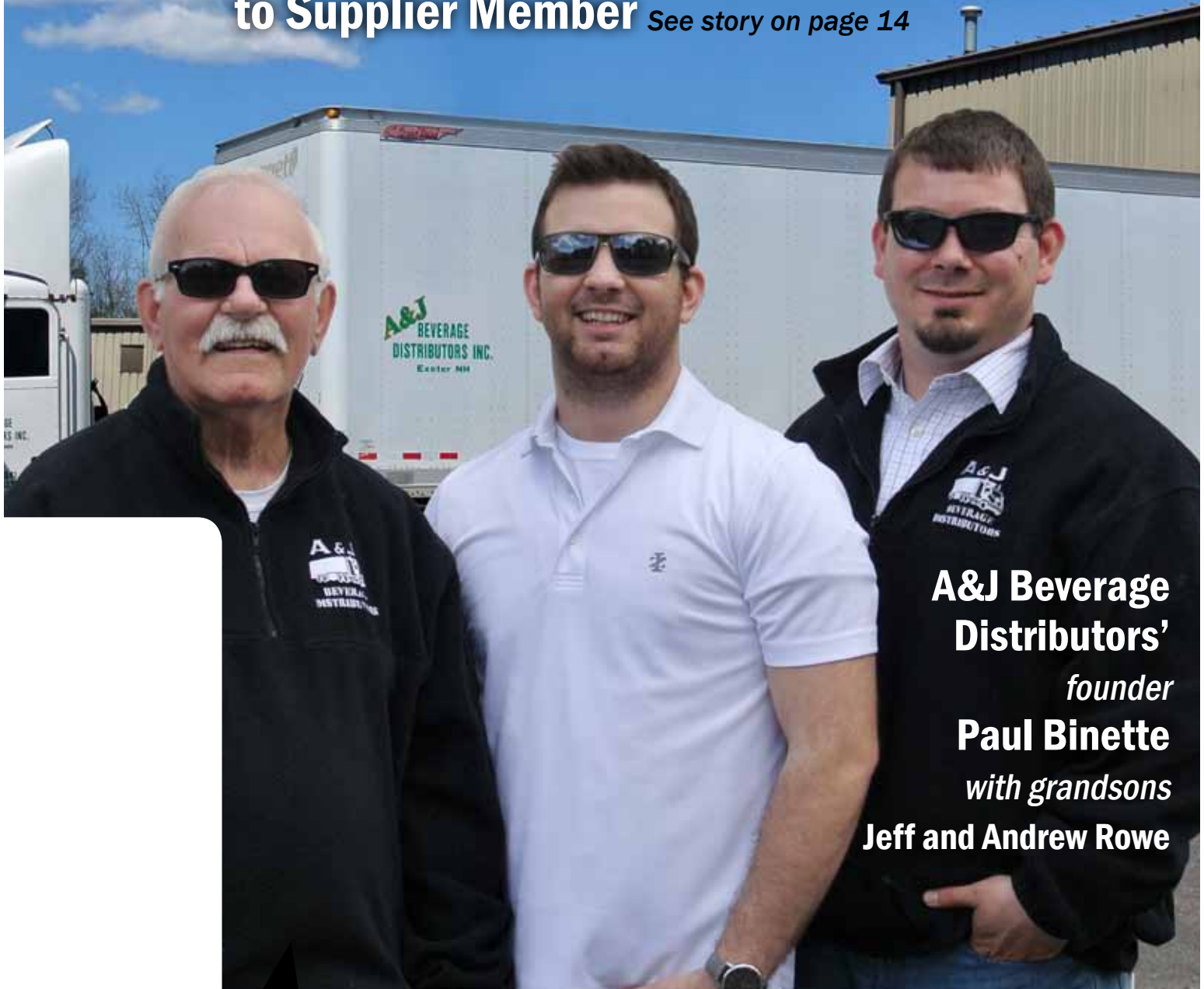
MAY 2015

Communicating Information on the Food Distribution System • Official Publication of NH Grocers Association



NHGA Member Takes Roadtrip

One Member's Journey from Retail Member to Supplier Member *See story on page 14*



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with grandsons
Jeff and Andrew Rowe

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2015 GOVERNMENT RELATIONS DAY *see page 20*



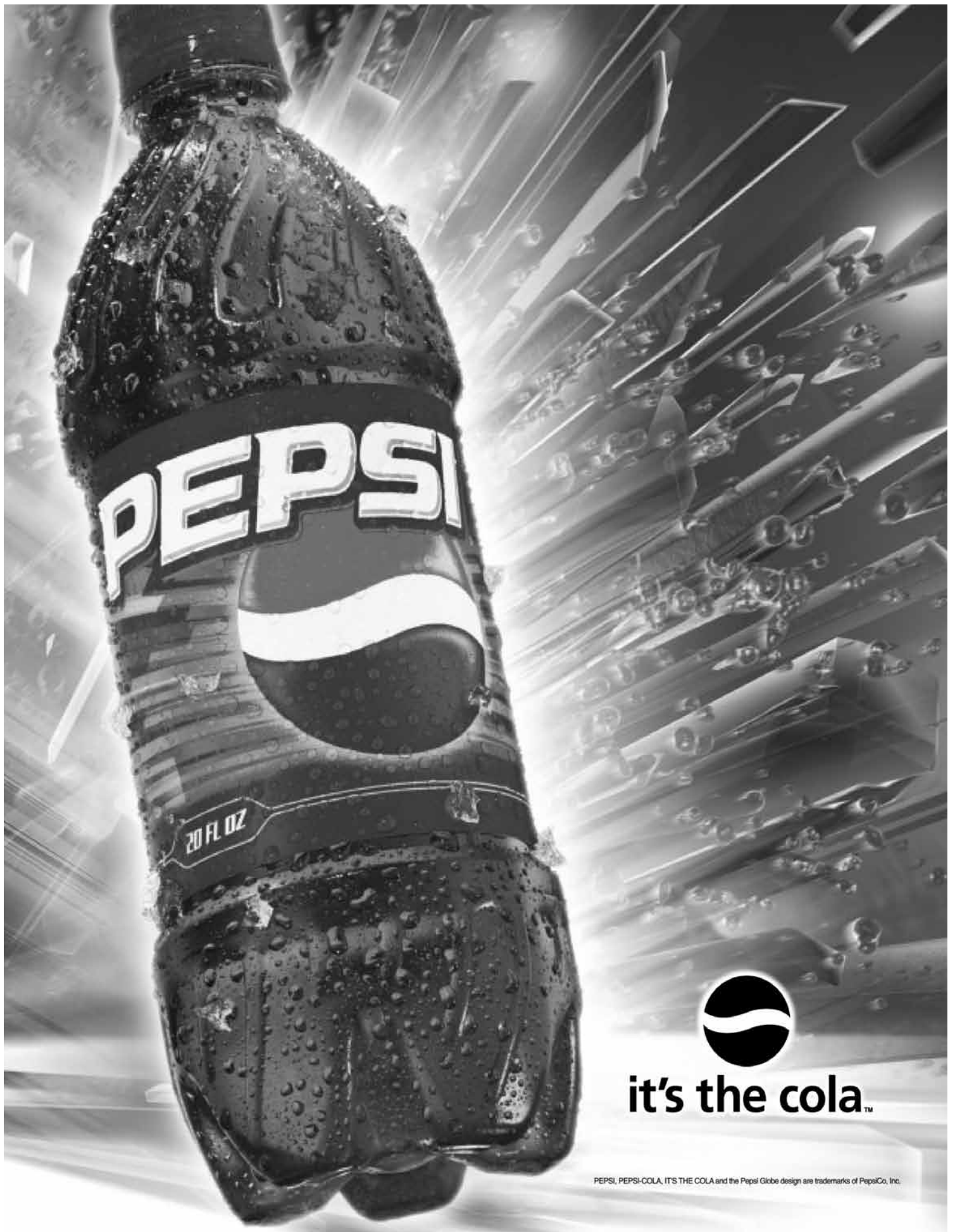
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June 8-11, 2015	FMI Connect Chicago, IL
July 15, 2015	BOD Invitational Golf Tournament, Canturbuty, NH
August 11, 2015	NHGA Day at the Seacoast

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To Keep The Membership Informed:

NHGA maintains a collaborative relationship with numerous state, regional and national organizations including Food Marketing Institute, National Association of Convenience Stores, National Grocers Association, United INDUSTRY for Recycling, Food Research Society, Grocery Manufacturers of America, NH Food Bank, Food Industry Assoc. Executives and Food Trade Press

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Growlers and Tobacco Gone EBT Usage and E911 Live On

This legislative Session has kept the entire food industry on its toes. With over more than 10% of all the bills filed this year affecting the food and beverage industries, representing all interests has been challenging to say the least. However, now that the "Crossover" of bills between the two chambers has been completed; the next round for surviving proposals will begin in earnest.

Numerous tobacco bills this year were offered as a way of coordinating the definition and collection of tobacco taxes. In addition several bills sought to raise taxes on cigarettes, other tobacco products and for the first time attempted to place this levy on premium cigars and e-cigarettes. NHGA joined with other trade groups in successfully disputing the addition of higher taxes on cigarettes which would create a diminishing cross-border advantage with surrounding states. It was also pointed out that premium cigars have never been taxed due to their significantly higher retail price; and attempting to tax vapor cigarettes was just not appropriate at this time. That is because FDA is still deciding how or even if this non-tobacco product should be taxed. What was also confusing was the choice of taxing sealed vapor containers as one taxable item while cartridge units would be two taxable items. That is gone for now, but like all revenue raising proposals, may return at the end of the session to balance the Budget.

Allowing Growler sales in food stores (HB554) passed in the House, but after crossover, was killed in the Senate. As expected the strongest opposition came from the Craft Brewers and the Restaurant and Lodging Association, both wanting to maintain the current status of having exclusive rights to fill growlers.

So while these bills and many others are not in play, many more still survive for another day. In particular, the legislature is struggling to find an equitable restriction on the misuse of EBT benefits (HB219 and SB169). In part it attempts to prohibit where the benefits can be used.

Another bill (HB391) seeks to apply the E911 surcharge to prepaid cellular telephones. This requires retailers to collect these charges rather than the carriers. That would be onerous in New Hampshire since retailers do not have any sale tax reporting requirements now.

All of the state's legislative session and agency activities were explored and discussed recently with the attendees of the NHGA Government Day program. Also reviewed were numerous in-state congressional visits as well as the FMI-NGA-FIAE Day in Washington Hill visits with the NH Delegation.

Things will begin heating up in the next several months as we approach the Session's final days which must end by June. From then on NHGA will be evaluating the rule making process of each of the bills, presenting facts on behalf of member's concerns and finally interpreting compliance of the added regulations.

As always, members are well to provide their input on any of these issues by contacting the NHGA offices at (603) 669-9333.



John M. Dumais, President & CEO, dumais@grocers.org

Industry Personnel *Remembered*

Keith R. Lemire

LACONIA—Died March 22, 2015. Worked for Freihofer bakery. Donations may be made through J. N. Boufford & Sons Funeral Home, 110 Bridge St., Manchester, NH

Francine A. Fortin

MANCHESTER—Died, March 24, 2015. Worked at Purity Supreme Supermarket in Nashua for many years. Donations can be made to, the Animal Rescue League of New Hampshire, 545 Route 101, Bedford, NH 03110.

Raymond H. Jackson

MANCHESTER—Died March 29, 2015. Was a service manager for Hobart Corporation in Hooksett. Donations to be made to the Disabled American Veterans Charity.

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The State We Are In

By Stuart D. Trachy



While we are past crossover, and legislative activity has slowed a bit, we are gearing up for the end of the session crunch when almost anything can happen.

Between now and the end of June, 2015, almost anything can happen legislatively. Measures you thought were dead in one body can mysteriously reappear and get a second life as an attached amendment to another bill in the other body.

Also, the biggest policy issue considered by legislators in the first year of the biennial session, the state's operating budget, is now in the hands of Senate budget writers.

The House passed their version of the budget on April 1, 2015 and moved it along to the Senate for their review and action. The Senate Finance Committee is spending their time hearing from state agency heads about their budget requests, and will hear public comments at a hearing on May 5, 2015.

By June 4th the Senate must act on all House bills, including the budget, and then we go to the Committee of Conference stage of the process. By House and Senate rules, things need to be wrapped up by Thursday, June 25th. The House has similar deadlines to act on Senate bills.

A move to allow liquor licenses to fill and sell growlers (refillable containers that hold draft beer) has fallen flat. HB 554, relative to sales of beer in refillable containers, was sponsored by Rep. Kermit Williams, D-Wilton. While there seems to be a demand for such a product, and it is currently allowed by a number of states, craft beer brewers were out in force in opposition to the proposal. Currently the craft beer brewers are the only ones that can refill their own products in growlers. They were not of a mind to share that opportunity with bars, restaurants and off-premise liquor retailers and the Senate committee voted to kill the bill 4-1.

Two competing bills dealing with the use of EBT cards continue to make their way through the legislative process after crossover. The House passed their version, HB 219, sponsored by Windham Republican Charles McMahon, and sent it to the Senate. The Senate version, SB 169, sponsored by Sen. Jeannie Forrester, R-Meredith, was passed by the Senate and forwarded to the House.

The House version would generally control and restrict the venues where the cards can be used. With the program the State has, they have the ability to shut off certain locations like tattoo parlors, cigar and smoke shops, and marijuana dispensaries.

The competing Senate version prohibits any person who receives public assistance from using EBT cards or cash obtained from EBT cards for products or services like gambling, tobacco, alcoholic beverages, lottery tickets, firearms or adult entertainment.

I see this issue going to a committee of conference before the differences are settled.

Senate Bill 106, restricting the sale or possession of synthetic drugs, sponsored by Keene Democrat Senator Molly Kelly, is now being considered in the House after passing the Senate. There was strong support to outlaw these drugs which have been outlawed in many NH communities, but the State has not taken legislative action. The so-called synthetic marijuana products, known as "K2", "Spice", and "herbal incense", among other names, can be deadly, and sometimes are available behind the counter and labeled "not for human consumption". The victims, law enforcement, and sellers know better.

The proposed state operating budget now is being considered by the NH Senate after passing the House. The Senate leaders agree with the House on new revenues and have said they will not pass a budget that increases taxes. Governor Hassan proposed an increase in the cigarette tax, among other revenue raising measures. Look for the House and Senate to come to an agreement on the budget, without new taxes, in June.

Get the latest Legislative and Regulatory updates from Stuart every Friday by e-mail and live call-in conference calls each Monday morning. Access even more information at the website www.grocers.org or Facebook/NHGA. All of these benefits are for members at no additional cost.

Spring Beverage Menu Trends Aim for Healthy, Natural, New Ingredients

New innovations and trends have sprung forth on beverage menus across the country with the return of spring. Mintel's flavor trend report found four key trends catching on with consumers.

In the coffee segment, dessert inspiration and cold-pressed offerings stand out. Mintel found more than half of consumers seek out specialty items even when they're not healthy, giving dessert flavors a leg up. Cold-pressed coffee, which includes iced coffee and cold brew, is picking up with many major chains starting to offer it on menus, despite the labor-intensive process.

Also on the health front, high-fructose corn syrup has been increasingly shunned as consumers seek out natural options, giving cane sugar its day in the sun, particularly among niche and mainstream soda brands.

Lemonades are making a comeback, while vegetables gain a new found spotlight in categories from smoothies and juices to tea and even coffee, which may appeal to the 42 percent of consumers who are willing to try menu items with unusual ingredients.

Coconut is also gaining prominence, not only as a drink flavor, but as a nondairy alternative, and 17 percent of consumers would like to see more nondairy milk products on restaurant menus.

(Reprint: Specialty Food)



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Federal Ruling Paves The Way For Vermont GMO Trial

A federal judge Monday dismissed an attempt to block the implementation of Vermont's law requiring the labeling of food containing genetically engineered ingredients. U.S. District Court Judge Christina Reiss dismissed a preliminary injunction brought by the Grocery Manufacturers Association, which contends that Vermont's GMO labeling law is unconstitutional.

The ruling also denies the state's motion to dismiss the case, which clears the way for a trial.

Reiss rejected the Grocery Manufacturers Association's request for an injunction that would prevent the Vermont law from going into effect while the case is litigated. She ruled Monday that Act 120 can be implemented July 1, 2016, despite the ongoing lawsuit. The multibillion dollar trade group representing food, beverage and pesticide companies sued the state last year after the nation's first GMO labeling legislation was signed into law by Gov. Peter Shumlin. The Vermont Attorney General's Office finalized the regulations to implement the law this month.

The order is not a final ruling, but Reiss decided on several key constitutional questions raised by the lawsuit. She also said the state's prohibition of the use of the word "natural" on genetically engineered foods may be unconstitutional.

Nonetheless, Attorney General Bill Sorrell said Monday there is a lot to like in Reiss' order. "On the fundamental heart and soul issues of the law, and that is the mandatory labeling of foods that contain genetically engineered ingredients, the plaintiffs are going to have a very difficult time seeing that that is struck down by this court," Sorrell said.

In a statement, GMA said it is reviewing the decision and considering its legal options. "While we are pleased that the District Court found us likely to succeed on several of our claims, we are nevertheless disappointed by the court's ultimate decision to deny our Motion for Preliminary Injunction to block the implementation of the Vermont GMO labeling law – Act 120 – on grounds that the manufacturers had not yet shown a sufficient degree of harm," the statement said. The trade groups argue that the labeling requirement violates free speech protections. They say the legislation's "politically motivated speech regulation" compels manufacturers to use labels that frighten consumers from purchasing safe, nutritious, affordable foods that are no different from counterpart organic, the order says.

Because the law compels speech, the trade groups argue the state must prove there is a "compelling government inter-

est" to require the label, such as a public health threat. The state says the labeling requirement compels only factual, non-controversial commercial information and furthers governmental purposes beyond only satisfying a consumer's right to know whether food products contain genetically engineered ingredients, the order says.

Reiss rejected the trade groups' request for a higher legal standard of review. She applied the less stringent *Zauderer* precedent, which was derived from a 1985 court case. "Because the State has established that Act 120's GE disclosure requirement is reasonably related to the State's substantial interests, under *Zauderer*, Act 120's GE disclosure requirement is constitutional," the order says.

The state's law also prohibits manufacturers from claiming their products are "natural" or using "words of similar import" if the product contains genetically engineered ingredients. Reiss said the law does not define this term. "Not only does Act 120 fail to define 'any words of similar import,' but it refers to its undefined 'natural' terminology for guidance," Reiss said.

She also dismissed arguments by the trade groups that Act 120 violates the Commerce Clause and federal pre-emptions. No trial date has been set.

Out-of-Stock: 3 Strikes You're Out

By: Patrick Walsh, V.P. of Supply Chain and Chief Business Development Officer, Food Marketing Institute

In this consumer-driven landscape many business imperatives remain, but the struggle around on-shelf availability is more than just a revenue problem. With our trading partners at the Grocery Manufacturers Association, FMI recently commissioned a study conducted by JDA Software that shows a disturbing three-strikes-and-you're-out pattern when it comes to customer loyalty.

The study found that on the first occurrence of an out-of-stock, the typical shopper will substitute another item 70 percent of the time; on the second occurrence, the shopper is equally likely to substitute, make no purchase, or go to another store; and on the third occurrence, 70 percent will go to another store. In the food retailing industry, when it comes to customer loyalty, you don't always get a second chance so avoiding the third strike is important.

Here are the Top-10 Reasons why retailers should share point of sale (POS) data with suppliers:

10. Your mother always taught you to share your things
9. It's what friends and partners should do
8. It builds trust and strengthens partnerships
7. It helps suppliers better meet retailers' needs
6. It helps suppliers quickly adjust to new product introduction sales trends
5. It helps suppliers better understand promotion effectiveness
4. It helps suppliers understand local demand patterns
3. It helps suppliers better understand the effects of seasonality by region
2. It enables retailers and manufacturers to more effectively collaborate on on-shelf-availability
1. You can't effectively solve the on-shelf-availability problem without accurate, timely POS data



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Consumers Turning To Fresh Items In Convenience Stores

More than six in 10 American consumers (61%) say convenience stores are offering healthier, nutritious products and serving sizes. This was the third consecutive year that a majority of Americans said convenience stores are providing more better-for-you items.

Sales reflect growing consumer choice for food items in convenience stores. Nearly six in 10 consumers (59%) and seven in 10 of those age 18-34 (70%) say convenience stores offer food that they feel comfortable eating. Foodservice sales at convenience stores increased 9.7% in 2014, according to NACS data.

In particular, consumers are purchasing more fresh and nutritious food in convenience stores. Overall, 44% of Americans say convenience stores offer nutritious items, which is a strong increase from the 30% who felt that way in 2013. In addition, 43% say convenience stores are a place to get fresh food items. Convenience stores sales of fresh fruits and vegetables (whole commodities like apples, bananas and oranges as well as fresh-cut/value-added produce like prepared salads, fruit cups and other packaged produce) increased 10.3% to \$362 million in 2014, according to Nielsen data.

The NACS survey was conducted by Penn, Schoen and Berland Associates LLC; 1,103 consumers were surveyed April 7-9, 2015.



NHGA Welcomes New Members

A special welcome goes out to the newest members at NHGA!

Roberts Market

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Franklin, NH 03235

Penguin Mart 3

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Belmont, NH 03220

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New Durham, NH 03855

Salem Convenience Store

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Salem, NH 03079

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If you have not paid your membership dues why not join these fine businesses today! The Association is your voice in many vital areas that effect your business and you.

For further information call (603) 669-9333.

Follow NHGA Labor Law Series over the next 10 months as we cover each of the top 10 violations.

If you have specific Labor Law questions please send them to Rosanne@grocers.org. We will consult with our Labor Law expert, Charla Bizios Stevens, Esq., from McLane Law Firm and will publish your answers in the next issue of News & Food Magazine.

Violation #10

Failure to pay minimum wage for all hours worked.—*RSA 279:21

If you employ anyone that may fall into this group listed below you need to to review RSA 279:21.

- Interns of non-paid status
- Volunteers non-profit only
- Tips plus \$3.27 or higher must equal \$7.25 (*min. wage*) or higher for all hours worked
- Commissions with salary or draw



Charla Bizios Stevens, Esq. is chair of the Employment Law Practice Group at McLane, Graf, Raulerson & Middleton. She is a member of the firm's Litigation Department and also practices in the education and health care law practice groups. She regularly advises business clients on personnel policies, wage and hour issues, labor audits, discrimination claims, internal investigations and the termination and discipline of employees. Charla also conducts in-house management and sexual harassment training, as well as self-audits for companies who want to evaluate their personnel practices. Her litigation background includes practice in the state and federal courts of New Hampshire and Massachusetts and before numerous state and federal administrative agencies. Charla has been recognized as a leading attorney by Chambers USA, Best Lawyers and New England Super Lawyers.

The Annual Top Ten List of Violations Found by the NH Department of Labor

Violation #10

Failure to pay minimum wage for all hours worked.—*RSA 279:21

Violation #9

Illegal deductions from wages.—*RSA 275: 48 and Lab 803.02(b),(e),(f)

Violation #8

Illegal employment of workers under 18 (not having proper paperwork, hours violations, working in a hazardous environment).—*RSA 276-A: and Lab 1000

Violation #7

Failure to pay 2 hours minimum pay at their regular rate of pay on a given day that an employee reports to work at the request of the employer.—*RSA 275:43-a and LAB 803.03 (h),(i),(j)

Violation #6

Failure to provide written notice to employees of their wage rate, pay period, pay day and a description of fringe benefits, including any changes.—*RSA 275: 49 and Lab 803.03

Violation #5

Failure to secure and maintain workers compensation coverage and misclassification of employees.—*RSA 275:42 I & II and RSA 281-A

Violation #4

Employment of Undocumented Workers Prohibited.—*RSA 275-A: 4-a

Violation #3

Failure to have a written safety plan, joint loss management committee and safety summary form, if required.—*RSA 281 -A:64 Lab 602.01 , 602.02, 603.02, and 603.03

Violation #2

Failure to keep accurate record of all hours worked.—*RSA 279: 27 and Lab 803.03

Violation #1

Failure to pay all wages due for hours worked, fringe benefits, breaks less than 20 minutes, etc.—*RSA 275:43 and Lab 803.01

H.J. Heinz Company And Kraft Foods Group Sign Definitive Merger Agreement To Form The Kraft Heinz Company

H.J. Heinz Company and Kraft Foods Group, Inc. announced on March 25, 2015 that they have entered into a definitive merger agreement to create The Kraft Heinz Company, forming the third largest food and beverage company in North America with an unparalleled portfolio of iconic brands.

Under the terms of the agreement, which has been unanimously approved by both Heinz and Kraft's Boards of Directors, Kraft shareholders will own a 49% stake in the combined company, and current Heinz shareholders will own 51% on a fully diluted basis. Kraft shareholders will receive stock in the combined company and a special cash dividend of \$16.50 per share. The aggregate special dividend payment of approximately \$10 billion is being fully funded by an equity contribution by Berkshire Hathaway and 3G Capital.

The proposed merger creates substantial value for Kraft shareholders. The special cash dividend payment represents 27% of Kraft's closing price as of March 24, 2015. Also, by continuing to own shares of the new combined company, Kraft shareholders will have the

opportunity to participate in the new company's long-term value creation potential.

Global Brand Portfolio Powerhouse

The combination of these iconic food companies joins together two portfolios of beloved brands, including Heinz, Kraft, Oscar Mayer, Ore-Ida and Philadelphia. Together the new company will have eight \$1+ billion brands and five brands between \$500 million and \$1 billion. The complementary nature of the two brand portfolios presents substantial opportunity for synergies, which will result in increased investments in marketing and innovation.

Alex Behring, Chairman of Heinz and the Managing Partner at 3G Capital, said, "By bringing together these two iconic companies through this transaction, we are creating a strong platform for both U.S. and international growth. Our combined brands and businesses mean increased scale and relevance both in the U.S. and internationally. We have the utmost respect for the Kraft business and its employees, and greatly look forward to working together as we integrate the two companies."

Warren Buffett, Chairman and CEO of Berkshire Hathaway said, "I am delighted to play a part in bringing these two winning companies and their iconic brands together. This is my kind of transaction, uniting two world-class organizations and delivering shareholder value. I'm excited by the opportunities for what this new combined organization will achieve."

"Together we will have some of the most respected, recognized and storied brands in the global food industry, and together we will create an even brighter future," said John Cahill, Kraft Chairman and Chief Executive Officer. "This combination offers significant cash value to our shareholders and the opportunity to be investors in a company very well positioned for growth, especially outside the United States, as we bring Kraft's iconic brands to international markets. We look forward to uniting with Heinz in what will be an exciting new chapter ahead."

"We are thrilled about the unique opportunities this merger will create for

H.J. Heinz Company and Kraft Foods Group Sign Definitive Merger Agreement

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The image is a promotional poster for the NHGA Board of Directors Invitational 2015. It features a close-up photograph of a golfer's feet in brown shoes and white socks, standing on a green golf course. A golf club head is visible on the left, and a golf ball is in the center. In the bottom right corner, there is a hole in the grass. The text "NHGA Board of Directors INVITATIONAL 2015" is written in a stylized green font with a golf ball graphic. At the bottom left, the text "save the date TEEING OFF on JULY 15" is written in large white letters. At the bottom right, the text "Canterbury Woods Country Club Canterbury, New Hampshire" is written in black.

NHGA Board of Directors INVITATIONAL 2015

save the date TEEING OFF on JULY 15

**Canterbury Woods Country Club
Canterbury, New Hampshire**

NHGA Member Takes Roadtrip: *One*

A Family Trip

New Hampshire Grocers Association (NHGA) is made up of both retail and supplier members. Often times we have members who change their store or company name, but we would like to tell you about one member who didn't just change his store name, he changed his membership from retailer to supplier with the help and support of the Association. Longtime member of NHGA, Paul Binette shares his journey and the roadtrip he embarked on with his family from Binette's Superette to A & J Beverage Distributors.

In the 1960s Rosaire Binette and his wife Etna purchased a small corner store. Rosaire and Etna operated the neighborhood store for a number of years. After Rosaire's passing Etna continued to run the store with help from her son Paul Binette.

In 1973, after the passing of Etna, Paul and his two brothers settled their parents' estate which included the store and real estate in the Exeter area. Paul and his wife Jeanne acquired Binette's Superette and operated it for about 12-13 years, eventually becoming a retail member of NHGA.

They both worked at the store and it was Paul and Jeanne who expanded from corner store to superette. The store is still



A & J Beverage Distributors founder Paul Binette, (left) with his grandsons and co-managers, Jeff Rowe (center) and Andrew Rowe (right) in front of one of their seven trucks at their warehouse in Exeter, NH.

there today at 201 Front Street in Exeter, NH.

Fork in the Road

Paul quickly realizes the need to keep his store stocked with fresh produce. He buys his own truck to make these frequent trips into Boston. The word quickly gets around town. Exeter high school contacts Paul about picking up produce for the school cafeteria. At this time, Paul is also bidding on US Postal contracts and winning them, sometimes 3 contracts at a time, all in the Exeter-Portsmouth area.

"That's when everything grew—by my wife and me alone. We weren't 'financially fit,' but I just couldn't say no. I just always wanted to get my hands into something," said Paul.

Slight Detour Ahead

It's clear Paul possesses a strong entrepreneurial spirit and he's not afraid to work hard. For him, it was as simple as buying a truck to solved the issue of

NHGA Member Takes Roadtrip

Continued on page 15

About Paul Binette

Paul Binette embodies what being a member of New Hampshire Grocers means. Paul Binette learned early on that there are many benefits to being a NH Grocers Association member, but none as valuable as the connections you make by attending the NHGA sponsored events. Paul, and the success of A & J Beverage Distributors, proves just that. Through the networking connections he made as a retail member in the 1970s, Paul was able to launch his transport company and seamlessly cross over to being a supplier member to many of our retail members and oth-

er businesses in the food industry.

Paul's involvement went beyond just making an appearance at one of the Association's events. He became involved, he was always an active member. He has served on the NHGA Board of Directors, currently serves on the Scholarship Snow Day committee and the UltraViolette Golf Classic committee, was honored by NH Grocers Association with the Associate Partner Award in 2013 and has donated his time and resources to many of our other events.

Paul is also grooming his grandsons to become model members and you will begin to see more of Andrew and



(L-R) Bill Gamache, Paul Binette and Kevin Daigle at the recent UltraViolette Golf Classic committee meeting.

Jeff Rowe at the NHGA events.

Please, next time you attend an event and see Paul Binette, take a moment to say "thank you" for all he does for your Association.

Member's Journey from Retail Member to Supplier Member

NHGA Member Takes Roadtrip

Continued from page 14

keeping his store stocked with fresh produce while opening up another opportunity, unbeknownst to Paul, the beginning of a successful trucking company.

In the late 1970s, New Hampshire Retail Grocers Association (NHRGA), now NHGA, learned through their members of a struggling wine transport company. Wine and spirit distribution was still in its infancy. Wanting to find a solution for their members, the Association purchased this one-truck company and operated GSW. In 1981, the Association found it to be more labor intensive than they anticipated. John Dixon, President of the Association, reached out to Paul. A very brief negotiation took place and once again, Paul just couldn't say no.

Paul left the Association office in Manchester that day with a truck, a forklift, and 50+ retail member clients.

That day was quite memorable for Paul. He almost didn't make it home. Heading east bound on Rte. 101 the truck died. Paul called the company that maintained his other three trucks and made another business deal that day. "Come get me on Rte. 101, make sure I get home and you can keep the truck and forklift." Paul told



A & J Beverage Distributors' warehouse in Exeter, NH.

the repair shop owner.

Paul still ended up with the best deal that day. He incorporated GSW, became a supplier member of NHRGA, and operated under GSW Inc. until 1993 when he changed the name to A & J Beverage Distributors, Inc.

Mapping Out the Route

Paul's grandsons, Andrew and Jeff Rowe both worked at A & J Beverage Distributors after school and on breaks.

They were hands-on under Paul's tutelage learning all aspects of the company from the bottom up. It wasn't difficult for Paul to make the decision to turn the reins over to Andrew and Jeff.

Paul is still very much involved with A & J Beverage Distributors, but he does not get involved in the daily management and operation. He's always available to help when needed, offers advice when asked and listens when needed.

Fast forward to 2004 when Andrew comes on board full time. The new generation makes their mark.

"We are trying to stay current on all technologies to help improve the efficiency of the business. When I first started 11 years ago, Paul was using pen, paper and a typewriter. It's been a struggle for him to adapt to technology but he has seen for himself the advantages. We have made great strides in this area but have many more ideas on how technology can benefit us in the near future." said Andrew Rowe.

Dodging the Potholes

Growing competition is part of business. A & J Beverage Distributors maintains a good relationship with their clients



A & J Beverage Distributors drivers; Jeffrey Whitney, Larry Abbott, Lyle Hodgkins, Peter Vieira, Ronald Page, Ryan Thornell, Peter Denoncour.

NHGA Member Takes Roadtrip

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NHGA Member Takes Roadtrip

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and warn clients to read the fine print before signing contracts. A & J prides itself on providing a great service at a fair price. "A few cents less doesn't make the difference if there are hidden cost or the contract you sign is only a few cents less for the first month but the rest of the year is higher," said Paul.

The business climate is constantly changing in New Hampshire. There are increasing costs everywhere you look.

Like many small companies A & J Beverage Distributors' largest expense they face year to year is the cost of insurance, whether business insurance or medical insurance. A & J Beverage Distributors has a total of 14 employees, 7 trucks and they offer full benefits to their employees which include paid holidays, paid vacation and a 60% employer-paid medical plan.

Paul told us that A & J has very little employee turnover. It's always good to take care of your employees, for more than one reason. DOT does random inspections. They're always looking for small things that a company may over-

look, like your medical card or CDL license. It's easier to track when you have the same employees for years. It's easy to lose track of those little things DOT fines you on all those little things.

This past winter in the Granite State was difficult for many business owners. A & J Beverage Distributors had to close two days due to snow for the safety of the drivers. Road conditions and weather do



cause more wear and tear on the trucks. In addition to the snow, New Hampshire had several very cold days where the trucks had to stay plugged into the block heaters all night.

A & J Beverage Distributors is certified in 48 states but mainly stick to New England. To offset some of the cost they utilize their trucks and bid on hauling jobs they find on an online website, www.getloaded.com.

Reaching Your Destination

A new generation is running A & J

Beverage Distributors but their core values are still the same. A & J Beverage Distributors knows that price is always a consideration, but keeping customers is often about more than just the price. "It's the camaraderie. We have good relationships with our customers and we have good drivers who are very respectful and helpful," said Paul.

With A & J Beverage Distributors you can enjoy the simplicity of working with a full service distributor.

A & J Beverage Distributors will gladly accept the responsibility of loading, transporting and unloading your Wine and Liquor orders from the State Liquor Warehouse for you.

Cutting time and stress from your hectic schedule is simple with A & J Beverage Distributors. Place your order as required through the New Hampshire Liquor Commission and select A & J Beverage Distributors as your choice of carrier on the order form... we'll take it from there.

Using A & J Beverage Distributors' online client access portal, you're able to track and manage all deliveries that you placed through the state website. You can sign up for their online client portal at <https://aandjbeverage.com/> or call the office for assistance at 603-772-4045.

got news?

WE'D LOVE TO SHARE YOUR NEWS WITH OUR MEMBERS.

Contact Rosanne at 603-769-3774 to be featured or submit photos, photo caption and up to 500 word story to: rosanne@grocers.org.

Deadline for editorial content is the 15th of each month.

EVERSOURCE

Retailers Applaud Advancement of House Cyber Security Bills

The Retail Industry Leaders Association (RILA) applauded House passage of two pieces of legislation designed to strengthen the ability of law enforcement and the private sector to work together to address the growing threat of cyber-crime. The Protecting Cyber Networks Act (HR 1560), which passed yesterday, and the National Cybersecurity Protection Advancement Act (HR 1731) which passed today, encourage businesses to share cyber threat information electronically with federal law enforcement agencies, making it easier to track and guard against cyber-attacks.

“Retailers have taken extraordinary steps in the past year to combat cyber-crime and protect our customers from the impact of data breaches and other cyber-attacks,” said Nicholas Ahrens, Vice President for Privacy and Cybersecurity. “Passage of House cyber information sharing legislation is a strong first step toward enacting meaningful government reforms that complement our own efforts to defend against the threat posed by cyber thieves and hackers.”

Both bills drew strong bipartisan support and now await Senate action on

similar legislation, expected in May.

Retailers view cyber threat information sharing as critical to protecting businesses from cyber-attacks, which is why last year, RILA, in partnership with its member companies, established the Retail Cyber Intelligence Sharing Center (R-CISC). The R-CISC has opened a steady flow of information sharing between retailers, law enforcement and other relevant stakeholders. These efforts have helped retailers establish trusted sharing relationships, prevented data breaches, protected millions of American customers and saved millions of dollars.

While supporting federal legislation making it easier to work with federal law enforcement, retailers have taken many additional steps over the past year to guard against cyber threats. Below is a summary of events and actions taken by the industry.

Retailers Are Investing \$8.65 Billion to Upgrade Payment Terminals. New technology about to be deployed by credit card companies will require U.S. consumers to carry a new kind of card and retailers across the nation to upgrade

payment terminals. (“Costly Shift to New Credit Cards Won’t Fix Security Issues,” Reuters, 3/3/15)

Retailers are building cross-industry alliances to work toward solutions that thwart cyber threats.

The Retail Industry Leaders Association (RILA) Joins with Financial Services Roundtable (FSR) In an Effort to Fight Hackers. Financial Services Roundtable is joining forces with the Retail Industry Leaders Association (RILA), the American Bankers Association, the National Restaurant Association, and other trade groups to launch a new working group. Together the industries plan to combine their brain power to fight hackers and work with Congress on any new possible laws. (“Stores, Banks Team Up To Fight Hackers,” The Hill, 2/13/14)

Retailers are leading the fight for “Chip-and-PIN” technology, which is the safest technology available today to protect against data breaches and fraud.

Including a PIN Can Make a Transac-

Retailers Applaud Advancement of House Cyber Security Bills

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Management Challenge: What to Do When An Employee Has Personal Issues At Home

By Bruce Tulgan

When something is happening in an employee’s life outside of work that negatively affects the employee at work, it can be very serious. For instance, it might be a clear medical issue— perhaps a newly discovered or acquired illness, or disability of the employee himself (or a close family member). In such cases, you would understand fully that it is not your job to try to be that employee’s doctor. Make sure you respect that individual’s rights and privacy— make any reasonable accommodations that you can for the

person. Be kind and decent. Perhaps your organization has some kind of employer-sponsored resources, such as EAPs (“employee assistance programs”), that can help the employee. You should help that employee find the right resource. Understand that the employee might have to take some time off— whatever sort of paid and unpaid leave is available for medical needs. Direct the employee to HR.

Not all issues are so straightforward. You just never know how employees are going to respond— at work or otherwise— to the things happening in their

personal lives. The whole range of serious and difficult personal issues that affect human beings can show up at work in an employee at any time: Substance abuse, violence (domestic or otherwise), abuse (violent or otherwise), divorce, death, birth, fire, floods, depression, compulsion, among many others.

Over the years, I’ve seen so many managers get drawn in to such highly personal matters with employees. It’s almost always a mistake. Don’t do it. It is

Management Challenge

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NACS Supports H.R. 2017

We Need You to Ask Your State Representative for Their Support for the Bill

Late last year, the Food and Drug Administration finalized its burdensome menu labeling regulations. Earlier this week, Representatives Cathy McMorris Rodgers and Loretta Sanchez introduced H.R. 2017, the Common Sense Nutrition and Disclosure Act of 2015, which would provide much-needed compliance flexibility for our industry. NACS encourages you to contact your member of Congress to urge them to co-sponsor this legislation.

Despite being provided with detailed comments and examples of how such a rule could – and should – be implemented in retail establishments that are not chain

restaurants, the FDA's original rule requires convenience stores to operate like a chain restaurant to effectively comply. Adding to the problematic nature of this rule is the fact that the implementation is fast approaching: December 1, 2015.

Convenience retailers are not opposed to providing customers with the type of caloric content information the rule requires of them, but retailers should be able to do so in a way that makes sense in our industry. In fact, many stores have the information available today in some form should customers request it. H.R. 2017 provides the reasonable accommodations that will make it possible for

members of our industry to comply, without creating an undue business burden.

The Congressional Budget Office has indicated that the Menu Labeling Rule is one of the most expensive in history, due largely to the compliance costs required of smaller businesses. With the December 1, 2015, implementation date quickly approaching, we need swift congressional action on H.R. 2017, to provide the regulatory flexibility needed to ensure that this rule can be implemented fairly and effectively. Submitting a letter online will only take a couple minutes and will have a long-term impact on your business.

Retailers Applaud Advancement of House Cyber Security Bills

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tion Up To 700 Percent More Secure. A 2013 study by the Federal Reserve found that using PINs in debit card transactions reduced fraud by 700 percent. ("2011 Interchange Fee Revenue, Covered Issuer Costs, And Covered Issuer And Merchant Fraud Losses Related To Debit Card Transactions," Federal Reserve, 3/5/13)

"Chip-And-PIN" Is A Tested Technology That The U.S. Needs To Employ. When defending against cyber-attacks, there are no silver bullets. Instead, strong defenses rely on layers of protections. Widespread migration to Chip-and-PIN is one of those very important layers. Working across the payments ecosystem with merchants, card networks, banks and credit unions, we hope to achieve that goal and build for a more secure future for our shared customer, the American consumer. ("Chip-And-PIN Increases Cybersecurity," The Hill, 10/21/14)

The retail industry has been at the forefront of cybersecurity – just last month the Retail Cyber Intelligence Sharing

Center (R-CISC) launched a portal to speed up its ability to spread information in the face of rapidly escalating attacks on payment and other retail data.

A Retailer's Group Formed To Share Cyberattack And Threat Information. Along with making it easier for retailers to report threat information that they uncover, the portal will allow retailers to receive intelligence from law enforcement, government agencies and key partners. It's also intended to help provide security education and research offerings for retailers. ("Retail's Cybersecurity Center Adopts Intel-Sharing Portal," PYMNTS, 3/26/14)

Retailers are working with Congress to craft new data breach and cyber security legislation that will inform and safeguard our customers.

Retailers Are Backing Strong Federal Data Breach Legislation To Protect Consumers. When attacks on consumer information are successful and will cause economic harm, retailers believe that their customers have the right to be notified as promptly as possible. Retailers also believe that they have an obligation to provide customers with information that is as accurate and actionable as pos-

sible so that they can take steps to protect themselves. (RILA Outlines Key Elements Of Data Breach Legislation At Congressional Hearing, 1/27/15)

Retailers Support Legislation To Strengthen Info Sharing Tools With Law Enforcement. Retailers understand that defense against cyber-attacks must be an ongoing effort, evolving to address the changing nature of the threat. RILA is committed to working with Congress to give law enforcement and retailers the tools necessary to thwart this unprecedented attack on the U.S. economy and bring the fight to cybercriminals around the globe. (RILA Outlines Key Elements Of Data Breach Legislation At Congressional Hearing, 1/27/15)

RILA is the trade association of the world's largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs and more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad.

Five Things Retailers Want From Fresh Food Suppliers

Supermarket News just released the findings of its perishables state-of-the-industry survey, and the data will open some eyes. The fresh food segment is on a growth curve, but respondents told us not all categories are sharing equally in the excitement. Let's take a look at what retailers say they most need on this score.

1-Heads-up on new trends and items. This includes items being promoted via coupons or other means. Part of this is marketing 101, because retailers should get early warnings about promotions. But retailers also need deeper insights into where trends are going in order to effectively merchandise categories.

2-Further development of strategic partnerships. For years we've been hearing about closer collaboration between retailers and packaged goods suppliers in center store. This approach needs to be rolled out on the perishables side as well. That's already beginning to happen and retailers are asking for more of it.

3-Bigger efforts on local products. Survey findings underscored the importance of local, as nearly 70% of retailer respondents said they offer more local products compared with two years ago. However, retailers said they want even more

of these products, along with deeper supplier participation. As one put it: "We need a greater willingness from our local producers to show up in the stores and talk about their products." My question is, Why wouldn't producers want to be partners in this way?

4-More attention to independents. Independent retailers have long felt suppliers weren't paying them enough attention, but usually this focused on the grocery/packaged goods side. This survey underscores that the problem is just as prevalent in fresh foods, as smaller retailers want everything that bigger operators have access to.

5-Education for store employees. This is crucial, because in-store service is increasingly a differentiator with shoppers. Consumers have just too many choices now and don't need to compromise if associates aren't helpful.

The good news is more industry research on fresh foods is on the way, much of it to be presented at the FMI Connect event in Chicago, June 8-11. Meanwhile, FMI has been focusing a lens on fresh foods through its Fresh Executive Council, said Rick Stein, the association's VP of fresh foods.

Read More: <http://supermarketnews.com/blog/five-things-retailers-want-fresh-food-suppliers#ixzz3Yv6IZ1CZ>



Management Challenge

Continued from page 17

time-consuming and almost never works. Sometimes there are negative repercussions that are hard to shake.

The best practice in this situation is to be aware, be kind, and be brief about it. What you need to know is how an employee's personal life bears on his role at work.

It is not your job to be any employee's therapist. You are not qualified and it's not appropriate. Neither should you try to be any employee's life coach or counselor. You should not, nor do you need to, be trying to help this person manage or solve his/her problems at home. You need to help this person manage and solve his/her problems at work.

Reframe this very complicated issue in clear and simple terms: "Is this person having troubles at work?" No matter what the problem is outside of work, what you need to do is make it completely clear that what's going on at work is 100% the work. That's not just hard-nosed boss talk. That can also be a real kindness.

Acknowledge that something may be going on outside of work. Ask if the em-

ployee wants to share with you the nature of the issue. Stop and evaluate whether or not your knowledge of that personal issue now obligates you to take action at work: Does the issue pose a danger to anyone at work? Evaluate whether this person is going to need some time off, and/or whether there are employee assistance resources that might help this person. If not, then the biggest favor you can do for this person and yourself and the rest of the team at work is refocus the discussion on the work: "Here are the performance standards. And here are the concrete expectations. Your time at work is measured entirely by meeting and exceeding those performance standards and concrete expectations. Exceed those standards and expectations and no matter how bad you might be feeling outside of work, you can feel great about your time here."

Of course, if an employee simply cannot leave those personal issues outside of work—if the employee cannot at least meet the standards and expectations at work—then the employee might need some time off or a leave of absence, or to be removed from the job entirely. You

should always make every effort to help this employee avail himself of any employee assistance resources you possibly can. You could even volunteer to help personally somehow, outside of work. You can and should be very kind. But you just can't have that person at work if he is not able to perform at work.

Maybe you are thinking, "Ah, but these are the very special cases." Indeed. But remember, every employee is a special case. When addressing personal issues with an employee:

Acknowledge that something may be going on outside of work and ask if the employee wants to share with you the nature of the issue.

Do not try to help employees manage or solve his/her problems at home.

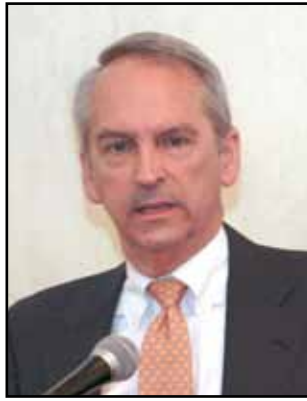
Make it 100% clear that what's going on at work is 100% the work.

Evaluate: Does the issue pose a danger to anyone at work? Does this person need time off or time away? Are there employee assistance resources that might help this person?

Refocus the ongoing discussion on the work: Performance standards and concrete expectations.

NHGA Annual Government Relations Day

Advocating, communicating and educating is the foundation of our Government Relations Day. This year we heard from Stuart D. Trachy, our Legislative Liaison with a recap on the 2015-2016 Legislative Session. We heard from Bruce Bergeron from Jake's Market about NHGA's Ad Hoc Committee Activities followed by an overview and Q&A from the New Hampshire House with Shawn Jasper, Speaker of the House.



*Stuart D. Trachy,
NHGA Legislative Liaison*



*Bruce Bergeron, Jake's Market
Ad Hoc Committee*



*Shawn Jasper,
NH Speaker of the House.*

NHGA Annual Meeting



Right before our luncheon break we held out NHGA Annual Meeting, chaired by Tim Merrill, NHGA Chairman of the Board.



During the NHGA Annual Meeting we announced three new board members, one of which was in attendance. Pramod Nyaupane, owner of Bunny's Superette, received a warm welcome at his first NHGA event.



*Pramod Nyaupane, owner of
Bunny's Superette, Manchester*



There were bittersweet good-byes at NHGA Annual Meeting too. Longtime Board Member, Moe Boucher from Pepsi Beverage Company, was recognized for his time and involvement spent on the Board and Association committees. Thank you again Moe. (Shown left to right) Tim Merrill, NHGA Chairman, Moe Boucher, Pepsi Beverage Co., and John M. Dumais, NHGA President.



NHGA presented a well deserved and surprised Ilene Beattie of Jiffy Mart with the 2015 National Grocers 'Spirit of America' Award. (Shown left to right) Dwight LaFountain, Jiffy Mart, Ilene Beattie, Jiffy Mart, Tim Merrill, NHGA Chairman, and John M. Dumais, NHGA President.

NHGA Goes to Washington, D.C.



Judy Knapp, Hannaford Supermarkets introduces NHGA Board members who attended the Annual Day in Washington Supermarket Industry Fly-In. (Right to left) Judy Knapp, Hannaford Supermarkets, Ilene Beattie, Jiffy Mart, Jay Rainville, Market Basket Supermarkets, John M. Dumais, NH Grocers Association.



A cantaloupe is a cantaloupe, right? Not according to GMO proponents. Jay Rainville (shown) put it in simple terms we can all understand... "Take a cantaloupe fresh from the produce department and labeling is not required. Take that same cantaloupe, cut it up and now it needs a GMO compliant label."



Ilene Beattie shared a passionate look at Data Breach and who pays the penalties for notification when your data is compromised at the gas pump. Ilene went to Washington on behalf of many retailers—stating that foisting the data breach notification responsibilities of telecommunications and Internet services companies onto retailer would be fundamentally unfair.



10

TOP

The Annual Top Ten List of Violations Found by the NH Department of Labor



Charla Bizios Stevens, Esq. from McLane Law Firm enlightened even long time employers of common violations. There was a lot of note taking and Q&A in this afternoon presentation. See page 12 for a complete list of the top ten violations.



Michael D. Todd, Public Information Officer, New Hampshire Department of Safety addressed the crowd on Preparedness. For grocers in New Hampshire, 72 hours of water, food and prescriptions for the 1.32 million residents in the state translates into sales of four million gallons of water; 30 million snack bars, 92 million prescription pills, 10,000 bags of dog food, 528,000 flashlights, 2 million batteries and 528,000 bottles of hand sanitizer, towelettes and rolls of toilet paper. **That's a lot of Snicker bars!**



See page 24 for more information about Preparedness.



Our Government Relations Day always includes a wonderful breakfast and lunch.

NHGA Annual Government Relations Day Continued on page 22



Collaborating with Farmers to Increase Sales

Sourcing and Selling Locally Grown and Produced Items: Our Q&A Panel was moderated by Lorraine Merrill, Commissioner, NH Department of Agriculture (*shown far right*). Also shown on the panel (*left to right*) Tony White, Hanover-Lebanon Co-Op, Larry Pletcher, Vegetable Ranch, LLC, John Cohen, E.M. Heath and Gail McWilliam-Jellie, Director, Division of Agricultural Development.



Kenneth Baron, Social Security Administration

SOCIAL SECURITY PLAYS A ROLE IN EVERY INDIVIDUAL'S RETIREMENT STRATEGY, but how well do you really understand how the program works and your level of benefit eligibility?

Kenneth Baron of the Social Security Administration who has worked over 33 years for the agency addressed our crowd about Social Security benefits, and inform us on facts everyone should know. One thing everyone should consider is if Uncle Joe is giving you advice on Social Security you better write this number down, 1-800-772-1213. We learned there is a lot of misinformation being passed around. Each claim is unique and when you have questions you should contact the Social Security Administration directly.

Joel Kappelson and Robert Aries teamed up on an informative presentation on **The Correct Way to Plan For Retirement**. Both are seasoned retirement specialist who offered advice to everyone regardless of their age. *You're never too young to start planning for retirement.*



Joel Kappelson (left) and Robert Aries (right)

Another Great NHGA
Members-Only Program

RGIS®

Get **smarter**
with your **space.**

we know what counts

GROCERY INVENTORY SOLUTIONS

TWO OPTIONS

1 Forms for manual inventory operation. Cost effective and efficient for small operations.

2 RGIS Inventory Service discounted program for larger stores/operations provides accurate and professional service with special NHGA savings.

WE ARE EXPERTS AT INVENTORY

Our employees are professionally trained. We count inventories every day. Not once a year, not twice a year... every day. Last year alone, we performed more than 550,000 inventory events. We did the counting and our customers kept focused on their core business.

IT ALL STARTS WITH ACCURACY

RGIS has invested 50+ years into developing the technology and processes needed to deliver the most accurate inventory counts in the business. The accuracy we provide creates a foundation of reliable, easy-to-access data. You can apply the insight to improve ordering, reduce overstocks and capitalize on buying trends.

FITTING YOUR NEEDS

The RGIS inventory process is integrated into your system. We adjust to fit your style, your business. Flexible scheduling makes us available around the clock. The end result is expert inventory services with minimal disruption. Plus, our customer portal gives you full transparency into the entire inventory event, keeping you informed throughout.

GOING BEYOND THE COUNT

Our goal is to elevate inventory from a passive task to a proactive sales tool, giving you a competitive advantage that strengthens your bottom line. We recently partnered with the Retail Control Group and now offer training to help you identify and take control of operational shrink. Our accuracy makes it possible and the training puts you in control. Enroll now and start seeing the difference by next quarter.



Program Partner

Contact **NH Grocers Association**
at **603-669-9333** to find out
how you can take advantage of
this Member-Only Benefit discounted
program with RGIS Inventory Services.

RGIS®

Get **smarter**
with your **space.**

FACTS & FIGURES:

How 'Preparedness' Adds Up to Big Sales

State Homeland Security and Emergency Management (HSEM) urges residents to be prepared to sustain themselves for the first 72 hours following an emergency or disaster. Preparedness is good for your community, but also for your business.

Seventy-two hours of self sustainability means each person in New Hampshire should have enough water, food, prescriptions and batteries, among other things, to last for the first three days following an event.

For grocers in New Hampshire, 72 hours of water, food and prescriptions for the 1.32 million residents in the state translates into sales.

1. Four million gallons of water
2. 30 million snack bars
3. 92 million prescription pills
4. 10,000 bags of dog food
5. 528,000 flashlights
6. 2 million batteries
7. 528,000 bottles of hand sanitizer, towelettes and rolls of toilet paper.

The 34 million visitors to the state each year also need to make preparedness purchases.

No matter how you crunch the numbers, community preparedness is good for your community and good for your business.

If you're interested in promoting preparedness in your stores, please call Michael Todd, the state's public information officer, at (603)892-8196 to discuss preparedness and how HSEM can help you to increase awareness for your customers.

**Download media to
promote in your store
at ReadyNH.gov**

EMERGENCY KIT SHOPPING LIST:

 BOTTLED WATER	 NON-PERISHABLE FOODS	 NOAA RADIO	 FLASHLIGHT & BATTERIES	 PERSONAL HYGIENE
 FIRST AID KIT	 WHISTLE	 MANUAL CAN OPENER	 COPIES OF IMPORTANT DOCUMENTS	 BLANKET/ TOWEL
 CHANGE OF CLOTHES	 DURABLE WATERPROOF CONTAINER	 GENERATOR	 PRESCRIPTION MEDICATION	 FOOD FOR YOUR PET
 DOWNLOAD THE STATE'S FREE EMERGENCY ALERTS APP		 GO TO READYNH.GOV TO LEARN MORE		

Visit: ReadyNH.gov and download NH Alerts.






Urge Congress to Protect Grocery Stores from FDA Regulatory Overreach

Representatives Cathy McMorris Rodgers (R-WA) and Loretta Sanchez (D-CA) have introduced H.R. 2017, the Common Sense Nutrition Disclosure Act of 2015. This bipartisan legislation would provide relief and common sense fixes to those supermarkets (20 or more locations operating under the same banner and offering for sale similar menu items) that are covered under the FDA Chain Restaurant Menu Labeling law.

We need your help in urging your Member of Congress to protect grocery stores from the FDA's costly and burdensome menu labeling regulations. Ask your Representative to co-sponsor H.R. 2017 today!

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Advantage Promotions.....(603)394-2115
 Leap Year Marketing(724)603-5327

BAKERIES

Lepage Bakeries.....(207)783-9161

BANKING

Bank of New Hampshire(800)832-0912

BEVERAGE

A&J Beverage, Inc.....(603)772-4045
 Amoskeag Beverage.....(603)622-9033
 Bellavance Beverage.....(603)882-9722
 Candia Vineyards.....(603)867-9751

Coca-Cola Companies:

Seacoast.....(603)926-0404
 Bottling Co. of NNE.....(603)627-7871
 Lakes Region.....(603)267-8834

Clarke Dist. Keene.....(603)352-0344

Great State Beverage.....(603)627-7677

Hermit Winery.....(603)253-7968

Jewell Town Vineyards.....(603)394-0600

Law Warehouses.....(603)883-5531

MG Coffee Roasters.....(802)281-4151

NH Distributors, Inc.....(603)224-9991

NH Wholesale Beverage.....(603)742-2212

Pepsi-Cola Companies:

Pepsi of Manchester.....(603)656-6853

Perfecta Wine Company.....(603)645-1234

Polar Corp.....(800)225-7410

Southern Wine & Spirits.....(603)223-2323

Wine Institute.....(603)580-2490

BUSINESS BROKER

NH Business Sales.....(603)715-1097

DAIRY

Cheeseco of New England.....(603)641-6023

HP Hood.....(800)628-8207

Oakhurst Dairy.....(800)482-0718

HEALTH & BEAUTY DISTRIBUTORS

Imperial Distributors.....(508)756-5156

ICE DISTRIBUTORS

Laconia Ice Company.....(800)244-2143

INSURANCE, FINANCIAL PLANNING

ABI/Hub International.....(978)661-6998

Benefits Brokerage.....(603)669-9333

CGI Retirement Services.....(603)232-9317

Clark Mortenson.....(603)352-2121

Cove Risk.....(800)790-8877

Cross Insurance.....(603)528-5255

HPM Insurance.....(603)673-1201

Joel Kapelson & Robert Aries.....(603)471-4371

Northeast Delta Dental.....(800)537-1715

MANUFACTURERS

Durkee Mower Inc.....(781)593-8007

MEATS

North Country Smokehouse.....(603)543-0234

PAPER

Central Paper Products.....(603)624-4064

PAYROLL

Checkmate Payroll Services.....(603)225-2004

PRODUCE

The Fruit Center.....(603)641-0080

REFRIGERATOR/HEATING

Advanced Refrigeration.....(603)623-4499

Granite State Plumbing & Heating.....(603)529-3331

SERVICE & SUPPLIES

A Vision of Your Own.....(603)529-2345

Bertek Systems.....(802) 528-5710

Carriage Care.....(603)749-4630

Carriage Trade Services.....(800) 822-0422

Door Control.....(800)258-9742

Eversource.....(603)634-2214

GS1 Global Public Policy.....(202)625-4634

Heartland Payment Systems.....(800)398-2809

Imagetek Labels.....(802)885-6208

Innovative Payment Solutions.....(207)712-0320

Metromedia Energy.....(508)948-0103

Monsanto Company.....(617)645-3059

NH Lottery.....(603)271-3391

NH the Beautiful.....(888)784-4442

SNACK FOODS

Hutchinson's Candy.....(603)926-3033

Cape Cod Potato Chips.....(781)444-0447

Wise Foods.....(603)624-8340

SPECIALTY FOODS

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Vermont Signature Sauces.....(802)869-5000

TOBACCO

Altria.....(518)431-8000

RJ Reynolds.....(336)741-5000

WHOLESALE GROCERS

AG of New England.....(603)223-6710

Bozzuto's.....(203)250-5398

C&S Wholesale.....(978)749-2601

Capital Candy.....(802)476-6689

Pine State Trading.....(207)622-3741

Retailers, if your supplier is not listed here, tell them about the benefits of a NHGA membership. Better yet, let us send them a valuable information packet in your name.

**New Hampshire Grocers Association**

110 Stark Street, Manchester NH 03101

Toll Free: (877)669-9333 ext. 105 or

Email: kdaigle@grocers.org

H.J. Heinz Company and Kraft Foods Group Sign Definitive Merger Agreement *Continued from page 13*

our consumers worldwide, as well as our employees and business partners. Together, Heinz and Kraft will be able to achieve rapid expansion while delivering the quality, brands and products that our consumers love,” said Bernardo Hees, Heinz Chief Executive Officer. “Over the past two years, we have transformed Heinz into one of the most efficient and profitable food companies in the world while reinvesting behind our key brands and continuing our relentless commitment to quality and innovation.”

Management and Governance

When the transaction closes, Alex Behring, Chairman of Heinz and the Managing Partner at 3G Capital, will become the Chairman of The Kraft Heinz Company. John Cahill, Kraft Chairman and Chief Executive Officer, will become Vice Chairman and chair of a newly formed operations and strategy committee of the Board of Directors.

Bernardo Hees, Chief Executive Officer of Heinz, will be appointed Chief Executive Officer of The Kraft Heinz Company. The new executive team for the combined global company will be announced during the transition period, but no later than transaction closing.

The Board of Directors of the combined company will consist of five members appointed by the current Kraft Board, as well as the current Heinz

Board, including three members from Berkshire Hathaway and three members from 3G Capital.

Long-Term Ownership

3G Capital and its principals have a proven track record of investing in and growing iconic brands. In previous transactions over the years, 3G has partnered with other long-term investors to build significant shareholder value by driving innovation and growth and expanding the international reach of its companies and brands.

Berkshire Hathaway and 3G Capital have a history of successful partnerships and are committed to long-term ownership of The Kraft Heinz Company as it strengthens its leadership position in the industry.

Commitment to Communities

The Kraft Heinz Company will be headquartered in Pittsburgh and the Chicago area.

Understanding the need to preserve both Heinz and Kraft’s heritage in their respective hometowns of Pittsburgh and the Chicago area, the new company is committed to supporting local charities and community relationships in the communities in which they operate.

Structure, Terms and Synergies

Existing Heinz shareholders will have a 51% ownership stake in the combined company, and existing Kraft shareholders will have a 49% ownership stake on a fully diluted basis. Each share of Kraft will be converted into one share of The

Kraft Heinz Company.

The significant synergy potential includes an estimated \$1.5 billion in annual cost savings implemented by the end of 2017. Synergies will come from the increased scale of the new organization, the sharing of best practices and cost reductions.

The transaction is expected to be EPS accretive by 2017. Once the transaction is complete, The Kraft Heinz Company plans to maintain Kraft’s current dividend per share, which is expected to increase over time. Kraft has no plans to change its dividend prior to closing.

The special cash dividend of \$10 billion in the aggregate to existing Kraft shareholders will be paid upon closing and will be funded by an equity investment by Berkshire Hathaway and 3G Capital. Shares of the company will continue to be publicly traded.

As the cash consideration is fully funded by common equity from Berkshire Hathaway and 3G Capital, the merger is not expected to increase the debt levels of The Kraft Heinz Company. The Company is fully committed to deleveraging in a timely manner and to maintaining an investment grade rating going forward.

Approvals

The transaction is subject to approval by Kraft shareholders, receipt of regulatory approvals and other customary closing conditions and is expected to close in the second half of 2015.

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