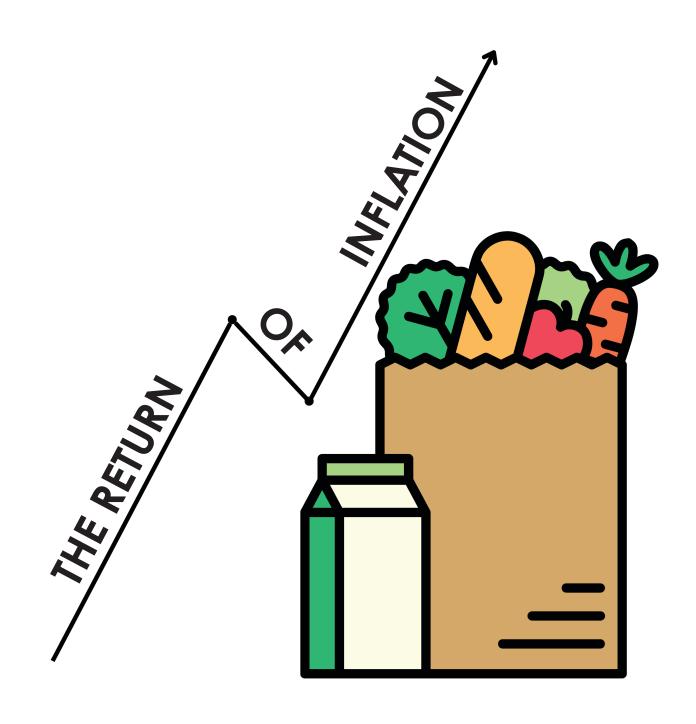


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#### **FEATURES**



#### **AGEF Scholarship**

Scholarship funds are now available!



#### **Industry News**

The sequel that no one asked for.



#### **Association News**

Save the dates for all of our 2023 events!

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#### ALABAMA GROCERS ASSOCIATION

#### **BOARD OF DIRECTORS**

#### **EXECUTIVE** COMMITTEE

Chairman of the Board Harold Garrett Gateway Foods

Immediate Past Chairman Frank D'Amico, III BTC Wholesale Distributors

Treasurer Jay Mitchell Mitchell Grocery Corporation Sergeant-at-Arms Bo Taylor Coca-Cola Bottling Company UNITED, Inc.

Vice Chairman Bob Crawford United-Johnson Brothers

Past Chairman Peter "Greg" Gregerson Gregerson's Foods

Secretary James Cochran Buffalo Rock - Pepsi President/CEO Ellie Smotherman Taylor Alabama Grocers Association

**PRESIDENTS** 

VICE Jack Carlile UNFI

Wade Payne Food Giant

Jimmy Wright Wright's Market

Bill Davis

A & R Supermarkets, Inc.

Tom Sayers

Publix Super Markets, Inc.

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Naseem Ajlouny Buy-Lo Quality Foods Chris Crosby UTZ Snacks/Golden Flake Jerry McCann Piggly Wiggly Alabama Distributing Co.

Charles Weathington UNFI

Stan Alexander Associated Grocers of the South

Gerry D'Alessandro Fresh Value

Greg Rains Alabama Crown Distributing Chris Woods Retail Data Systems

David Brownlow Blue Bell Creameries Kevin Gillespie Kelley Foods

Lynn Rushing SÉ Grocers/Winn-Dixie

Paul Burnett

Mike Hanson Milo's

Manny Shoemaker Acosta Sales & Marketing

Byars | Wright Insurance Lucy Greer Cheriogotis

Kenneth Jones Rouses Enterprises Alison Steineker Alabama Power Company

Autry Greer & Son's

Mitchell Grocery Corporation

Keith Knight Associated Wholesale Grocers Cliff Thomas Campbell's Snacks

**EX-OFFICIO** Mac Otts **BOARD MEMBERS** 

Autry Greer & Son's

Kirk Clark

John Wilson Super Foods Supermarkets

#### AGA STAFF

Stephanie Crabtree Event & Education Director Patrick McWhorter Legislative Representative

Tori O'Neal Membership & Communications Director



#### ALABAMA GROCERS EDUCATION FOUNDATION **BOARD OF TRUSTEES**

EXECUTIVE COMMITTEE

Chairman Tom Sayers Publix Super Markets, Inc. Vice Chairman

President/CEO Ellie Smotherman Taylor Alabama Grocers Association

Secretary/Treasurer Don Richardson Coca-Cola Bottling Company UNITED, Inc.

**OF TRUSTEES** 

**BOARD** Jeff Bolas Bunzl Distribution

Ken Hestley **SellEthics** 

Rob Renfroe Renfroe Foods

Tim Cano Post Consumer Brands Kyle Kimsey Red Diamond

Jake Sim  $A \,\mathcal{C} R \, Supermarkets, \, Inc.$ 

Jai Freeman Freeman Foods **Bubba Lindley EDLINCO** 

Austin Virciglio

Piggly Wiggly of Jefferson County

4 | ALABAMA GROCER



#### PRESIDENT'S MESSAGE

#### **FOREVER CHANGED**



Ellie Smotherman Taylor President/CEO Alabama Grocers Association

## WHETHER OR NOT COVID-19 IS OFFICIALLY OVER, THE GROCERY INDUSTRY HAS FOREVER CHANGED

As we end 2022, I reflect on what has happened in the grocery industry for the last three years. According to the CDC, as of December 1, 2022, in the United States there have been 98,833,282 cases of COVID-19, 1,080,589 deaths with 642,687,387 vaccines administered. During these three years, the grocery industry has been the supermarket heroes providing much needed food and assistance to those across the United States.

COVID-19 has fundamentally changed the way people do their grocery shopping. The prediction for online grocery sales was \$25 billion by 2025 before the COVID-19 pandemic. Boy did we get that number wrong! In 2021, online grocery sales were \$97.7 billion, with overall US grocery sales of \$766 billion according to Mercatus Grocery Report. And to make things even more fun, we have seen double digit price increases and inflation with 40-year highs caused by energy, labor, transportation, and packaging increases just to name a few.

According to the FMI U.S. Grocery Shopper Trends Report, online grocery shopping has declined since August as a portion of overall grocery spending. While two-thirds of American shoppers continue to shop online at least occasionally, the heaviest users have cut back: 12% now say they shop online every time, down from 16% in August, and few shoppers indicate an online provider as their primary store. So even with the incredible growth, online sales contribute to around 12.5% of all grocery spending. According to Forbes magazine, the three major changes during COVID-19 include online ordering, larger orders with shelf-stable foods and the focus on speed, convenience, and safety.

COVID-19 has also fundamentally changed the SNAP and WIC Programs. SNAP has already implemented an online program and WIC is in the pilot stage. Even these programs are adapting to meeting American's needs both through providing meals and online services.

We have also seen an adjustment to the Thrifty Meal Plan and two Cost of Living Adjustments (COLA) since the beginning of the pandemic. SNAP maximum allotments (benefit amounts) are updated each year based on the cost of the Thrifty Food Plan in June and take effect on October 1st. The Thrifty Food Plan is the cost of groceries needed to provide a healthy, budget-conscious diet for family of four. USDA calculates the Thrifty Food Plan using a mathematical model, or equation, based on the cost of food, the nutrients

in food, nutritional guidance and what Americans eat. If you look at SNAP numbers in March 2020, the average was \$90 million a month. Now the average is \$190 million a month.

I am immensely proud of what the grocery industry has faced and continues to face in the aftermath of COVID-19. We have become an industry even stronger, with a new consumer perspective of what our industry means in the world and what our workforce provides. Consumer needs for online sales, SNAP and WIC has increased tremendously, and our stores have adapted and overcome these significant changes. We are a resilient industry who have worked tirelessly to feed Americans. Please plan to celebrate Supermarket Employee Day on February 22, 2023, with all of your employees. They truly have been superheroes feeding America. We all deserve it.

I hope all of you have a very blessed holiday season and a prosperous new year in 2023.

Best Regards,





#### CHAIRMAN'S MESSAGE

#### 2022 WHERE DID YOU GO?



**Harold Garrett** President Gateway Foods

#### IT IS HARD TO BELIEVE IT, BUT THIS YEAR IS ALMOST OVER

Let's Welcome in 2023!

2022 has been a year of transition in many ways. Covid is fading in most ways. Our industry and the world is now starting to venture into a "new normal." We have all heard about this for the last couple of years. We knew it was coming, and it is now time to get back to business - crowded convention halls, crowded sporting events, and yes, even crowded supermarkets.

Last week the Garrett family gathered at the little old lady across the street's (my Mother) house for Thanksgiving Dinner. That seemed normal. We have plans to meet for Christmas. That sounds normal. Kim and I even got on an airplane for the first time since 2020, and that seemed mostly normal. So I guess it's time to face it head-on.

Yes, life and the way we do business have changed, and our industry has always seemed to adapt, read and react to changes and trends. That is what has kept this business so exciting for me over the last 48 years. You just never know what is going to happen next.

In 2022, we were treated to many changes in our Association as well. Sadly after more than 20 years, we said farewell to Jessica Brown as she went on to write the next chapter in her life's adventure.

Now in with the new! We are so highly blessed to have Stephanie Crabtree and Tori O'Neal join our merry band. They each, in their own way, bring a fresh outlook and forward thinking. The future of the AGA is in very good hands.

Our events staff and Education Foundation have done an excellent job this past year, with the Spring Golf Outing, Convention, Clay Shoot and Food Industry Finest Events all being very successful. I applaud each committee member for their efforts on these projects.

It has been such an honor to serve as Chairman again this year, and as my term starts to wind down, I am excited to see what the incoming chairman, Mr. Bob Crawford, will accomplish. He is one of the hardest working men in our industry, and I have no doubt that he will do an excellent job.

Lastly, I would like to thank Ellie Taylor for all that she has done this year (and every year prior) for this Association. We really do not know how blessed we are to have such a person as our president. She has proven to be a force in our industry, not only at the state level but on a national level. She is simply the best!

2022 is just about to be the latest Byars | Wright wall calendar to be covered up by the 2023 version. For most, it was a good year. 2023 will have its fair share of opportunities disguised as challenges. Inflation and labor issues are not going away anytime soon, but you know what? We are the grocery industry. We will not only survive, we will thrive and excel!

Thank you for the opportunity that you have given me this year! It has been a pleasure to serve.

Best Regards, Harold



#### ASSOCIATION NEWS

#### AGA WISHES TO RECOGNIZE OUR DIAMOND AND FOUR STAR SPONSORS FOR THEIR GENEROUS SUPPORT OF THE AGA ANNUAL CONVENTION

#### DIAMOND SPONSORS



















































**STRATUS** 



#### FOUR STAR SPONSORS









































## LEGISLATIVE UPDATE 2022 GENERAL ELECTIONS



Patrick McWhorter
Legislative Consultant
The McWhorter Group

#### **ELECTIONS, THANKFULLY, ARE OVER**

What was predicted to be a red wave ended up being a red trickle. Republicans took over the U.S. House, and as of this writing, we wait to see if the Senate remains a 50-50 split. But it was a different story in Alabama.

Despite polls appearing to show Governor Kay Ivey struggling to get very far above 50%, she swept to a huge victory over a little-known Democrat, garnering 67% of the total vote. Incumbent Lt. Governor Will Ainsworth (80%), Attorney General Steve Marshall (68%), Agriculture Commissioner Rick Pate (84%) and Treasurer Young Boozer (84%), all won resounding victories for re-election. New candidates for Secretary of State - Wes Allen, and State Auditor – Andrew Sorrell, easily won their first statewide races, with 66% and 84% respectively. Greg Cook was swept to victory in a race to replace Supreme Court Justice Mike Bolin. All 10 constitutional amendments were approved by wide margins, including one rewriting and removing racist language. Voter turnout was about 38.5%, much lower than the predicted 45-50%.

Republican Katie Britt, 40, received 67% of the vote to replace retiring U.S. Senator Richard Shelby. She is the first woman to be elected to the Senate from Alabama, and will be the youngest woman in the Senate GOP

Caucus. She is settling in quickly, having previously served as Shelby's Chief of Staff. Senator Britt has been selected by the National GOP Chair to serve on the Republican Advisory Council.

Republicans maintained their dominance, losing one seat and gaining a seat. Incumbent GOP Rep. Charlotte Meadows was defeated in Montgomery's new redrawn district by Democrat Philip Ensler. Incumbent Democrat Dexter Grimslely was defeated in the Dothan area by GOP nominee Rick Rehm. With retirements and primary defeats there will be 35 new members of the House for the next quadrennium. Two new Senators will take office, one Democrat and one Republican, although new Democratic Sen. Merika Coleman (Jefferson County) is moving up from the House. Five new GOP women will replace men in the House, but women lost one seat in the Senate. Republicans will easily maintain their supermajority status in the Legislature, although.

House Republicans wasted no time, meeting the day after the November election to choose new leadership.

Outgoing Majority Leader Nathaniel Ledbetter of Dekalb County defeated House Ways & Means-General Fund Chair Steve Clouse of Dale County for the nomination to replace retiring Speaker of the House Mac McCutcheon of Madison County. Rep. Scott

Stadthagen of Morgan County defeated Rep. Joe Lovvorn of Lee County to become House Majority Leader. Rep. Chris Pringle (Mobile County) defeated several opponents for Speaker Pro Tem. The Senate GOP made no changes in leadership – Sen. Greg Reed (Walker County) and Majority Leader Clay Scofield (Marshall County) will continue to run things. Although it's just a formality, these nominees will be officially elected to their positions by the full House on January 10, 2023, when the Legislature gavels in their Organizational Session.

Several committee chairmanships are open in each house. Speaker-Designate Ledbetter has announced that Rep. Joe Lovvorn of Auburn will be House Rules Committee Chair, Rep. Danny Garrett will continue as Chair of House Ways & Means-Education, Rep. Rex Reynolds of Huntsville will become Chair of House Ways & Means-General Fund, and Rep. Jim Hill of Odenville will continue as Chair of House Judiciary. He also said former Rep. Mark Tuggle will continue as the Speaker's Chief of Staff.

Continued on page 9

Sen. Greg Reed has not formally announced appointments to several open committee chairmanships, but it is rumored that Sen. Will Barfoot of Pike Road will replace defeated Sen. Tom Whatley as Chair of the important Senate Judiciary, and Sen. David Sessions will take over as Chair of Senate Agriculture and Forestry Committees. Governmental Affairs, Tourism and Healthcare Committee Chairs are also open, due to the retirement of Sen. Jimmy Holley, Sen. Del Marsh, and Sen. Jim McClendon. There are also rumors that some committees may be reconfigured.

As mandated by the state constitution, the 2023 Regular Legislative Session will not begin until March 3, 2023. But as mentioned, House and Senate will gather in Montgomery for a one-week Organizational Session the week

of January 10th, and Governor Ivey's second Inauguration will take place January 16th.

We expect to have a full plate of issues for grocers in the 2023 session. We are very close to an agreement on Ready to Drink (RTD), allowing grocers to sell products containing distilled spirits. We are also working to develop legislation creating a specific act relating to shoplifting in the Alabama Code enhancing online transparency legislation we passed in 2022, and one correcting a drafting error in last year's bill allowing for drive through sale of alcoholic beverages. That bill inadvertently changed the law as relates to curbside delivery.

House Speaker-Designate Ledbetter said in a recent interview that he does not expect serious consideration of gambling legislation in the upcoming session. He wants to give the new members time to become familiar with the issues and the players before being required to make a decision. Governor Ivey began immediately to act on her pledge to tighten state budget belts, sending a memo to all department heads asking them to take stock of all government vehicles and report back to her office. It is said this will be a recurring theme as the inauguration approaches and the new term begins in an effort to trim the fat of state government and cut down on waste. Ivey Communications Director, Gina Maiola, told the AL Daily News, Governor Ivey "has said very matterof-factly that she wants government to better serve Alabamians. I fully expect the governor to focus her efforts on keeping state government accountable to work most efficiently for the people of Alabama. I believe we will continue hearing from Governor Ivey on this issue as we approach her inauguration and on into the next four years."



#### ASSOCIATION NEWS

#### **EXHIBIT HALL THEME**





The Alabama Grocers Association's Annual Show is excited to bring back our Best Decorated Booth Competition paired with our Exhibit Hall Theme.

This year's Exhibit Hall Theme will be Beach Party! Get ready to have some fun while showcasing your company's products and/or services.

To secure your spot at this year's exhibit hall, visit https://alabamagrocers.org/convention/exhibitor-form/.

We hope you will join us at our Convention on July 9th-12th, 2023, at the Sandestin Golf & Beach Resort. It's going to be a GREAT ONE!

### THE ALABAMA GROCERS ASSOCIATION SACK PAC ENDORSEMENTS SECURE 98% OF THE OFFICES IN THE 2022 GENERAL ELECTION

The Alabama Grocers Association, the leading voice of the grocery industry in the state of Alabama, officially made its endorsement for the November 8, 2022 general election. Founded in 1990, the AGA is dedicated to advocating for a business climate that creates, protects, and promotes the grocery industry in Alabama.

"We believe the following candidates understand the role of the grocery industry and its importance to the economy of the state of Alabama," said Harold Garrett, Alabama Grocers Association Chairman. Each candidate was evaluated on their record and pro-business attitude. "AGA is confident these candidates will be fair to our industry and represent the best choices in the general election in November," said Ellie Taylor, Alabama Grocers Association President.

The food retail industry in Alabama provides over half a million jobs with over \$2.2 billion in annual wages paid. Grocers pay over \$1.18 billion in state taxes and have a total economic impact on the state's economy of over \$12.1 billion dollars.

We are proud that 98% of the AGA endorsed candidates secured offices in the 2022 General Election.

<b>/</b>	U.S. Representative	1	Jerry	Carl	Republican
<u> </u>	U.S. Representative	2	Barry	Moore	Republican
<b>/</b>	U.S. Representative	3	Mike	Rogers	Republican
/	U.S. Representative	4	Robert	Aderholt	Republican
/	U.S. Representative	5	Dale	Strong	Republican
/	U.S. Representative	6	Gary	Palmer	Republican
/	U.S. Representative	7	Terri	Sewell	Democrat
<u> </u>	U.S. Senate		Katie	Britt	Republican
/	Governor		Kay	Ivey	Republican
/	Lt. Governor		Will	Ainsworth	Republican
/	Alabama Supreme Court	5	Greg	Cook	Republican
<u> </u>	Alabama Supreme Court	6	Kelli	Wise	Republican
<b>/</b>	Commissioner of Agriculture		Rick	Pate	Republican
/	Attorney General		Steve	Marshall	Republican
/	Treasurer		Young	Boozer	Republican
/	State Auditor		Andrew	Sorrell	Republican
/	Secretary of State		Wes	Allen	Republican
/	Public Service Commissioner	1	Jeremy	Oden	Republican
/	Public Service Commissioner	2	Chip	Beeker	Republican

#### Alabama House of Representatives

	House of Representatives	1	Phillip	Pettus	Republican
	House of Representatives	2	Ben	Harrison	Republican
<b>/</b>	House of Representatives	3	Kerry	Underwood	Republican
<b>/</b>	House of Representatives	4	Parker	Moore	Republican
/	House of Representatives	5	Danny	Crawford	Republican
<b>/</b>	House of Representatives	6	Andy	Whitt	Republican
<b>/</b>	House of Representatives	7	Ernie	Yarbrough	Republican
<b>/</b>	House of Representatives	8	Terri	Collins	Republican
<b>/</b>	House of Representatives	9	Scott	Stadthagen	Republican
<b>/</b>	House of Representatives	10	David	Cole	Republican
<b>/</b>	House of Representatives	11	Randall	Shedd	Republican
<b>/</b>	House of Representatives	12	Corey	Harbison	Republican
<b>/</b>	House of Representatives	13	Matt	Woods	Republican
<b>/</b>	House of Representatives	14	Tim	Wadsworth	Republican
<b>/</b>	House of Representatives	15	Leigh	Hulsey	Republican
<b>/</b>	House of Representatives	16	Kyle	South	Republican
<b>/</b>	House of Representatives	17	Tracy	Estes	Republican
<b>/</b>	House of Representatives	18	Jamie	Kiel	Republican
	House of Representatives	19	Laura	Hall	Democrat
	House of Representatives	20	James	Lomax	Republican
<b>/</b>	House of Representatives	21	Rex	Reynolds	Republican
<b>/</b>	House of Representatives	22	Ritchie	Whorton	Republican
<b>/</b>	House of Representatives	23	Mike	Kirkland	Republican
/	House of Representatives	24	Nathaniel	Ledbetter	Republican
<b>/</b>	House of Representatives	25	Phillip	Rigsby	Republican
<b>/</b>	House of Representatives	26	Brock	Colvin	Republican
/	House of Representatives	27	Wes	Kitchens	Republican
<b>/</b>	House of Representatives	28	Mack	Butler	Republican
/	House of Representatives	29	Mark	Gidley	Republican
	House of Representatives	30	Craig	Lipscomb	Republican

#### Alabama House of Representatives Continued

<b>/</b>	House of Representatives	31	Troy	Stubbs	Republican
<b>/</b>	House of Representatives	32	Barbara	Boyd	Democrat
<b>/</b>	House of Representatives	33	Ben	Robbins	Republican
<b>/</b>	House of Representatives	34	David	Standridge	Republican
<b>/</b>	House of Representatives	35	Steve	Hurst	Republican
<b>/</b>	House of Representatives	36	Randy	Wood	Republican
<b>/</b>	House of Representatives	37	Bob	Fincher	Republican
<b>/</b>	House of Representatives	38	Debbie	Wood	Republican
<b>/</b>	House of Representatives	39	Ginny	Shaver	Republican
<b>/</b>	House of Representatives	40	Chad	Robertson	Republican
<b>/</b>	House of Representatives	41	Corley	Ellis	Republican
<b>/</b>	House of Representatives	42	Van	Smith	Republican
<b>/</b>	House of Representatives	43	Arnold	Mooney	Republican
/	House of Representatives	44	Danny	Garrett	Republican
<b>/</b>	House of Representatives	45	Susan	Dubose	Republican
<b>/</b>	House of Representatives	46	David	Faulkner	Republican
<b>/</b>	House of Representatives	47	Mike	Shaw	Republican
<b>/</b>	House of Representatives	48	Jim	Carns	Republican
<b>/</b>	House of Representatives	49	Russell	Bedsole	Republican
<b>/</b>	House of Representatives	50	Jim	Hill	Republican
<b>/</b>	House of Representatives	51	Allen	Treadaway	Republican
<b>/</b>	House of Representatives	52	John W.	Rogers	Democrat
<b>/</b>	House of Representatives	53	Anthony	Daniels	Democrat
<b>/</b>	House of Representatives	54	Niel	Rafferty	Democrat
<b>/</b>	House of Representatives	55	Fred	Plump	Democrat
<b>/</b>	House of Representatives	56	Ontario	Tillman	Democrat
<b>/</b>	House of Representatives	57	Patrick	Sellers	Democrat
<b>/</b>	House of Representatives	58	Rolanda	Hollis	Democrat
<b>/</b>	House of Representatives	59	Mary	Moore	Democrat
<b>/</b>	House of Representatives	60	Juandalynn	Givan	Democrat

#### Alabama House of Representatives Continued

	House of Representatives	61	Ron	Bolton	Republican
/	House of Representatives	62	Bill	Lamb	Republican
<b>/</b>	House of Representatives	63	Cynthia	Almond	Republican
/	House of Representatives	64	Donna	Givens	Republican
/	House of Representatives	65	Brett	Easterbrook	Republican
<b>/</b>	House of Representatives	66	Alan	Baker	Republican
<b>/</b>	House of Representatives	67	Prince	Chestnut	Democrat
<b>/</b>	House of Representatives	68	Thomas	Jackson	Democrat
<b>/</b>	House of Representatives	69	Kelvin	Lawrence	Democrat
<b>/</b>	House of Representatives	70	Chris	England	Democrat
<b>/</b>	House of Representatives	71	Artis "A. J."	McCampbell	Democrat
<b>/</b>	House of Representatives	72	Curtis	Travis	Democrat
<b>/</b>	House of Representatives	73	Kenneth	Paschal	Republican
	House of Representatives	74	Charlotte	Meadows	Republican
<b>/</b>	House of Representatives	75	Reed	Ingram	Republican
<b>/</b>	House of Representatives	76	Patrice	McClammy	Democrat
<b>/</b>	House of Representatives	77	TaShina	Morris	Democrat
<b>/</b>	House of Representatives	78	Kenyatte	Hassell	Democrat
<b>/</b>	House of Representatives	79	Joe	Lovvorn	Republican
<b>/</b>	House of Representatives	80	Chris	Blackshear	Republican
<b>/</b>	House of Representatives	81	Ed	Oliver	Republican
<b>/</b>	House of Representatives	82	Pebblin W.	Warren	Democrat
<b>/</b>	House of Representatives	83	Jeremy	Gray	Democrat
<b>/</b>	House of Representatives	84	Berry	Forte	Democrat
	House of Representatives	85	Dexter	Grimsley	Democrat
<b>/</b>	House of Representatives	86	Paul W.	Lee	Republican
<b>/</b>	House of Representatives	87	Jeff	Sorrells	Republican
<b>/</b>	House of Representatives	88	Jerry	Starnes	Republican
<b>/</b>	House of Representatives	89	Marcus	Paramore	Republican
<b>/</b>	House of Representatives	90	Chris	Sells	Republican

#### Alabama House of Representatives Continued

	House of Representatives	91	Rhett	Marques	Republican
<b>/</b>	House of Representatives	92	Matthew	Hammett	Republican
<b>/</b>	House of Representatives	93	Steve	Clouse	Republican
<b>/</b>	House of Representatives	94	Jennifer	Fidler	Republican
<b>/</b>	House of Representatives	95	Frances	Holk-Jones	Republican
<b>/</b>	House of Representatives	96	Matt	Simpson	Republican
<b>/</b>	House of Representatives	97	Adline	Clarke	Democrat
<b>/</b>	House of Representatives	98	Napoleon	Bracy	Democrat
<b>/</b>	House of Representatives	99	Sam	Jones	Democrat
<b>/</b>	House of Representatives	101	Chris	Pringle	Republican
<b>/</b>	House of Representatives	102	Shane	Stringer	Republican
<b>/</b>	House of Representatives	103	Barbara	Drummond	Democrat
<b>/</b>	House of Representatives	104	Margie	Wilcox	Republican
<b>/</b>	House of Representatives	105	Chip	Brown	Republican

#### Alabama State Senate

	State Senate	1	Tim	Melson	Republican
<b>/</b>	State Senate	2	Tom	Butler	Republican
	State Senate	3	Arthur	Orr	Republican
<b>/</b>	State Senate	4	Garlan	Gudger	Republican
<b>/</b>	State Senate	5	Greg J.	Reed	Republican
	State Senate	6	Larry	Stutts	Republican
	State Senate	7	Sam	Givhan	Republican
<b>/</b>	State Senate	8	Steve	Livingston	Republican
<b>/</b>	State Senate	9	Clay	Scofield	Republican
<b>/</b>	State Senate	10	Andrew	Jones	Republican
<b>/</b>	State Senate	11	Lance	Bell	Republican
<b>/</b>	State Senate	12	Keith	Kelley	Republican
<b>/</b>	State Senate	13	Randy	Price	Republican
<b>/</b>	State Senate	14	April	Weaver	Republican

#### Alabama State Senate Continued

	State Senate	15	Dan	Roberts	Republican
<b>/</b>	State Senate	16	J. T. "Jabo"	Waggoner	Republican
	State Senate	17	Shay	Shelnutt	Republican
	State Senate	18	Rodger M.	Smitherman	Democrat
	State Senate	19	Merika	Coleman	Democrat
<b>/</b>	State Senate	20	Linda	Coleman-Madison	Democrat
<b>/</b>	State Senate	21	Gerald H.	Allen	Republican
<b>/</b>	State Senate	22	Greg	Albritton	Republican
	State Senate	23	Robert	Stewart	Democrat
	State Senate	24	Bobby D.	Singleton	Democrat
	State Senate	25	Will	Barfoot	Democrat
	State Senate	26	Kirk	Hatcher	Democrat
	State Senate	27	Jay	Hovey	Republican
<b>/</b>	State Senate	28	William M.	Beasley	Democrat
	State Senate	29	Donnie	Chesteen	Republican
	State Senate	30	Clyde	Chambliss	Republican
<b>/</b>	State Senate	31	Josh	Carnley	Republican
<b>/</b>	State Senate	32	Chris	Elliott	Republican
<b>/</b>	State Senate	33	Vivian Davis	Figures	Democrat
/	State Senate	34	Jack W.	Williams	Republican
<b>/</b>	State Senate	35	David	Sessions	Republican



#### **INDUSTRY NEWS**

#### THE RETURN OF INFLATION



**Michael Sansolo** Retail Food Industry Consultant

#### THE SEQUEL THAT NO ONE ASKED FOR

Talk about a sequel no one asked for: after a 40 year period of incredible price stability, inflation has returned fueled by a range of issues including the lengthy pandemic, the Russian war in Ukraine and, in the opinion of many, excessive government spending.

But for shoppers in the aisles of Alabama supermarkets, none of that matters much as they examine the increased prices of nearly everything and start calculating how to stretch their budgets to fill their pantries and refrigerators. For that reason, supermarkets are on the front lines of this issue.

It makes me think of one of my favorite movie scenes from the classic comedy, Young Frankenstein. In the scene, Dr. Frankenstein and his assistant, Igor, are digging up a dead body to reanimate (something Dr. Frankenstein always seems to do).

The two are in a cold graveyard, the job is disgusting, and Dr. Frankenstein can't take it. Igor tries to cheer him up by saying things could be worse, for instance, it could be raining. And just like that it begins to pour.

I've got a feeling that many folks in the Alabama Grocers' family can relate. It always seems to be raining of late. In the past few miserable years the industry has endured the pains of the pandemic through product shortages, shopper hoarding, supply chain disruptions, product and staffing shortages, and the constant tension of mask and vaccination rules. The situation forced every retailer to reexamine their marketing approach and figure out how to serve customers in new ways, including delivery, curbside pick up, and more.

And because there weren't enough things to deal with, now we have the biggest burst of inflation in 40 years. In other words, can it get worse?

However, unlike the principals in Young Frankenstein, no one is laughing. Retailers and all their partners need recognize that all the strain you feel on your businesses and your people is mirrored by your customers who feel just as beat upon by the times and just as exhausted with problems.

The path to responding begins by remembering that most everyone under 45-years-old has no personal memory of the last bout of inflation, which includes many of you, your workers, and your shoppers.

Looking back to the last bout of inflation retailers need remember that not all strategies employed then were successful. The nation's largest retailers in the late 1970s were Sears and A&P, two companies that no longer exist in many respects because they reacted poorly to changed circumstances. Likewise, the food retail landscape back then didn't include Walmart, Target, Amazon or any of the extreme value players such as Aldi or Dollar General. In other words, it was a completely different market.

In addition, supermarket offerings are vastly different today than 40 years ago. Back then, low price, plain label generic products were a major industry response to lower food costs, which they did while they damaged the quality reputation of those same products. It took many retailers years to rebuild consumer faith in store brands to the point that many are now seen as equal to or even superior to their national brand counterparts.

So the challenge facing the industry today is how to address this developing situation in new and creative ways and not all options are terrible. As consumers look to reduce spending, help remind them of the financial benefits of eating at home and at how relatively inexpensive the cost of home meals can be.

Continued on page 17

Also help guide them to making creative changes on their shopping list to save money well beyond private label or national brands. For instance, if the price of any commodity (think beef) goes up, provide menu suggestions for alternatives such as chicken, pork or meatless meals.

And we need to remember that all of this is happening in the wake of the pandemic. Shoppers are exhausted with limits on their lives so rather than simply talking price cuts, help guide them to interesting meal ideas to build excitement. Back in 1980, supermarkets weren't focused on meal solutions and largely did not have staffers and products to help shoppers build interesting recipes and ideas.

You have those assets now, so more than ever stores can partner with shoppers to help them build budget-conscious shopping lists that still permit interesting meal ideas. And suppliers can play a huge role in supporting those strategies with their products and know-how all of which can now be communicated through websites and social media (tools no one even imagined in 1980.)

The entire industry must—more than ever—find ways to creatively

collaborate to provide solutions to equally challenged consumers so that the supermarket remains a prime destination for products and solutions to many of life's most basic needs. It also means learning the lessons of the past (for example: why generic products weren't a huge success) and creating new solutions for a very different present and future.

Like it or not, it's raining and as Credence Clearwater Revival reminded us in song decades ago, no one really knows how to stop the rain. We just find ways of coping or at least of selling really good umbrellas.



## ASSOCIATION NEWS AGEF SCHOLARSHIP

#### AGEF SCHOLARSHIP



#### **FUNDS ARE NOW AVAILABLE**

If you are a college student working part-time or a college student of a full-time employee, you can apply for an Alabama Grocers Education Foundation Scholarship.

#### **SCHOLARSHIP REQUIREMENTS**

- Recipient must enroll as a full-time undergraduate college student in the fall of the year in which the scholarship is awarded and continue in school for the entire academic year without interruption.
- Must be employed by an AGA member company at the time the scholarship is awarded.
- Student Scholarship (\$750) are for part-time employees of member companies that work at least 15 hours a week for at least six months as of January 1st.
- Parent Scholarship (\$1,000) are for children of full-time employees of member companies that have worked at least two years as of January 1st.
- For your application to be considered eligible for a scholarship, you must submit a High School and College (if currently enrolled in College) Transcript, no later than February 15th.

THIS OPPORTUNITY IS AVAILABLE TO YOU BECAUSE THIS ESTABLISHMENT IS A PROUD MEMBER OF THE ALABAMA GROCERS ASSOCIATION



SCAN HERE OR VISIT
ALABAMAGROCERS.ORG
FOR AN APPLICATION



SCHOLARSHIP APPLICATION AND TRANSCRIPTS MUST BE RECEIVED BY FEBRUARY 15TH.
THE SCHOLARSHIP PROGRAM IS ADMINISTERED BY THE ALAI

THE SCHOLARSHIP PROGRAM IS ADMINISTERED BY THE ALABAMA GROCERS ASSOCIATION. FOR MORE INFORMATION, CALL 205.823.5498 OR EMAIL SCRABTREE@ALABAMAGROCERS.ORG.





The Alabama Grocers Association has always had a strong interest in supporting education and has established the scholarship program because it achieves a number of desirable objectives: it helps deserving students with college expenses, it relieves parents of college expenses, and the colleges that the winners attend benefit indirectly by receiving the scholarship funds. This way, it helps everyone involved.

If you are a college student working part-time or a college student of a full-time employee, you can apply for an Alabama Grocers Education Foundation Scholarship.

Scholarship funds are now available. Applications close February 15, 2023.

For more information and to apply to the Alabama Grocers Education Foundation Scholarship, visit https://alabamagrocers.org/foundation/scholarship-information/.



#### **INDUSTRY NEWS**

#### **VIDEO SURVEILLANCE**



**Paul DeMarco**Alabama Grocers Association Partner
Parsons, Lee & Juliano, PC

## UPTICK IN LITIGATION INCREASES IMPORTANCE OF STORE CAMERA VIDEO SYSTEM FOR THE GROCERY INDUSTRY

A young man enters a grocery store wearing a mask in 2020. In the midst of COVID, that was not unusual. However, in this case the mask was not for health reasons, but for ill intent. He began to grab bottles of liquid soap detergent and squirt it on the floors and merchandise. Unfortunately, shortly thereafter a customer of the store slipped and fell on the liquid soap on the floor.

While the vandal was never caught, the incident resulted in the customer filing a civil complaint against the store alleging she was injured. However, video showed the Plaintiff slipped within three minutes of the soap being sprayed on the floor before employees knew the vandal had even struck.

Thus, with the video evidence in hand, the lawsuit was eventually dismissed and the grocery store cleared. Without the video, the lawsuit would have proceeded.

The impact of the pandemic on grocery stores was tremendous in so many ways - employees, supply chain shortages, and inflation.

Yet, another way the food services industry has been affected is the increase in litigation and large jury verdicts against corporate defendants. There are have been a lot of factors behind the increase, regardless the business



community has to be more vigilant about what happens on their premises now.

One of the ways retailers can protect themselves is to ensure they have a good video system in place in their stores.

The old saying a picture is worth a thousand words is more apropos than ever in modern society. Juries are used to seeing all of the bells and whistles on fictional legal television dramas.

Thus, a store that has video of an incident that happens in its store is in a better position to defend itself in a lawsuit.

In Alabama, plaintiffs have up to two years from the date of the accident to file a lawsuit. Of course, after that much time has passed, so has the memory of witnesses and documents lost.

Continued on page 19

Thus, the importance of a video system that covers both inside the store and parking lot are essential. Capturing an incident on video can be the difference between a suit being dismissed, settled and won, or lost at trial. Several cases I have defended were won simply on visual aid that showed what really happened as opposed to the account of a Plaintiff who had a different story.

And more important is ensuring that the video is immediately preserved and maintained on a permanent hard drive and the cloud. The technology has really advanced from grainy black and white to color and clear that can be magnified. The cost of a system is worth the investment for the inevitable criminal or civil incident it may capture.

There has been a lot that has changed since the beginning of COVID, and the use of surveillance video has gotten even more important.

Paul DeMarco is a partner at the law firm of Parsons, Lee & Juliano, PC and is the general counsel for the Alabama Grocers Association.

Lessons
I'VE LEARNED ON LEADERSHIP
and Life



#### **DONNA TYNDALL**

**OUR BUSINESS IS ABOUT PEOPLE ... OUR EMPLOYEES AND OUR CUSTOMERS.** If you take care of your people, the rest will fall in place and the work will be easier. Bernie Gelson taught us that if we take care of our employees, they will take care of our customers. And if we take care of our customers, we will earn their loyalty.

WORKING HARD AND MAKING SACRIFICES ALONG THE WAY ARE PART OF ANY JOB, ESPECIALLY AS YOU PROGRESS UP THE MANAGEMENT RANKS. It doesn't mean you still can't have balance in your life, but don't expect to have things handed to you without working for it. But work should always be fun!

**TAKE PRIDE IN YOUR WORK.** Pay attention to the details. Try to do a little more than what is expected. Help your coworkers succeed, and you will be successful.

#### LEADERSHIP IS ABOUT SERVING OTHERS — THAT SHOULD ALWAYS BE THE MINDSET.

The biggest satisfaction and the most rewarding aspect of being in leadership is being able to help others grow and develop. Everyone is different and has different skills, and it is the leader's job to help them find the job that is best for them.

AS A LEADER, WE HAVE A RESPONSIBILITY TO MODEL GOOD BEHAVIOR AND REPRESENT OUR COMPANY IN A POSITIVE WAY. You may not realize the impact you make on others' lives, but you will make an impact! Early in my career I read this quote by Dag Hammarskold – who served as the Secretary General to the United Nations in the 1950s. "Your position never gives you the right to command – it only imposes on you the duty of so living your life that others can receive your orders without being humiliated." I tried to incorporate that into my management style throughout my career – at every level.

**IBELIEVE YOU SHOULD TREAT PEOPLE THE WAY YOU WANT TO BE TREATED.** The great poet and author, Maya Angelou, summed it up when she said, "People will forget what you said, people will forget what you did, but people will never forget how you made them feel."

Retired from Gelson's markets with 48 years under her belt, former Senior Vice President of Operations shares lessons from a fruitful career.

DON'T JUMP TO A CONCLUSION OR PASS JUDGMENT, ESPECIALLY WHEN IT DEALS WITH PEOPLE, WITHOUT GATHERING ALL THE FACTS AND ASKING THE RIGHT QUESTIONS FIRST. Get all the details so you can make an informed decision. Ask the next question ... sometimes things aren't the way they look at first glance.

**THINK ABOUT HOW YOUR DECISIONS AFFECT OTHERS.** You will have to make decisions or changes that may not be popular, but you can often mitigate any negativity by being aware of the potential consequences and addressing them up front. Transparency is important – explain why and how decisions are made to help your people learn and understand your thought process.

**LEARNING SHOULD BE A LIFELONG AMBITION.** Being in a leadership position is a privilege – you have the opportunity to help and guide others, to shape their lives in a positive way. And with that privilege comes a responsibility to continue to learn and grow in your role so you can guide your team.

**GIVE PEOPLE YOUR TIME.** Listen, be present, and be interested in what they have to say. You may be surprised at how much a few minutes of your time means to your employees.

**HAVE A POSITIVE ATTITUDE!** Negativity only serves to sap your energy.

**GIVE BACK TO WHATEVER CAUSES ARE IMPORTANT TO YOU, WITH YOUR TIME AND ENERGY.** The food industry works with so many great charitable causes, and as a leader, it is incumbent upon us to support those causes.

**ENJOY THE JOURNEY!** Appreciate what you have – both at work and outside of work. The years will go by quickly, and when you look back on your career, I hope you have many wonderful memories of the journey and the friends you've made along the way.



#### **INDUSTRY NEWS**

#### **HOLIDAY FLEXIBILITY**



Jennifer Hatcher Chief Public Policy Officer & Senior Vice President Food Marketing Institute

#### GROCERY SHOPPERS REMAIN FLEXIBLE FOR THE HOLIDAYS AMID INFLATIONARY ENVIRONMENT

of holiday

meals, more

than travel

or gifts

As we headed into the end-of-year holiday stretch, FMI released the sixth installment of our U.S. Grocery Shopper Trends 2022 series called "Holiday Shopping" in mid-October. Timed to coincide with the increase in consumer demand around holiday celebrations, this report looked at how shoppers are maximizing their grocery budgets in an inflationary environment as they plan for special occasions like Thanksgiving, December celebrations, and New Years.

The majority of shoppers told us they are seeing higher prices on many needed household items, as expected given the ongoing and persistent food price inflation and supply chain challenges we've seen this year. Fortunately, though, consumers also indicate they feel that they have at least some degree of control over their finances, particularly when it comes to their grocery shopping.

Within the context of holiday spending more broadly, shoppers are most concerned about the price of holiday meals (45%), even more than travel or gifts. However, most consumers are adjusting their holiday meal shopping (71%) to address rising food prices. These adjustments include looking for deals, buying more store brands, substituting ingredients for more affordable options and sharing responsibilities for the menu, such as

encouraging potluck dishes for their holiday gatherings.

Our research also found that the majority of shoppers (62%) are spending more at the grocery store compared to a year ago, which is to be expected. However, despite fears about inflation, average weekly household grocery

spending has held steady at \$148 over the last six months. This is down from \$161 per week at the height of the pandemic, but higher than the 2019 pre-pandemic average of \$113.50. The mismatch in consumers' perceptions about spending more and what they report spending on a weekly basis could be a function of aspirational thinking. In



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Based on FMI's U.S. Grocery Shopper Trends 2022 Holiday Shopping conducted by FMI and The Hartman Group.

The study was fielded online to a nationally representative

sample of 1,718 U.S. adults October 1-6, 2022. www.FMI.org/GroceryTrends

other words, perhaps they're noting the higher prices of individual goods but are aspiring to keep their grocery spending within budget and are finding some success doing so.

Consumers are also coping with inflation by eating out less frequently, hosting fewer holiday celebrations, enjoying more home cooked meals and buying fewer and more practical family gifts. This indicates shoppers are able to find budget friendly items to meet their needs. Furthermore, nine out of ten consumers consider home meals more economical, so enjoying all the benefits of a family meal at home is a financial, emotional and nutritional win.

One bright spot from our consumer survey is that shoppers tell us they aren't overly concerned about food items being out of stock. Should they encounter out-of-stocks, half (50%) say they plan to try something new, while more than one-third (36%) say they will use the opportunity to experiment with a new recipe.

Our research demonstrates that consumers have become incredibly resilient and adaptable in finding affordable and creative solutions offered by the food industry in order to feed their families. While they may be making some tradeoffs this holiday season, shoppers are encouraged by the degree of control they have over managing their grocery shopping within their budgets. Food retailers that can continue to provide shoppers with options through private brands, meal or ingredient substitution suggestions, and discounts through loyalty programs can demonstrate to customers that they are valued partners in helping them mitigate the effects of inflation while feeding their families delicious, nourishing meals this holiday season and beyond.

To download the U.S. Grocery Shopper Trends 2022 – Holiday Shopping report and access our previous reports in the Trends series, visit www. fmi.org/GroceryTrends.



#### ASSOCIATION NEWS

#### **AGEF CLAY SHOOT**

The Alabama Grocers Education Foundation held their Annual Fall Clay Shoot on Thursday, October 13, 2022, at Selwood Farms in Alpine, Alabama. The event raised over \$28,000 for the Alabama Grocers Education Foundation to provide scholarships to employees and children of employees of Alabama Grocers Association member companies. To date, AGEF has awarded over \$1.4 million dollars because of the tremendous support of our members at our events.

The winners of the Clay Shoot were as follows: First Place Team: EDLINGO Team. Second Place Team: Buffalo Rock -Pepsi Team. Third Place Team: A & R Supermarkets Team.

The Alabama Grocers Education Foundation Clay Shoot would not be as successful without the many companies that sponsored this event and contributed their goods. The Presenting Sponsor for this event was Coca-Cola Bottling Company UNITED, Inc. Additional sponsors of the AGEF 2022 Clay Shoot included A & R Supermarkets; AGA Health Trust; Alabama Power Company; Associated Grocers of the South; Associated Wholesale Grocers; Autry Greer & Son's; Buffalo Rock - Pepsi; Bunzl Distribution; Byars | Wright Insurance; Don Francisco's Coffee; EDLINCO; Federated Insurance; Ferrara; Keurig Dr Pepper; Merrill Lynch; Mitchell Grocery Corporation; Piggly Wiggly Alabama Distributing Company; Publix Super Markets, Inc.; Red Diamond Coffee & Tea; Retail Data Solutions Mid-South; Sell Ethics; Sunset Farm Foods; UNFI and United-Johnson Brothers.

Thank you to the companies that donated their products for the goody bags and beverage cart. A special thanks to AGA Vice Chairman Bob Crawford of United-Johnson Brothers and his team for cooking lunch, Mike Hanson of Milo's Tea for helping with the beverages and running the beverage cart, and Jim Cetrulo of Don Francisco's Coffee for providing our breakfast.

Please mark your calendars to join us next year at Selwood Farms on October 12, 2023.





#### INDUSTRY NEWS

#### A NEW CONGRESS



**Greg Ferrara**President & CEO
National Grocers Association

## WHAT INDEPENDENT GROCERS CAN EXPECT FROM THE NEW CONGRESS

While the "red wave" predicted by many pollsters failed to materialize in November's midterm election and Democrats maintained control of the Senate, Republicans captured a slim majority in the House of Representatives and control of the legislative agenda in the lower chamber.

With a divided 118th Congress poised to convene on Jan. 3, 2023, it's anticipated that gridlock will ensue. But what else can independent grocers expect next year? The NGA Government Relations team has provided an analysis of the top issues:

#### SNAP and nutrition programs

- The 2018 Farm Bill, which authorizes nearly all USDA spending including SNAP, expires next year. Republicans have focused on ways to rein in government spending, including SNAP benefits, but their ability to do so becomes more constrained with Democrats controlling one legislative chamber. Additionally, conservatives have long pushed for SNAP to be converted into a discretionary block grant for states and such provisions may resurface during the Farm Bill debate. Expect a Farm Bill process in which Democrats have a strong upper hand to extend gains in SNAP spending and reinvest in programs like nutrition incentives. Likewise, Democrats in power also increases the likelihood that

we could see important reforms to WIC.

- Antitrust reforms With a thin Republican majority in the House, factions within the Republican caucus will hold outsized power over their party's governing agenda. NGA has cultivated a strong cross-section of Republicans who support our efforts to revive and reform the Robinson-Patman Act. These figures could extract concessions from Republican leadership, especially with issues that share strong support across the aisle.
- Swipe fees If a red wave had materialized, efforts to rein in credit card swipe fees through legislation like the Credit Card Competition Act would have been a heavy lift. Most Republicans are friends with merchants and banks, so Republican leadership would try to avoid a vote that splits two large business constituencies. Democrats controlling the Senate floor schedule could mean a greater likelihood of a vote on credit card legislation and a stronger negotiating posture for merchant advocates in Congress.
- Labor and employment Organized labor has few legislative prospects no matter who is in charge, but that is why we expect a strong effort by the Biden administration to use its executive branch power to accomplish through regulation the Big Labor priorities it could not achieve through Congress.

#### Government spending –

Republicans will have some leverage to rein in government spending, which they blame for inflation. But Democrats could have the ability to extract concessions from Republicans on revenue measures, especially as we expect a raft of business-friendly tax policies, such as the pass-through deduction and 100% bonus depreciation, set to expire over the coming years.

Whether or not their side of the aisle mirrors yours, policymakers need to be aware of how their decisions impact an industry responsible for providing more than a million jobs, generating billions in tax revenues and keeping millions of Americans fed: the independent supermarket industry. Being engaged in the political process and having relationships with lawmakers is the best way to illustrate how important independent grocers are to creating and maintaining robust, vibrant communities.

For more ways you can get engaged, visit Grocers TakeAction.org.

# United-Johnson Brothers of Alabama



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#### By Carl Boutet

id-January 2020, I was in Shanghai on a business trip exploring the latest consumer consumption trends and how corporations were leveraging emerging technologies processes to meet them. Little did I know as I boarded a plane back home to North America that I was just a few days ahead of one of the greatest technology adoption accelerations: the global pandemic.

I spent the following weeks and months in constant contact with my Asian, then European, and finally North American networks as the pandemic rapidly expanded worldwide. Within this time, I learned and shared how businesses were adapting (read: surviving) to lockdowns and other extraordinary measures that radically changed the paths to purchase, plus their fulfillment.



Obviously, grocers were often at the center of many of these discussions.

In the fall/winter of 2020/21 I decided to write a book on this topic, focusing on how The Great Acceleration (a name I coined in April 2020 to refer to these rapidly shifting business dynamics) was most importantly going to build sustainable organizational resilience. A particular focus being how increases in technology adoption could help build that resilience while leveraging physical infrastructure. In other words, how improved digital processes augment physical commerce capabilities and vice versa.

During the past two years, a lens through much of the acceleration was the increase of e-commerce adoption. A trend that a recent McKinsey survey titled "The next horizon for grocery e-commerce" forecasts will double in the coming five years. Although this is indeed an important trend, there is a broader narrative that is even more deserving of grocers' attention: how the blurring (i.e. interoperability) of digital and physical commerce is key to building organizational resilience. Hence, it's very vital to survival.

#### Zero Percent

The most important data point in the same must-read McKinsey report is a far more concerning one: *zero percent*. This is the percentage of grocery retailers who feel "very well prepared for the transition to more digital commerce." Sixty-four percent feel somewhat prepared, and two thirds

expect to lose market share consequently. Thus, the race to resilience is on. A resilience that goes far beyond the ability to offer online grocery shopping.

I suspect nothing I've written here so far is totally shocking to you. Plus, you probably have far greater talent attraction/retention, inflation, and supply chain issues to solve. What if I told you that is precisely why digital adoption, that augment physical capabilities, are key to solving those challenges? The critical role technology investments and capabilities play in attracting talent, more effective engagement of all stakeholders (including suppliers), and better forecasting/fulfilling consumer needs will be at the core of your business success.

Continued on page 26 ▶

However, as with all things, resources are limited and must be strategically allocated.

#### **Build Alignment**

First, these investments must align with your differentiation and market relevance. I.e. why your target market decides to shop with you. In my book, I present a framework titled the Retail Relevance Index (RRI) that I based on research from Professor Kahn at Wharton to support a differentiation strategy based on my adjusted take of the four attributes of price, convenience, cultural values, and customer delight.

It's typically used in a two-step process: First build the critical internal strategic alignment that is often lacking or being pushed in several varying directions which dilute the desired impact. Once internal alignment is built, we survey the external market to validate how these vectors significantly differentiate beyond how we might internally perceive your performance engaging your customer.

Now that you have a better idea of which attributes you wish to build and validate, you can begin to evaluate the technology solutions at your disposal to determine which will most effectively serve your purpose.

#### Beyond e-Commerce: e-Influence

Some of you might remember that famous scene in the 1992 movie Glengarry Glen Ross where a very assertive (read: arrogant) character named Blake, played by Alec Baldwin, is brought in to "coach" an underperforming team of insurance salesmen. Though fewer and fewer of my university students today recognize this extraordinary scene, it remains very relevant

in building relevance and resilience. Those who do remember the scene probably remember the "ABC" acronym, meaning "Always Be Closing." To me, an even more important acronym followed that one in this historic scene: AIDA. This has long been taught in marketing classes as the stages or funnel necessary to convert consumers into customers. Although the "Attention, Interest, Decision, and Action" funnel today is often converted into a more circular model where we show the importance of building loyalty, it remains relevant in how we build the differentiation we discussed above and guide our resource allocation.

How does your investment build either of those four factors and align with your differentiation strategy? Does it extend beyond the basic (now table stakes) transactional e-commerce capabilities to better build awareness, interest, and desire that will deliver conversion?

Put another way, how can technology solutions contribute to building e-influence? This is harder than it might seem as we often think that it's simply building a social media campaign and/or an effective e-flyer.

With the proliferation of data points, consumers will be looking for a far more relevant and personalized approach rather than the generic conversion of what (once) worked in more static-analogue times.

#### Back to Basics: The Retail Equation

Another valid stress test that can help bring more clarity to your building resilience in your investment is validating how it measures up against the perennial retail equation. This is similar to the AIDA model, but this time in much more familiar terms: Does the technological solution I am considering drive more store traffic, increase conversion, basket size and/or margin? This applies both to in-store and online. Ideally both as we know how the two are now converging. More on that in the conclusion.

In writing my book, I interviewed several business leaders in early 2021 to get their perspectives on the ramifications of The Great Acceleration. Among them, I interviewed Stacey Shulman, who, at the time, was Chief Innovation Officer of the retail and hospitality sectors at Intel Corp.

Based in California, she spoke about the impacts of the acceleration on the grocery sector, that was strongly benefiting from the imposed consumption shifts (mainly the temporary closures of other food services such as dine-in restaurants). She expressed how this combination of sudden increases in revenues and delay of technological investments should create a sense of urgency for grocers to address the needed adaptations. In other words, through the government-imposed lock downs, grocers were offered a glimpse of a virtual consumption future, only it came a decade earlier than expected.

The challenge was how to best prepare for it in a dynamic industry environment, with a proliferation of new entrants, channels, and processes to meet consumer demand.

We also discussed how many grocers' digital transformation roadmaps were postponed to focus on more pressing matters. Waiting for new solutions to emerge, tracking competitors' investments, third party negotiations, seeking inspiration from global leaders, and attracting the right talent all seemed to justify these delays. Then the pandemic exposed many vulnerabilities from this lack of investments. Customers dealt with inadequate, unstable, or poor digital platforms. Not to mention the entire

logistical fulfillment piece that is impossible to prepare for in such a sudden influx. This is a situation that we know today's consumers are no longer willing to tolerate.

#### Conclusion: The Rise of i-commerce

I'm presently writing my next book exploring the many ways, thrust by The Great Acceleration's digital proliferation, we have what I refer to as a rapidly thickening "digital layer" that will further impact and augment the path to purchase. This highly personalized and contextual layer that will be as thin as simple pricing, availability, and characteristics all the way to fully immersive virtual experiences. All driven by much more data collection, processing, and bandwidth capabilities that businesses will be looking

to better leverage. A recent signal of this trend is Amazon's decision to move these capabilities away from its grocery business to its more technologically focused web services (AWS) group.

We all know that now more than ever, the quote, "The only constant is change" rings true.

The status quo is a guarantee to rapid irrelevance and the very opposite to building resilience. Now, it's up to you to decide how to make the most of this imposed momentum.



Carl Boutet is Founder of StudioRx, a boutique retail/go-to-market advisory firm at the insertion of experiential design, technology and data science. He is also author of The Great

Acceleration, The Race to Retail Resilience (available on www.studiorx.world). Carl teaches the 'new technologies and emerging business models' class at McGill University Masters in Retail in Montreal as well as digital marketing at the Asian Institute of Technology MBA in Bangkok. He remains a perennial name on many lists of most influential retail thinkers and can be found on several global media outlets adding his retail strategy related commentary.



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#### OUTSIDE THE BOX

#### **NEW RETAIL PERSPECTIVES**



## Walmart Gets Cute

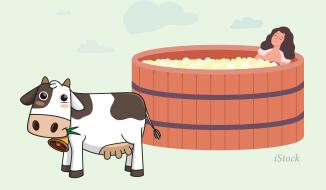
As Americans returned en masse to summer vacation travel, Walmart paired with the startup company Getaway to open tiny, "cute" stores in Big Bear Lake, Calif. and the Catskill Mountains in New York. For the uninitiated, Getaway offers tiny vacation homes in situated in nature. Walmart calls these new store models, "The General Store," and these diminutive retail establishments feature vacation goods, things you may have forgotten to pack, and local goods. While the notion of a general store conjures up old-timey, wild west imagery, similar neighborhood-based retailing concepts have proved popular over the last decade.

#### In the Palm of Your Hand

Like a Jedi mind-tricking POS, Amazon's latest frictionless payment concept allows customers to check out with the palm of their hands. That's right, in 65 California stores Whole Foods shoppers can register their palms in participating locations. After the palm print is set up, store customers simply pay via a palm scan.



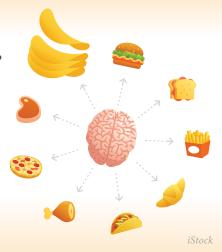
#### CAN YOU HEATZ US YODELING?



Whether its Korean facemasks, footmasks, or Frownies, it appears nobody can get enough of self-care. So let's head to the home of fondue where if Mud baths aren't your thing, but cheese is, you're in luck. In Switzerland, cheese artisans have taken to offering tourists baths in giant vats of leftover whey. It's a tradition that goes back centuries to a time when Europeans, who were justifiably over leech treatments, began bathing in whey – believing the soak had restorative effects on their skin. Every kilogram of cheese produced leaves behind nine litres of whey, so there's plenty to go around.

## YOUTZ SNACK PSYCHOANALYSIS

Is your favorite snack a bowl of Greek yogurt with honey? Then you're a naturally amiable person who makes friends easily. Prefer ants on a log, even as an adult? Then, you may be an actual child. *The New Yorker* recently published an article listing a number of popular snack foods, and their creative personality interpretations that align with your snacking habits. Care to share yours?





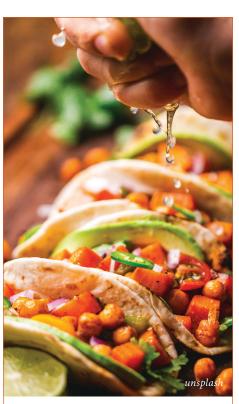
#### **Expiration Dates No Longer Apply**

A movement to eliminate "best by dates" is gaining momentum across European supermarket chains. Recently, Marks & Spencer went public with its intention to remove "best before" labeling from its products as it works to combat food waste. It will now be left to customers to decide whether a particular piece of produce **IS** okay to eat.





The founders of Omsom, a hot new Asian spice and meal-prep purveyor, have something to say to grocers about their ethnic aisles ... what gives? In a viral social media video Kim Pham shares the history of the ethnic food aisle, which got its start after World War I when soldiers returning home from Europe were clamoring for flavors they'd experienced abroad. With one in three American families comprised of immigrants or their children, Omsom believes the ethnic food aisle designation is no longer representative of the United States.



## MEALS IN FIVE ITEMS OR LESS WITH A SIDE OF VOYEURISM

There's something strange about the way so many of us unwind by watching others in some of the most mundane of settings. From cooking dinner to renovating a home, some of America's favorite past times occur on Food Network or HGTV. A similar interest has developed on TikTok as some of the most popular influencers on the platform have built massive followings from content as simple as sharing a haul from a grocery store or farmer's market. Another related popular content style focuses on offering culinary inspiration, using the formula of five or less items from a particular grocery store.



#### MOMMY BLOGGER

#### THE HEART OF INFLATION



**Kimberly Rae Miller** Writer

#### FOR PARENTS MILK PRICES DETERMINE BRAND LOYALTY

Each morning when I browse my local Facebook Mom's Group page for updates on community events, PTA committee assignments and recommendations for local contractors, I check the milk thread.

Parents from all over my community post what they're paying for milk and where. Cow, soy, almond or oat; milk, more than any other item we buy for our families, dictates where most of us shop. The milk thread is only a few months old, but it most certainly marks a change in the culture of my community.

While some families have felt the sting of inflation less than others, the increase in food and gasoline prices has changed our routines. Brand loyalty is a luxury reserved for the beginning of the month, but when ends don't meet by the end, the milk thread is the first stop in figuring out how to fill the fridge until the next payday.

My family is thankfully not food insecure, but that doesn't mean there haven't been months this year when we dipped into savings when our cost of living didn't fit as comfortably into our budget as it once did. I don't think I'm alone. I think my family represents just about every other middle-class family in this country.

The truth is budgeting can only do so much. My income hasn't changed, and so my budget hasn't changed. I still have the same \$600 a month/\$125 a week to feed my family of four that I had two years ago. And while I can make sure everyone's bellies are filled each morning. I can pack everyone's lunchbox daily and make sure no one goes to bed hungry each night; it's not the same. That \$600 doesn't buy the same amount of food, the same quality of food that it once did.

Our current culture is quick to point fingers, to find a bad guy to blame for inflation. But in the end the blame matters less than the cost.

The actual price of inflation is families. Families of different means, beliefs, and cultures; all doing their best to care for the people and communities they love. For my community, it comes in the form of a Facebook thread that monitors the cost of various kinds of milk. A simple gesture, but a communal one that hits the heart of our need to provide for our children.

And if there's one thing to be learned from all this, the moms will come if the milk is cheap.



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#### ASSOCIATION NEWS

#### **FOOD INDUSTRY FINEST LUNCHEON**



















JOIN US NEXT YEAR AT ALABAMA'S FOOD INDUSTRY FINEST LUNCHEON ON OCTOBER 26, 2023!

#### 2022 AWARD WINNERS



**Vendor of the Year** Chris Crosby UTZ Snacks/Golden Flake

"It is a team win," said Crosby. "It is not just me. It is really the whole UTZ family. I give everybody the credit because I could not do what I do without everybody who is a part of this team."



Wholesaler of the Year Frank D'Amico, III BTC Wholesale Distributors

"I certainly could not do this by myself, so I do not feel like I am the wholesaler," said D'Amico. "I am just one cog in the wheel of the Wholesaler of the Year."



**Retailer of the Year** Harold Garrett Gateway Foods

"Anytime you receive an award from your peers, it makes you feel good," said Garrett. "This group of people that I am with in the AGA is a special group, which makes me feel especially honored to be chosen."

"Each of these fine individuals exemplify leadership and excellence in Alabama's grocery industry." said Ellie Taylor, President of the Alabama Grocers Association. "We are thankful for the opportunity to honor them and their commitment today."



## ALABAMA'S 2022 FOOD INDUSTRY FINEST LUNCHEON

The Alabama Grocers Association hosted their annual Food Industry Finest Luncheon on October 27th honoring this year's award winners. President Pro Tempore, Senator Greg Reed and House Majority Leader, Representative Nathaniel Ledbetter were this year's guest speakers.

We joined together to raise money for our political action fund, raising over \$25,000. This money ensures that our voice is heard in Montgomery.

More than 100 people attended the event at The Club to discuss the work of the Alabama Grocers Association in 2022 and those in the food, beverage and grocery profession here in Alabama. The Alabama Grocers Association honored the following individuals with their year awards:

The Retailer of the Year Award was presented to Harold Garrett, President and General Manager of Gateway Foods.

The Wholesaler of the Year Award was given to Frank D'Amico, III, President of BTC Wholesale Distributors.

The Vendor of the Year Award recipient was Chris Crosby, Senior Account Executive of UTZ Snacks/Golden Flake.

The Alabama Grocers Association has been honoring professionals who are making an impact in the grocery industry with these awards since 1996.

## Quality service is the main ingredient in everything we do.

At Buffalo Rock, every day we strive to provide quality service to our customers. It's a reputation we've built for more than a century, and a source of pride to us. We're equally proud of the communities we serve, and we stay dedicated to making them better places to live and work. The positive impact that we have in the places we do business will always be one of the most important services we offer.



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#### ASSOCIATION NEWS

#### **UPCOMING EVENTS**

#### **SAVE THE DATE**

2023 AGEF GOLF OUTING











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