



AVANTI

November/December 2016

THE VOICE OF 7-ELEVEN FRANCHISEES

Our Business In 2017 And Beyond

Let's Plan For Success

Business Transformation—
A Game Changer

The Culture Must Change—
Chapter 3

Impact
From Dirty
Restrooms

The Importance
Of Data
Connectivity

Momentum
is Building.
Do Franchisees Have
Reasons To Be
Optimistic?

www.ncasef.com

PSRST STD
U.S. POSTAGE PAID
Langhorne, PA
PERMIT No. 118

**STRONG TODAY.
STRONGER TOMORROW.**



STRONGEST TOGETHER.

A Partnership That Inspires, Motivates, and Elevates.



Visit the **Coke booth #321** at the **7-Eleven Experience Tradeshow**
to learn about 2017 programs and win cool prizes!

**#1
SUPER PREMIUM BAR**



SELLING MORE SUPER PREMIUM BARS = SUPER PREMIUM PROFITS!

Source: Ttl US Conv-Retail Unit Sales Volume YTD 10/2015.

FASTEST GROWING NATURAL LEAF CIGARILLOS



2 CIGARS FOR 99¢

GAME® RED SWEETS 2-for-99¢ Upright UIN# 644344 SLIN# 321382	GAME® GREEN 2-for-99¢ Upright UIN# 644427 SLIN# 320556	GAME® MANGO 2-for-99¢ Upright UIN# 195677 SLIN# 320694	GAME® BLACK SWEETS 2-for-99¢ Upright UIN# 644369 SLIN# SSI	GAME® PINEAPPLE 2-for-99¢ Upright UIN# 305250 SLIN# 320612
GAME® GRAPE 2-for-99¢ Upright UIN# 644393 SLIN# 321108	GAME® SILVER 2-for-99¢ Upright UIN# 644443 SLIN# SSI	GAME® BLUE 2-for-99¢ Upright UIN# 644377 SLIN# 320624	GAME® HONEY 2-for-99¢ Upright UIN# 644385 SLIN# SSI	GAME® WHITE GRAPE 2-for-99¢ Upright UIN# 644450 SLIN# 321383



NATURAL LEAF CIGARILLOS

gamecigars.com

FOR MORE INFORMATION, CONTACT YOUR SWEDISH MATCH REPRESENTATIVE. 800-367-3677 or customer.service@smna.com

©2016 SWEDISH MATCH CIGARS, INC.



comedy never
tasted so good!

NEW!



SLIN: 191112



SLIN: 190556



NEW!

CHEEZ-IT®

Boldly Delivers HOT On-Trend flavors!
Introducing Cheez-It® Snack Mix Sriracha and Cheez-It Grooves® Hot & Spicy! Bold and extreme flavors are now the fastest growing salty snacks in C-stores, up 28% over the past 2 years, followed by cheese flavor up 14%*.
Fire up sales by stocking both!



Kellogg's®

For more information about these products and tools to help grow your business, visit www.kelloggsconvenience.com or call 877-511-5777.

©, TM, © 2016 Kellogg NA Co.



SWEET BURN FAST TURN



Also available in "Save on 2" where authorized.

800.874.9720 | swishersweets.com

**LIMITED
TIME ONLY!**

A TWISTED TEMPTATION.
GIVE YOUR CUSTOMERS A TASTE THEY CAN'T RESIST.





EXTRAORDINARY PROFIT POTENTIAL

2/\$2.50

Periods 1 & 2 (1/4/17–5/2/17)

Perrier® Sparkling Natural Mineral Water .5-Liter



NEW Strawberry & Watermelon FOD 2/20/17

- 55% Margin
- #1 Sparkling Water at 7-Eleven and in C-Stores¹

¹7-Exchange YTD 11/20/16 and Nielsen.

©2016 Nestlé Waters North America Inc. WNA16191_03

Bringing fun back to the Pints business New in 2017!

Re-launching the pints portfolio in
4 unique offerings and 3 existing flavors

Introducing a delicious and innovative collaboration
between Nestlé and the family favorite brand Hostess®!



Highly indulgent inclusion based formulas,
plus the addition of our highly successful 48oz flavor, ROLO



©2016 Hostess Brands, LLC.

The ROLO trademark and trade dress are used under license from Société des Produits Nestlé S.A. and with permission from The Hershey Company. Unless noted to the contrary, all trademarks are owned by Société des Produits Nestlé S.A., Vevey, Switzerland.



**CAPITALIZE ON
BOLD
FLAVOR
FOR BIG SALES**



70% MEXICAN IMPORTS ACCOUNT FOR 70% OF CATEGORY GROWTH.¹

+40% 7-ELEVEN SALES CONTINUE TO GROW, OUTPACING BEER BY +40%.²

+17% MEXICAN IMPORT SHOPPERS GENERATE +17% HIGHER BASKET RINGS.³



24 OZ. CANS
SLIN: 100136



24 OZ. CANS
SLIN: 100568



12-PACK CANS
SLIN: 100341



12-PACK CANS
SLIN: 100636



CONTACT YOUR HEINEKEN USA REPRESENTATIVE

BORN BOLD

Enjoy Tecate® and Tecate® Light Responsibly. ©2016 TECATE® Beer. TECATE® LIGHT Beer. Imported by Cervezas Mexicanas, White Plains, NY

1. Source: Total U.S. Conv. YTD through 11/5/16 2. Source: IRI - Volume reflects Same Store Sales YTD through 11/6/16 3. Source: Nielsen Homescan: 2015 Total U.S.



Contents



29 Our Business In 2017 And Beyond

By Joe Galea, Chairman, NCASEF

31 The Importance Of Data Connectivity

By Jay Singh, Executive Vice Chairman, NCASEF



33 The Culture Of This Franchise System Must Change—Chapter 3

By Eric H. Karp, Esq., General Counsel, NCASEF

39 Business Transformation—A Game Changer

By Hashim Syed, Vice Chairman, NCASEF



41 Impact On Customers From Dirty Restrooms—How To Keep It Positive

By Linda Wilt, Patco Food Safety Specialist



48 Let's Plan For Success

By Bob Strauss, Former 7-Eleven FOAC President, Retired Franchisee

New Coalition Vice Chairmen Elected

Page 50



Join Your Local FOA Online. Page 62

Contribute Your Opinions To Avanti. Page 76

AVANTI is published by the National Coalition of Associations of 7-Eleven Franchisees for all independent franchisees, corporate store managers and interested parties. National Coalition offices are located at 740 Front Street, Suite 170, Santa Cruz, CA 95060. For membership information, call 831-426-4711 or e-mail nationaloffice@ncasef.com. AVANTI Offices are located at 116 Bellevue Ave., Suite 304, Langhorne, Pennsylvania 19047. For advertising information, call Sheldon Smith at 215 750-0178 or fax to 215 750-0399; on-line, send messages to sheldon.smith5@verizon.net.

SPECIAL FEATURES

22 NCASEF Welcomes New FOA Members

54 Greater Seattle FOA Supports Local Police Youth Program



56 5th Annual FOAC Holiday Trade Show & Party

58 Remembering Roger Beazley

60 San Diego FOA Donates To Toys For Tots

64 Festive Cheer At The FOAC Holiday Party

66 Chicago Street Named After Longtime 7-Eleven Franchisee

68 Fresno Franchisee Celebrates 10th Annual Coat Donation

70 Michigan Franchisees Celebrate Unity At Annual Picnic

Member News.....12

NCASEF Congratulates Karp, Merchandise & Foodservice Sales, Threat To QSRs, Invest Big To Upgrade, Amazon Shop By Smartphone, Walmart Small-Format Store, Target Small Stores, Dollar General Smaller Format, Employee Engagement Key, Minimum Wage Slows Dunkin', Sheetz Hikes Wages, BP Interactive Pump, Japan Automated Checkout, Visa Routing Rules, Circle K Tops In Store Count, 1 In 6 Americans, Couche-Tard Net, Retailers Optimistic, Anheuser-Busch & SABMiller Merger, Organized Retail Crime On The Rise, Mobile Tech, Bid On Reynolds American, Benefits Of C-Stores, Cash Remains Strong, Shopping Perks, Key Food & Drink Trends



Legislative Update.....16

Judge Blocks Overtime Rule, Four States Wage Hikes, Four Cities Sugary Beverage Tax, Tobacco Tax Ballot Questions, D.C. Purchase-Age Bill, Surgeon General Report, 'By The Mile' Gas Tax, Californians Ban Plastic Bags, Chicago's Soda Tax

SEI News.....72

Southeast Florida Store Openings, Local Slurpee Flavors, Sustainably Sourced Coffee, Campaign Benefits St. Jude, SEI Environmental Commitments, Chicago & Cleveland World Series Deal, Free On Election Day, Chicken & Hummus Recall, Canada 'Reverse Birthday'



Bits & Pieces.....14

Vendor Focus.....79

Franchisee Calendars.....86



Member News

Merchandise, Foodservice Sales Increase

In-store sales of merchandise and foodservice at U.S. convenience stores rose by a strong 3.1 percent for the first half of 2016, reported *Convenience Store News*. Citing its Mid-Year Report Card, the trade publication stated in-store sales for the first half of 2016 were estimated to be a little more than \$113 billion, an increase from almost \$110 billion during the first half of 2015. Merchandise sales for the first half of this year were up 2.7 percent to about \$95 billion, and foodservice sales grew

by 5.6 percent to more than \$18 billion.

Among in-store merchandise categories, cigarettes continued to lead in total sales with an increase of 2.4 percent, ringing in about \$34.6 billion in revenue for the first half of the year. Packaged beverages was the second-highest revenue-producing merchandise category, growing by 3.5 percent to \$14.3 billion. The fastest-growing merchandise categories in percentage terms, however, were wine and liquor (up 11 percent), other tobacco products (up 5.1 percent) and general merchandise (up 4.9 percent). Within the foodservice category, prepared foods led the way with a 7.3 percent sales gain to \$12.6 billion, and hot dispensed beverages were up 2.1 percent.

continued on page 14

“CSNews reported c-store merchandise sales for the first half of 2016 grew 2.7 percent, and foodservice sales grew 5.6 percent.”

Get Avanti Online!

The National Coalition is proud to announce that vendors and franchisees can now read *AVANTI*, the digital version, online at Issuu.com before you receive the printed copy! To join the *AVANTI* distribution list and receive a link to the latest issue as soon as it is uploaded, send an e-mail to debbie.avanti@verizon.net with the subject field “AVANTI ONLINE” and

you will receive an email alert as soon as the digital magazine is posted. Feel free to include your U.S. postal address in the e-mail if you would also like to be placed on our *AVANTI* mailing list. *AVANTI* is also available on the NCASEF website in pdf format at www.NCASEF.com.



NATIONAL COALITION OF ASSOCIATIONS OF 7-ELEVEN FRANCHISEES

NATIONAL OFFICERS

Joseph Galea
NATIONAL CHAIRMAN
831-426-4711 • joeg@ncasef.com

Jatinder Singh
EXECUTIVE VICE CHAIRMAN
702-249-3301 • jsingh@yahoo.com

Eric H. Karp, Esq.
GENERAL COUNSEL
617-423-7250 • ekarp@wkwrlaw.com

Jas Dhillon
VICE CHAIRMAN
818-571-1711 • jasdhillon@rocketmail.com

Serge Haitayan
VICE CHAIRMAN
559-355-4899 • sergez@comcast.net

Hashim Syed
VICE CHAIRMAN
847-293-8551 • hj.syed@gmail.com

Michael Jorgenson
TREASURER
347-251-1828 • mcjorg@yahoo.com

CONVENTION CHAIRPERSON
520-577-8711
conventionchairperson@ncasef.com

John Riggio
MEETING/TRADE SHOW COORDINATOR
262-275-3086 • jrpinc@charter.net

Sheldon Smith
AVANTI PUBLISHER
ADVERTISING MANAGER
215-750-0178 • sheldon.smith5@verizon.net

AVANTI

Sheldon Smith
PUBLISHER & ADVERTISING SALES
215 750-0178
SHELDON.SMITH5@VERIZON.NET

John Santiago
ASSISTANT EDITOR
215 750-0178
AVANTIMAG@VERIZON.NET

Tricia Kessler
GRAPHIC DESIGN
KESSLER DIGITAL DESIGN

The Voice of 7-Eleven Franchisees
November/December 2016

©2016 National Coalition of Associations of 7-Eleven Franchisees

Avanti Magazine is the registered trademark of The National Coalition of Associations of 7-Eleven Franchisees.

THE ORIGINAL BOMB POP

Thanks For Making This One Sweet Summer!

BOMB POP® was the #1 Ice Pop Brand at convenience this summer!

3.75OZ ORIGINAL Bomb Pop®

3.75oz BANANA FUDGE Bomb Pop®

3.75oz JOLLY RANCHER Bomb Pop®

Barcode: 0 70640 01379 1 SLIN: 190177

Barcode: 0 70640 01381 4 SLIN: 190180

Barcode: 0 70640 01380 7 SLIN: 191128

Source: Based in part on Total Dollars reported by Member through the APO Scan Service for the Frozen Novelties Category for the 12-week period ending 8/15/2016 for the Convenience Channel. Copyright ©2016 Nielsen.

Copyright ©2016 Nielsen | ©2016 Wells Enterprises, Inc. All rights reserved. The JOLLY RANCHER trademark and trade dress are used under license.



Member News

continued from page 12

C-Stores Becoming Threat To QSRs

Once a world of cigarettes, Cokes, and salty snacks, convenience stores have morphed into a place for dining and a viable alternative to traditional quick-service restaurants and even their fast-casual brethren,

says *QSR Magazine*. There are menus tout-ing spicy chorizo and smoked Gouda on ciabatta, baked tilapia, and arabica coffee. There's signage broad-casting terms like arti-sanal, organic,

and free range, and there's plush interior seating and complimen-tary WiFi, with reclaimed wood and natural stone design features. "This is not a minor blip on the radar," said Bonnie Riggs, restaurant industry analyst for The NPD Group's foodser-vice division. "C-stores are here to stay as a competitor to quick-ser-vice restaurants."

The article states that, ac-cording to NPD, consumers made nearly 4.9 billion visits to c-stores for prepared meals and

snacks in the year ending May 2016, representing a 15 percent increase over 2010. More notably, perhaps, c-stores have notched double-digit traffic growth during the lunch and dinner dayparts—the traditional wheelhouse of quick-ser-vice restaurants.

C-Store Invest Big To Upgrade

The U.S. convenience store in-dustry cumulatively invested more than \$6 billion in upgrading stores in communities across the country in 2015, according to industry met-rics released by the National Asso-ciation of Convenience Stores (NACS). The average cost of a store remodel in 2015 was \$409,582, up 40 percent from an average cost of a remodel in 2011. The report further reveals that the average in-terval between store remodels is 10 years, and store operators also are twice as likely to own the stores than lease them—68 percent of new stores built in 2015 were owned, and the remainder were leased.

continued on page 16

"The average cost of a store re-model in 2015 was \$409,582, up 40 percent from 2011."

The National Coalition Office

The strength of an independent trade association lies in its ability to promote, protect and advance the best interests of its members, something no single member or advisory group can achieve. The independent trade association can create a better understanding between its members and those with whom it deals. National Coalition offices are located in Santa Cruz, California.



740 Front Street, Suite 170
Santa Cruz, CA 95060
Office 831-426-4711
Fax 831-426-4713
E-mail: nationaloffice@ncasef.com

Visit the National Coalition
Website: www.ncasef.com



More than 80 percent of what is sold in convenience stores gets consumed by shop-pers within one hour, and 65 percent is at least partially consumed before the shopper even leaves the parking lot, according to the NACS Convenience Tracking Program. • **Wawa** re-cently celebrated the grand opening of its **100th store in Florida**. The milestone store celebration on November 4 included a grant from The Wawa Foundation to Feeding **Amer-ica Food Banks** and free coffee in all Wawa stores statewide. • **Amazon** announced that its grocery delivery service **AmazonFresh** has **expanded to Chicago and Dallas**. These new cities add to the growing list of regions where AmazonFresh is available, including Northern Virginia, Boston, Baltimore, London, Seattle, New York, Philadelphia, Stamford, Trenton, and seven regions across California. • **The Dow Jones industrial average closed above the 19,000 barrier on November 22 for the first time in its 120-year history**. • **Dunkin'** Donuts recently became the first national cof-fee chain to enable gifting and **payment within Messages in iOS 10**, allowing cus-tomers to deliver mobile Dunkin' Donuts Cards to friends, family and colleagues as quickly and simply as sending an emoji. • **Sunoco** re-cently acquired the retail convenience store as-sets and wholesale fuel business from **Denny Oil** for approximately \$53 million. The com-pany said this acquisition strengthens its exist-ing c-store and wholesale fuel distribution business in East Texas and Louisiana. • **7-Eleven, Inc. recently sold two truck stops and one convenience store located in Wyoming** to Parkland Fuel Corporation. SEI acquired the three facilities—two in Cheyenne and one in Laramie—along with

continued on page 22

ARTIFICIALLY FLAVORED

NEW!

SOUR PATCH Kids

TROPICAL

Artificially Flavored

PER 16 PIECES: 150 CALORIES, 0g SAT FAT, 35g SUGAR, 31g CARBS

About 3.5 SERVINGS

NET WT 5 OZ (141g)

SOFT & CHEWY CANDY

BIGGEST LAUNCH EVER!

SOUR PATCH Kids Tropical 5 oz.
McLane UIN # 809491
Core Mark # 435650

0 70462 00287 4

new

Purely Trident

no artificial color or flavor

peppermint

WITH OTHER NATURAL FLAVORS

Purely TRIDENT
Peppermint Gum Single Pack
McLane UIN # 809475
Core Mark # 435649

0 12546 00625 5

No artificial colors or flavors

Purely Trident

no artificial color or flavor

spearmint

WITH OTHER NATURAL FLAVORS

Purely TRIDENT
Spearmint Gum Single Pack
McLane UIN # 809483
Core Mark # 435648

0 12546 00630 9

#1 OREO FLAVOR

NOW IN A POPABLE, ON THE GO FORMAT

BIG BAG

Golden OREO mini

140 CALORIES, 1.5g SAT FAT, 18g SUGAR, 18g CARBS

Golden OREO
Mini Big Bag 3 oz.
McLane UIN # 844522
Core Mark # 438190

0 44000 05231 7

© Mondelēz International group



Member News

continued from page 14

NACS said the industry also invested billions of dollars more in new store builds. The cost to build a new convenience store in a rural neighborhood was \$4.36 million in 2015. The cost to open a convenience store in an urban market was roughly \$500,000 more per store than rural locations, averaging \$4.87 million, mostly because of higher real estate costs, even though the lots and stores typically are smaller. Rural lots average 80,052 square feet compared to 71,525 for urban stores, and rural stores average 4,938 square feet, compared to 4,594 square feet.

Amazon Debuts Shop By Smartphone

Amazon recently revealed details about its new physical, grocery/convenience store concept, which will eliminate checkout lines and allow



customers to pay for any items bought via their smartphones, reported *Fortune*. The 1,800-square foot Go store requires shoppers to scan their smartphones upon entering the store, and the company's "just walk out" technology will detect when products are taken off

continued on page 20

"Amazon's new store concept allows shoppers to scan their smartphones and leave the store, charging their Amazon.com account."

Visit the National Coalition

Website: www.ncasef.com

Legislative Update

Texas Judge Blocks Obama's Overtime Rule

A federal judge in Texas has issued a nationwide injunction blocking the Department of Labor's rule requiring overtime pay for more than 4 million new workers, reported *Forbes*. In a 20-page decision, U.S. District Judge Amos L. Mazzant ruled that 21 states and more than 50 business groups that sued to

"A Texas federal judge has blocked the new overtime rule raising the salary cap for exempt workers to \$47,892 a year."

block the rule stood a significant chance of success on the merits of the suit and would suffer serious financial harm if the rule was put into effect as scheduled on December 1. He also wrote that the Obama administration overstepped its authority by raising the salary cap below which all workers must receive overtime pay from \$455 a week to \$921 a week or \$47,892 a year, the judge wrote.

The U.S. Department of Labor on December 1 filed an appeal to the preliminary injunction of its new overtime rule, stating that the rule "is the result of a comprehensive, inclu-



sive rule-making process, and we remain confident in the legality of all aspects of the rule." With the appeal, the District Court for the Eastern District of Texas will send the case to the Fifth Circuit Court of Appeals in New Orleans, reported *BizTimes.com*. The case will likely still be in appeals when President-elect Donald Trump takes office on January 20. Trump has said he would like to exempt small businesses from the rule.

Four States Approve Minimum Wage Hikes

On Election Day voters in Arizona, Colorado, Maine and Washington approved increases in their states' respective minimum hourly pay rates to at least \$12 by 2020, reported the *Detroit Free Press*. In Arizona, the outcome means the state's current \$8.05-an-hour minimum wage will rise to \$10 next year and gradually increase to \$12 in 2020. Starting in 2021, the pay rate will be adjusted annually based on the state's cost of living. Colorado voters similarly approved a gradual hike in the state's \$8.31-an-hour minimum wage, starting with an increase to \$9.30 per hour next year. The pay rate will increase 90 cents in successive years until it

continued on page 46



THE BOMB & Breakfast Burritos

"Top Selling Burritos In C-Stores Nationwide!"



Whole Egg, Bacon & 3 Cheese - 12/7oz
SLIN #170394 • UIN #610170 • DCMS #732551



- Restaurant Quality Ingredients
- Filled End to End (60% fill - 40% tortilla)
- Authentic Hand-Stretched Tortillas
- Fast & Easy to Prepare
- Don Miguel will provide all necessary POP • Static Clings • Shelf Talkers • Trays



Whole Egg, Sausage & 3 Cheese - 12/7oz
SLIN #170425 • UIN #070359 • DCMS #733246



7-Select Chicken Fajita Chimichanga - 12/6oz
SLIN #839415 • UIN #178680 • DCMS #437065



7-Select Steak, Black Bean & Rice Chimichanga - 12/6oz
SLIN #839407 • UIN #178679 • DCMS #437064



7-Select Spicy Beef, Beans & Cheese Bomb Burrito - 12/7oz
SLIN #174033 • UIN #272625 • DCMS #433312



7-Select Chicken Chile Verde & Beans Bomb Burrito - 12/7oz
SLIN #174030 • UIN #272633 • DCMS #433313



Beef & Bean Chimichanga (Bulk)
6.0 lbs/case
SLIN #176406 • UIN #149468 • DCMS #433309



Mini Breakfast Empanada Bites (Bulk)
6.0 lbs/case
SLIN #178842 • UIN #385047 • DCMS #473543



Beef Mini Tacos (Bulk)
5.25 lbs/case
SLIN #171164 • UIN #540757 • DCMS #435688

Simply Beverages™

- #1 Juice SKU at 7-Eleven continues to be Simply OJ Original 11.5oz¹
- #1 Lemonade Brand in Convenience Retail¹
- Simply Cranberry Cocktail is the fastest growing Simply SKU at 7-Eleven¹
- Simply Juice Drinks are driving Chilled Fruit Drinks & Ades category growth. Fruit Punch is #1 and Tropical is #3 in dollar sales change²
- All Natural, Never From Concentrate, Always Delicious



Honestly Simple.



1. 7-Eleven Top 200 Report YE 12/31/2015, 2. Nielsen Total US Convenience Retail 52 WE 3/19/16

©2016 Simply Orange Juice Company.



**SIMPLY ORANGE®
PULP FREE**
(11.5 fl oz)
UIN #:152405 / SLIN #:248051



**SIMPLY LEMONADE®
WITH RASPBERRY**
(11.5 fl oz)
UIN #:152264 / SLIN #:248028



SIMPLY LEMONADE®
(11.5 fl oz)
UIN #:152173 / SLIN #:248027



**SIMPLY FRUIT PUNCH®
JUICE DRINK**
(11.5 fl oz)
UIN #:162719 / SLIN #:246790



**SIMPLY ORANGE®
WITH MANGO**
(11.5 fl oz)
UIN #:152314 / SLIN #:248029



**SIMPLY CRANBERRY
COCKTAIL™**
(11.5 fl oz)
UIN #:152389 / SLIN #:248052



**SIMPLY TROPICAL®
JUICE DRINK**
(11.5 fl oz)
UIN #:162727 / SLIN #:240163



SIMPLY APPLE®
(11.5 fl oz)
UIN #:152074 / SLIN #:248049



SIMPLY LIMEADE®
(11.5 fl oz)
UIN #:152249 / SLIN #:248050



**SIMPLY ORANGE®
PULP FREE**
(59 fl oz)
UIN #:650119 / SLIN #:0242568



SIMPLY LEMONADE®
(59 fl oz)
UIN #:443358 / SLIN #:0243848



**SIMPLY LEMONADE®
WITH RASPBERRY**
(59 fl oz)
UIN #:733832 / SLIN #:0244450





Member News

continued from page 16



NCASEF CONGRATULATES ERIC KARP ON FORUM CHAIRMANSHIP

The National Coalition congratulates our General Counsel, Eric H. Karp, on his election as the next Chair of the American Bar Association Forum on Franchising. Formed in 1977, the organization has nearly 2,000 members, including franchise lawyers from across the country and around the world, and aims to be the preeminent forum for the study and discussion of the legal aspects of franchising.

Prior to his election, Eric served as Editor-In-Chief of *The Franchise Lawyer*, was then the Finance Officer for five years, and will have served on the Governing Committee of the Forum on Franchising for six years. Eric's two-year term as Chair of the Forum will begin in the summer of 2017, just prior to the 40th Annual Forum on Franchising meeting in Palm Desert, California.

shelves (or returned to shelves) and keeps track of what is in customers' virtual cart through their smartphones. When a customer is done shopping, he or she leaves the store, and the company will charge their Amazon.com account.

The Amazon Go store offers prepared foods—including fresh breakfast, lunch, dinner, and snacks—and will sell grocery staples like baked goods, bread, cheese, and milk. Amazon said its customers will find well-known brands, plus items from artisanal merchants and Amazon Meal Kits, the company's Blue Apron-rival. The first Amazon Go store is located in Seattle and is open to Amazon employees, who are testing the new concept. Amazon said it will open to the public in early 2017.



Walmart Opens Small-Format Store In Colorado

Walmart recently opened its latest small-format concept store—which features a convenience store, gas station and online grocery order pickup service—in Thornton, Colorado, reported the *Denver Business Journal*. The 4,000-square-foot Walmart store is the second one in the country for the mega-retailer. The company opened its first pick-up and fuel station in April in Huntsville, Alabama.

The idea at the new Walmart store is that customers place grocery orders online and pick them up at the gas station, where they can also get gas, coffee and snacks. Additionally, any Walmart order online can be picked up at the new location. The retailer will fulfill online orders from a nearby full-line Walmart

Visit the National Coalition
Website: www.ncasef.com

store, and shoppers who place their orders online by 1 p.m. can pick them up the same day.



Target Planning More Small Stores

Target's CEO recently said he's "increasingly confident" the company will open "hundreds" of small-format stores, reshaping the big-box chain's image and real estate footprint, reported *USA Today*. Target is currently operating nearly 30 small-format locations, including a new 45,000-square-foot store in Manhattan's hip Tribeca neighborhood, where the retailer hopes to glean lessons it can apply to future stores. The model could prove crucial to Target's growth, according to the article. Dense, urban areas and college towns are Target's focus for small-format locations. Fourteen of the 15 stores that Target opened in 2016 are small-format locations, with recent openings including Philadelphia and Cupertino, California.

Dollar General Unveils Smaller Store Format

Dollar General recently announced a new urban convenience store format—tentatively branded DGX—to serve busy, metropolitan

continued on page 22

"Walmart customers place grocery orders online and pick them up at the gas station, where they can also get gas, coffee and snacks."

UNMISTAKABLE TASTE. UNFORGETTABLE AROMA.

DJARUM BLACK

Using the finest tobacco, Djarum's signature brand, Djarum Black, is harvested and blended with an artisan's care and is known worldwide for creating a rich, pleasurable smoking experience like none other.



DJARUM

www.djarumcigar.com

WARNING: Smoking cigars causes lung cancer, heart disease, and emphysema, and may complicate pregnancy. This product contains chemicals known to the State of California to cause cancer and birth defects and other reproductive harm.

Ask your Kretek representative for details at salesinfo@kretek.com



Member News

continued from page 20

shoppers in a convenient, easy-to-shop format. Within approximately 3,400 sales floor square footage, DGX is expected to offer customers more items geared toward immediate consumption and will feature a soda fountain, coffee station and grab-and-go sandwiches. The company said additional items are expected to include a limited assortment of grocery offerings, pet supplies, candies and snacks, paper products, home cleaning supplies and an expanded health and beauty section. Dollar Gen-

continued on page 24



“Walmart, Target and Dollar General are all testing small-format stores that compete in the convenience market.”

NCASEF WELCOMES NEW FOA MEMBERS

The National Coalition inducted three new FOAs during the last National Board meeting, held on Hilton Head Island in South Carolina, October 24-28. We would like to extend a warm welcome to the members of the South Texas FOA, the Greater Oregon FOA, and the East Coast FOA.



Greater Oregon FOA members present at the NCASEF Board meeting included (left to right) Vice President South Bill Huffman, Treasurer Tim Jewsbury, Vice President North Ravinder Waraich, Board Member Mohan Grewal, Secretary Rehan Ashraf, and President Naeem Khan.



From the South Texas FOA, Director of Vendors and Operations Daxesh Acharaya and President Balwinder Dhillon.



Representing the East Coast FOA (left to right) are Vice President Jay Patel, President Ajit Nambiar, and Treasurer Vatsal Chokshi.

continued from page 14

76 stores in California as part of its acquisition of CST Brands, Inc.'s West Coast Portfolio. • **Coffee chain Starbucks said it plans to open 12,000 stores globally** by 2021, reported Reuters. The company also set an annual revenue growth target of 10 percent and profit growth target of 15-20 percent for the next five years. • Nearly a third of new **car owners with a built-in navigation system used it for less than two weeks** before giving up on it and using their phone or another portable device, and **more than half never used the built-in navigation** at all, according to a new survey by J.D. Power and Associates. • Electric car manufacturer **Tesla** recently opened its first **Supercharger at a QuickChek** convenience store in Kingston, New York, reported Electrek.com. Tesla said they may collaborate with QuickChek to open more Superchargers at other locations in New York and New Jersey. • **Kellogg Co. is buying a maker of Latin American snacks**—Ritmo Invetimentos—for \$429 million as it continues to expand into emerging markets, reported the *Wall Street Journal*. This is Kellogg's fourth emerging-market acquisition in the past two years. • The amount of debit cards is growing at a faster rate than that of credit cards, according to strategic research and consulting firm RBR. **Debit cards now represent 70 percent of payment cards globally**, up from 68 percent in 2014—and will rise to 72 percent by 2021. • U.S. drivers consumed **71.8 billion gallons of gasoline** in the first half of 2016, an increase of 3 percent over the same period a year earlier and the highest amount on record, according to the Federal Highway Administration. • **Visa and Mastercard** separately announced they will delay by three years—to October 1, 2020—the mandated date for implementing chip card payments at millions of auto-



continued on page 36

How Do You Maruchan?

Maruchan Instant Lunch
Outsells All Other Ramen
Brands By More
Than 4 to 1.*



Chicken Flavor



Beef Flavor



With Shrimp



Lime Chili Flavor
with Shrimp



Stock America's #1 Selling Ramen Noodle Soup!

Maruchan. 15800 Laguna Canyon Rd.
Irvine, CA 92618 • www.maruchan.com
#ramenrevolution



*Source: IRI, 52 Wks Ending 10/2/16, Total US All Outlets, Volume Sales



Member News

continued from page 22

eral expects to open its first DGX store in Nashville, Tennessee in early 2017, followed shortly thereafter by another in Raleigh, North Carolina.

Employee Engagement Key To Business Performance

A new project by the NACS/Coca-Cola Retailing Research Council called "Power Up Your People" confirms that improving employee engagement in convenience retail can make a significant difference in business performance. Previous research has consistently shown that



"Engaged, longer-term employees improve sales performance, according to a NACS/Coca-Cola Retailing Research Council study."

engaged employees are more efficient, have lower turnover and generate higher levels of customer satisfaction—which increases customer loyalty and improves sales performance. The new study, conducted by Service Management Group, reveals that top-performing locations score +9 percent overall customer satisfaction, +6.8 percent customer likelihood to return and +13.3 percent likelihood to recommend. The

Visit the National Coalition
Website: www.ncasef.com

report also states highly engaged organizations are up to 22 percent more profitable, experience as much as a 25 percent reduction in employee turnover and show a 28 percent difference in shrinkage levels.

Sheetz Hikes Wages Despite Judge's Injunction

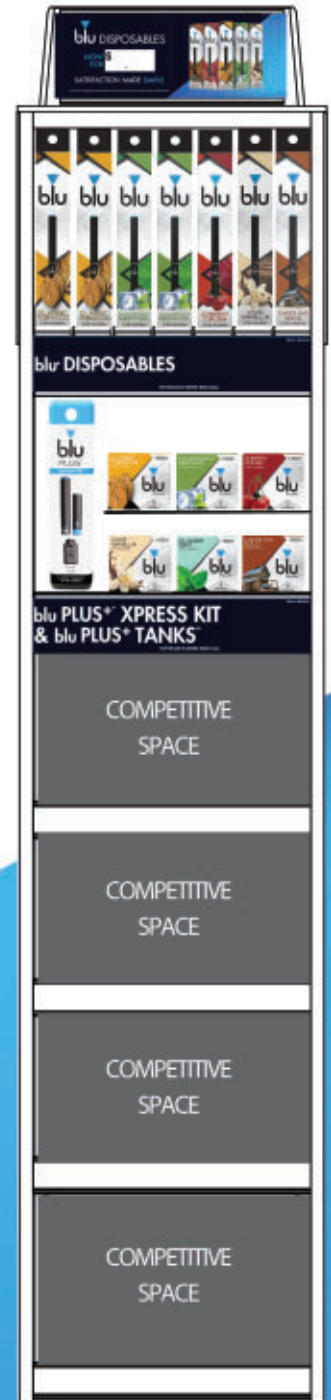
C-store chain Sheetz announced that all of the company's salaried employees will earn a minimum base salary of \$47,500 per year. The decision was made in connection to the proposed Federal Labor Standards Act (FLSA) rule from the U.S. Department

continued on page 50



Outperform the industry
and get paid to do it...

Place spinner in your store and
Receive \$120 per year PLUS Rebates



introducing our newest addition

rockin'
strawberry

- 30 Grams of Protein
- Only 190 Calories
- Lactose and Gluten Free
- LOW Carbs and Calories
- Tastes GREAT
- Up to 100 Days Refrigerated Code Life

CHRIS PERRY > 602.803.7497 | chris_perry@shamrockfoods.com



Starts With Real Milk.
Ends With Real Results.
rockinrefuel.com    



- Industry e-cig volume up +11.2% and machine made cigar (MMC) volume up +14.6% for 7-Eleven stores with a Spinner Fixture
- Provides dedicated space for stores with limited or no space for e-cigarettes
- Frees up space on the consolidated fixture to feature additional MMC &/or OTP products
- Fixture is double-sided to hold more inventory
- blu offers an ongoing Billback\$**

Contact your ITG Brands Representative

NOT FOR SALE TO MINORS. ©2016 Fentem. WARNING: This product contains nicotine derived from tobacco. Nicotine is an addictive chemical. blu® and the blu logo® are trademarks of Fentem Holdings 4 B.V.



SENECA™

CLASS A CIGARETTES PREMIUM

The perfect blend of
quality, flavor and price.



SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Contact a distributor near you
1-844-766-5366

Greater **VARIETY** And **PROFITS.**



Cigarettes, Cigars, Snuff,
Pipe Tobacco, and Vapor



SURGEON GENERAL WARNING: Cigar Smoking Can Cause Cancers Of The Mouth And Throat, Even If You Do Not Inhale.



**JUST
SAY
OLÉ!**

**TO STEAK
SATISFACTION**

Deliver sales growth within
your frozen section while
satisfying customer cravings.

A GREAT PRICE AT
\$1.59

**Steak and Cheese
Chimichanga**



SLIN: 180177
McLane Single Pick UIN:
10538
McLane Full Case UIN:
552026

**Chicken and Cheese
Chimichanga**



SLIN: 180005
McLane Single Pick UIN:
176024
McLane Full Case UIN:
4509768

**Egg and Sausage
Breakfast Burrito**



SLIN: 129312
McLane Single Pick UIN:
129312

www.JOSEOLE.com

© 2015 Ajinomoto Windsor, Inc.

Our Business In 2017 And Beyond

BY JOE GALEA, EXECUTIVE CHAIRMAN, NCASEF

No doubt about it, 2016 was a busy year for 7-Eleven. But all the hard work we put in last year to implement new programs, systems and procedures in our stores have placed us in a better position to compete and grow sales in 2017 and beyond. Looking back at 2016, I would say there are three efforts in particular that have laid the foundation for our future prosperity: growing the food and beverage category, implementing Expand the Assortment (ETA) and building our private brands.

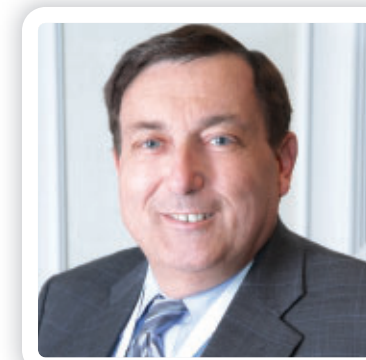
Let's begin with growing our food and beverage business. The big emphasis in 2016 was driving fresh food sales. Fresh foods are our future, especially given that many of our customers are constantly on-the-go and no longer have the time they used to for a leisurely breakfast or lunch, so the emphasis is on fresh, quick and availability. Our hard work in this category is paying off, as 7-Eleven is now among the top 30 fresh food retailers in the United States, coming in at #26. Furthermore, our hot beverage category is forecasted to exceed \$600 million in U.S. sales for the first time ever, and our cold beverage team was recently recognized by *Convenience Store News* for outstanding product innovation and best in class promotions. So we're growing our food and beverage category, and doing well. Our continued support of this category will serve us well in 2017 and the years

to come, in the form of increased sales and being able to stay ahead of the competition.

JOE GALEA

CAN BE REACHED AT
831-426-4711 or
joeg@ncasef.com

Second, in 2016 SEI put a big emphasis on ETA. We knew this was coming, as our franchisor talked a lot about it. It is currently installed in 5,800 stores, giving each one the ability to customize the assortment of products they carry to better serve their customers. ETA also offers a good opportunity for franchisees to start utilizing their 15 percent and allows for more consideration of local and regional items. Although the ETA program may



involve a little more labor, and more SKUs to choose from, and adds more to your inventory, it also allows you to better select the products that you think will grow your business. According to SEI, with ETA the active selling SKUs continue to grow at an average of 333 SKUs over the previous year, the average store is now selling over 2,500 items, and the top 1,200 ETA stores are seeing a \$111 APSD sales increase.

Last, the work we have been putting into growing our private brands is generating pleasant results, with YTD sales up 28.3 percent over the prior year. Also, our private brands have con-



"The work we have been putting into growing our private brands is generating pleasant results, with YTD sales up 28.3 percent over the prior year."

tinued to win industry awards for taste, flavor and value (Store Brands Award, PLMA Award, Vertex Award, etc.). SEI launched 230 new private brand items and improved an additional 89 with positive results, so this is clearly a category worth continued investment.

I believe we need to continue building on these three key areas in 2017 in order to ensure future prosperity. They will allow us to be more in control of our business on a day-to-day basis, and will help keep the competition at bay.

Moving on to the 2019 agreement, I can report that the New Contract Committee has been meeting on a monthly basis and so far things are progressing well. We should have more information coming out soon and we will update you all in due time. SEI has really accepted us as a coalition during these meetings, which is positive. Half of the franchisee representation on this committee consists of NCASEF members and officers, which shows that our relationship with 7-Eleven has improved. **AV**

FUEL YOUR POTENTIAL

NEW FLAVOR!



NOW AVAILABLE AT



The Importance Of Data Connectivity

BY JAY SINGH, EXECUTIVE VICE CHAIRMAN, NCASEF

Many of us can remember the days when the cash report was done with three carbon copies inside the book, and couriers would deliver it to 7-Eleven, Inc. once a week. Back then we only had double keys, tax and non-tax, and all the prices were normalized by the cashiers. We have made a lot of progress since those paper days, and today advances in our system—like Business Transformation and the new electronic ordering system—have made running our stores less cumbersome. However, as useful as all of these technological improvements have been, they still present some challenges.

For instance, this year in most parts of the country our entire credit and debit card processing system broke down two or three times. We couldn't even process EBT cards, and the incidents lasted a couple of days. After it was fixed, it broke down again. Sometimes our safes would go off-line. We would put \$400 in the safe in one shift, and the backroom would say \$260. Then we have to spend time looking for the money and the data and creating a case. We call the help desk, but it's a time consuming process because we would have to go through all the steps of rebooting the safe before the help desk would send a technician. Then we have to pay for this service because it is a non-contract maintenance charge. So it seems modernization comes with a whole new set of problems—of the digital nature.

Having an advanced business system means that data

connectivity is of the upmost importance, because no one wants to go back to the paper days. On the cash registers the most common problem is that they tend to freeze up, which means we have to call the help desk and they end up sending out a technician, which will cost us. SEI said it is rolling out a new cash register for stores next year, but right now it's a problem.



“Data connectivity problems should not happen this frequently. We need to resolve these issues so all stores are fully integrated into the system and we can concentrate more on growing sales and profits and less on IT issues.”



Data connectivity appears to be particularly troublesome for non-integrated acquisition gas stores, which are three or four times more likely to have problems precisely because they are not fully incorporated into SEI's digital systems. Sometimes third party credit card information does not roll back due to lost satellite connectivity at these stores. Then the franchisee has to create a case in order to correct the issue and get the credit. Integration has been promised to these stores next

“Having an advanced business system means that data connectivity is of the upmost importance, because no one wants to go back to the days of paper.”

year, but until that time it is difficult for the franchisees, who have to do more work to correct their paperwork.

Acquisition gas stores happen to be non-integrated, so they have two cash registers—one for the Exxon or Chevron gas and the other for the rest of the store because the gas system is not yet integrated into SEI's system. So

to make a cash report, franchisees have to use a worksheet called a Duel System Gas Worksheet and enter the figures into that. This process is very time consuming compared to being fully integrated into the system.

In this day and age, data connectivity problems should not happen this frequently. SEI needs to resolve these issues so all 7-Eleven stores are fully integrated into the system and all the kinks have been worked out. Then franchisees can concentrate more on growing sales and profits, and less on IT issues. **AV**

JAY SINGH

CAN BE REACHED AT
702-249-3301 or
jksingh2003@
yahoo.com

YOUR STORE, YOUR CHOICE!

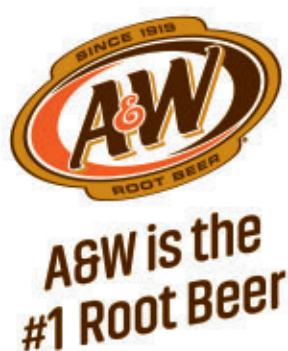
Nationally
Recommended!



Flavors
Sell 1.4 Times
More Than
Colas!



GROW SALES WITH STRONG BRANDS!



Source : Total US Convenience 52 wks through 11.05.16 dollar share

The Culture Of This Franchise System Must Change—Chapter 3

ERIC H. KARP, ESQ., GENERAL COUNSEL TO NCASEF

In the last two issues of *Avanti*, I have exhorted SEI to pay attention to the culture of its franchise system as the single largest roadblock to meeting the internal and external challenges that it and each one of its franchisees face.

In the most recent issue of *Avanti*, I urged each of you and SEI to carefully review an article in the October 2016 issue of the *Harvard Business Review* written by Cheryl Bachelder, the CEO of Popeyes Louisiana Chicken. The title of her article is “The CEO of Popeyes on Treating Franchisees as the Most Important Customers.” I explained how her philosophy of collaboration and transparency has led to a 33 percent increase in the number of franchised restaurants, and a nearly 400 percent increase in the price of its publicly held shares during her tenure.

With the approval of in-house counsel for Popeyes, with whom I have an excellent and collegial working relationship, I want to share with you some of the specifics of how Cheryl Bachelder’s philosophy is implemented in the day-to-day relationship between the company and the Popeyes International Franchise Association (PIFA), its inde-

ERIC H. KARP
CAN BE REACHED AT
617-423-7250
ekarp@wkwrlaw.com

relationship between the company and the Popeyes International Franchise Association (PIFA), its inde-

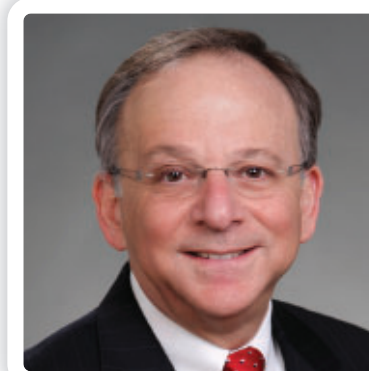
“Cheryl Bachelder, the CEO of Popeyes Louisiana Chicken, developed a philosophy of collaboration and transparency that has led to a 33 percent increase in the number of franchised restaurants, and a nearly 400 percent increase in the price of its publicly held shares during her tenure.”



pendent franchisee group, which I have been privileged to represent since 2010.

Beverage Contracts

When the system-wide contracts with beverage manufacturers and distrib-



utors were up for renewal, as counsel for PIFA, I was given prompt access to the requests for proposal that were sent to all of the major beverage companies in the United States. I was also provided with a copy of the analysis of those RFPs that was prepared by an independent consulting company retained by the franchisor

for the purpose of soliciting and analyzing proposals from those beverage companies. When the proposals were received, I was also privy to the analysis leading to the decision of which beverage suppliers to choose. Finally, I was invited to assist the general counsel of the franchisor in the negotiation of the beverage contracts that resulted from that process. I was a participant in each and every red-lined draft of these contracts until they were finalized.

This process gave the franchisee community absolute assurance that they were getting the lowest possible cost of goods, that the other benefits associated with the contract were as favorable as could be achieved, and most importantly, franchised locations were receiving the same prices and benefits as company-owned locations and the franchisor was not receiving any money from the manufacturers. Rather than treating their supply chain relationships and contracts as equivalent to the nuclear launch codes, this franchisor realized that the best way to enhance the relationship with its franchisees and assure them that they were

“Popeyes and PIFA have a standing committee that deals with annual changes to the Franchise Disclosure Document and the Franchise Agreement.”

continued on page 34

The Culture Of This Franchise System Must Change—Chapter 3

continued from page 33

“When the system-wide contracts with beverage manufacturers and distributors were up for renewal, as counsel for PIFA, I was given prompt access to the requests for proposal that were sent to all of the major beverage companies in the United States.”

paying no more than fair market value—and that the franchisor had nothing to hide—was to invite them inside the tent.

Franchise Conventions

As counsel to PIFA, I have an open invitation from the franchisor to attend each of its annual conventions and to attend any meeting or session I choose. I have attended several of these conventions, taking advantage of this opportunity to have open

and constructive meetings with various members of the legal department, including the general counsel of the franchisor. This open dialogue assists us in resolving issues as they arise.

Franchisor Policies

Popeyes has written policies regarding transfers, encroachment and relocation of franchised units. These policies provide specific guidance to franchisees on the

steps necessary to seek and obtain approval for a transfer or relocation. In addition, when any franchisee believes that another proposed location is sufficiently close to their existing location that it may have a material impact on sales, there is an impact policy process by which that matter can be brought to the attention of the franchisor and independently analyzed. Over the years, any time that the franchisor has proposed a change to any one of these policies, the proposal has been submitted to me for my review and comment. This has resulted in material changes to the policies for the benefit of franchisees.

Franchise Agreement Changes

The franchisor and PIFA have a

continued page 36

Don't Roll the Dice on Your Workers' Compensation!

We know how hard you work to make your store profitable, and we work very hard at keeping your insurance costs as low as possible. The biggest part of your insurance premium covers loss expense – when losses go up, premiums go up.

Did you know.....

Robberies are on the rise! Make sure you and your staff are clear on security procedures. Maybe a monthly review makes sense?

Over 75% of franchisee claim expense is related to slip and falls, both inside and outside of the store. Make sure your floors are dry, and remove ice from your walkways.

Reporting claims quickly helps reduce the cost. On average, we receive **more than 30%** of franchisee claims two weeks or more after they occur. Report your claims as soon as possible so we can start to work them immediately.

Help us help you. The better we control losses, the lower your cost of workers' compensation insurance!

Contact:
To learn more contact **Tonya Leffall** or **Joe Praznik** at 1.800.527.9034

E-mail address: 7-ElevenFranchiseProgram@aon.com
Fax #: 847-953-2100

Risk. Reinsurance. Human Resources.



People drink coffee for a lot of reasons: To wake up. To stay up. To socialize. To unwind. For the ritual. For the taste. For the third time today.

For every reason your customers come in for coffee, delight them with the cup they want from International Delight.®

Half & Half	French Vanilla	Hazelnut	Hershey's® Chocolate Caramel
CDC SLIN 230240	CDC SLIN 230099	CDC SLIN 2301565	CDC SLIN 230944
McLane SLIN 230239	McLane SLIN 230124	McLane SLIN 230123	McLane SLIN 230946

To order call The Coffee Bar Experts™ at 888.620.9910.

©2016 WhiteWave Services, Inc.
The HERSHEY'S trademark and trade dress are used under license.



The Culture Of This Franchise System Must Change—Chapter 3

continued from page 34

standing committee that deals with annual changes to the Franchise Disclosure Document and the Franchise Agreement. The process begins in the third quarter of each year, where the Franchisor and PIFA exchange proposals for changes to the Franchise Agreement to be issued in the second quarter of the following year. A timeline for completion of the new FDD and Franchise Agreement is shared with all parties. The committee meets to discuss all of these changes, and I am given an opportunity to comment on the franchisor's proposed changes, as well as the franchisor's reaction to the franchisees' proposed changes.


Finally, when the revised Franchise Agreement has been drafted, it is provided to me for my review and comment prior to finalization. While this process is far from perfect, and there is no question that PIFA does not achieve all of its goals in this process, it is certainly preferable to the secret development of the 2019 7-Eleven franchise agreement and the in-

"This franchisor realized that the best way to enhance the relationship with its franchisees and assure them that they were paying no more than fair market value—and that the franchisor had nothing to hide—was to invite them inside the tent."

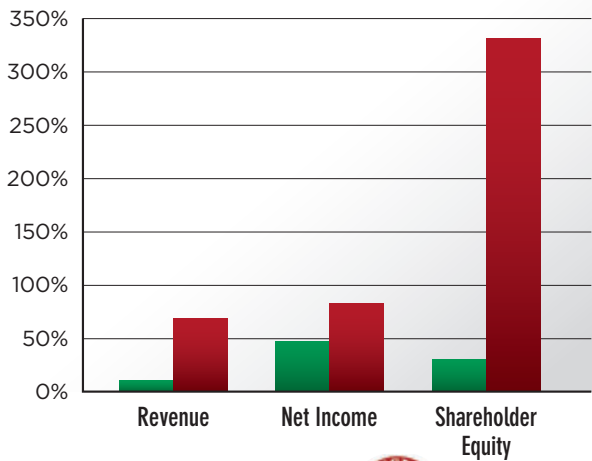
evitable "take it or leave it" approach that will likely follow its rollout.

What has the culture of Popeyes created? Aside from the enviable increases in franchised locations and the stock price noted above, the financial statements of the company, when examined side-by-side with those of SEI, show that the financial performance of Popeyes is vastly superior, as explained by the included chart.

Consider the fact that SEI's corporate owners are looking to U.S. operations as a central element of the turnaround plan to shore up its earnings and its stock price. I urged them in the strongest possible terms to take a look at the Popeyes story as the path forward. In the end, the Bachelder servant leadership philosophy is not just a good idea, is not just morally correct and ethically proper, it's also just plain good business.

To 7-Eleven, Inc. and Seven & i Holdings Co., Ltd: Please Take Notice! 

7-ELEVEN VS. POPEYES INCREASES 2011 TO 2015



continued from page 22

mated fuel pumps in the U.S., reported *Computerworld*. • **The Coca-Cola Co.** plans to **reduce added sugar** across its carbonated soft drink portfolio, and is introducing more sugar-free options—such as Coca-Cola Zero Sugar—in several markets around the world, reported *Food Business News*. • **PepsiCo** recently pledged to significantly reduce the calorie count of the company's beverages as it looks **to counter health concerns about sugar-sweetened beverages** and respond to changing consumer preferences, reported *CNBC*. • Ride-hailing giant **Uber** recently teamed up with AB InBev to transport Budweiser beer in a **self-driving vehicle** from Fort Collins, Colorado to Colorado Springs, a roughly **120-mile trip** on Interstate 25, reported *Bloomberg*. The companies claimed it was the world's first such commercial delivery. • **QuikTrip and Sheetz were the only c-store chains** to rank on *Fortune* magazine's annual list of the 15 best workplaces in retail, reported *CSP Daily News*. QuikTrip came in at No. 5, while Sheetz ranked No. 9. • U.S. workers put in almost **25 percent more hours than Europeans**, according to a working paper by economists from Arizona State University, McMaster University in Ontario, and Goethe University Frankfurt. **Swiss work habits are most similar to Americans**, while Italians put in 29 percent fewer hours per year than Americans do. • C-Store chain **Sheetz** recently spent nearly **\$2 million for 15 restaurant liquor licenses** it won in a Pennsylvania Liquor Control Board auction of licenses that were revoked or expired, reported the *Altoona Mirror*. • In 2015 the **legal marijuana industry in Colorado** created more than 18,000 new full-time jobs and generated \$2.4 billion in economic activity, reported the *Washington Post*. By

continued on page 42

INTRODUCING



- 90 CALORIES, 1G CARBS, 0G SUGAR, 0G GLUTEN*
- LOWEST CALORIE & LOWEST CARB OPTION IN THE MARKET
- A DELICIOUS BLEND OF CRISP REFRESHING TASTE WITH BUBBLY CARBONATION FROM THE BIGGEST BRAND NAME IN VODKA
- CRANBERRY LIME IS AUTHORIZED IN NORTH ATLANTIC AND LONE STAR!

*Crafted to remove gluten. Product fermented from grains containing gluten and crafted to remove gluten. The gluten content of this product cannot be verified, and this product may contain gluten.
Per 12 fl. oz.: Average Analysis: Calories: 90; Carbohydrates: 1 G; Protein: 0 G; Fat: 0 G.
PLEASE DRINK RESPONSIBLY
SMIRNOFF Spiked Sparkling Seltzer, Premium Flavored Malt Beverage, The Smirnoff Co., Norwalk, CT.



CRANBERRY LIME
FOD 1/2/17



SMIRNOFF ORANGE MANGO SPIKED SPARKLING SELTZER 6 PACK



SMIRNOFF CRANBERRY LIME SPIKED SPARKLING SELTZER 6 PACK



SMIRNOFF WATERMELON SPIKED SPARKLING SELTZER 6 PACK

STOCK THE #1 STOUT HEADING INTO ST. PATRICK'S DAY¹

- OVER 400% LARGER THAN THE NEXT STOUT¹
- #1 \$ LIFT AMONG LEADING SPECIALTY AND IMPORT BRANDS DURING MARCH¹
- 94% OF DRINKERS LIKE THE IDEA OF HAVING AN IRISH BEER TO CELEBRATE ST. PATRICK'S DAY²
- GUINNESS STOUT IS GROWING AT 7-ELEVEN³...



GUINNESS EXTRA STOUT
6 x 12 OZ. BOTTLES
SLIN: 100391



GUINNESS EXTRA STOUT
22 OZ. BOTTLE
SLIN: 100859



GUINNESS DRAUGHT
6 x 11.2 OZ. BOTTLES
SLIN: 100056



GUINNESS DRAUGHT
4 x 14.9 OZ. CANS
SLIN: 100952



GUINNESS DRAUGHT
14.9 OZ. CAN
SLIN: 100953

PLEASE DRINK RESPONSIBLY Diageo - Guinness USA, Norwalk, CT.

Sources: 1. Nielsen Convenience 52 W/e 11/15/16; 2. Field Study Survey 2015; 3. IRI 4 W/e 11/27/16

The Greatest Addition to a Winning Portfolio – Bar None!



New M&M'S® Ice Cream Bar is a 90-day 7-Eleven exclusive*

- Introductory allowance of an additional \$0.52 cents per bar during the introductory period!
- M&M'S® is the one of the world's most recognized chocolate brands and is the #1 selling chocolate brand in the US

January – March

Consumers Love All the Ways M&M'S® Makes Ice Cream Fun!

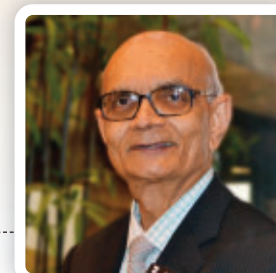
MARS
ice cream
north america

* FOD 1/9/17
©/TM trademarks ©Mars, Incorporated 2016

BUSINESS TRANSFORMATION— A GAME CHANGER

HASHIM SYED

NCASEF VICE CHAIRMAN, FOAC VICE PRESIDENT



In one of my previous *Avanti* articles related to our old and time-consuming ordering system, I asked SEI for a more efficient and modern ordering system, and many of my fellow franchisees echoed that call. What do you know? SEI has finally acknowledged our request and has given us a new and very efficient ordering system that provides us with most of the tools we need to run our stores more professionally and profitably, especially during these critical financial times.

Unfortunately, some franchisees are not embracing the new Business Transformation (BT) program and are holding back their support for it, fearing it will add more labor costs to their operation. I sincerely believe this is a self-defeating approach on the part of those franchisees not to embrace the BT ordering system and implement it fully, because it provides all those tools we have been waiting for.

Here are some of the highlights of the new BT system:

1. With the previous ordering system, it was too time-consuming to keep an accurate count of all the items we were selling in our stores. As a result, many franchisees would shortcut the system by ordering without an actual

count of their inventory using guesswork, which caused inventory fluctuations and

thus inaccurate control of their inventory. The new system keeps a very accurate count of each item since it automatically adds up the inventory each time an order is placed. You don't have to spend time counting inventory when you place an order.

2. The new ordering system offers a great tool to do item-by-item management, making it easier to get rid of slow items and replace them with new items based on each item's sales.

"FRANCHISEES SHOULD EMBRACE BUSINESS TRANSFORMATION (BT), BECAUSE IT PROVIDES ALL THE TOOLS WE HAVE BEEN WAITING FOR."

3. With BT, we have better control of our stores and can often detect both internal theft and shoplifting thanks to the regularly updated count of our store's inventory. Low inventory variation and accurate inventory management definitely help our bottom lines. This is a great outcome for all those low-volume stores that are struggling because of the recent increase in minimum wages.

4. Guided Replenishment is another great tool offered by BT, which recommends order quantities for all chosen

items. It only requires a review and approval of its automatic recommendations. With this tool, we don't have to think about ordering, outside of reviewing the recommendations and approving or modifying them (if you want to be creative).

Like all new systems, BT does have some kinks to work out, like when we return odd drinks in different sizes for credit and the replacement is one case of one drink in one size, from our major soda suppliers.

While it is true you will have to initially invest some time in the beginning with BT, we all should consider it an investment in our stores. You can ask your field consultant to help you when you convert from the old ordering system to BT.

I don't deny there are learning curves with the new ordering system, but BT definitely has its benefits and I clearly see the light at the end of the tunnel. Let's hope SEI continues to bring more timesaving and profit-boosting initiatives like BT to franchisees so we can all sing, "Oh, thank heaven for 7-Eleven." **AV**



"BT is a great tool to do item-by-item management, making it easier to get rid of slow items and replace them with new items based on their sales."

mentos[®] Gum

Strong Leading Items, Experiencing Tremendous Growth!



Mentos Gum Pure Fresh - Fresh Mint
UIN 562488



Mentos Gum Pure Fresh - Spearmint
UIN 377648



Contact your local **PERFETTI** representative or customer service at 1-800-283-5988



Impact On Customers From Dirty Restrooms—How To Keep It Positive

By Linda Wilt, Patco Food Safety Specialist

According to a recent telephone poll conducted by Harris Interactive among more than 1,000 adults ages 18 and older, 95 percent of those surveyed said that unclean restrooms would negatively impact their perception of a retail store, followed by 92 percent who cited unpleasant odors as being significant to their decision as to whether or not they will return to shop at a store.

Furthermore, 86 percent of adults in the U.S. equate the condition of a food service facility's restroom with the condition of the food preparation area. Eighty-five percent of those surveyed said they would not return to a restaurant or food store if they found dirty bathrooms.

“Eighty-six percent of adults in the U.S. equate the condition of a food service facility's restroom with the condition of the food preparation area.”

How does that translate for your store? A clean restroom can lead to repeat business and higher earnings. Also, clean restrooms lead to happier customers, reducing complaints. In this day of social media use, details of your customers' unpleasant experiences spread to others like wildfire. But on the flip side of that, customers' appreciation of your efforts to

provide a clean facility can be rewarding to your business, and can

produce encouraging reviews.

A restroom is often the destination at a convenience store. People will stop at a convenience store to use the restroom, and then buy something while they are there. This is especially true for stores that are frequented by regular commuters. Parents are another target group. They are looking for a clean restroom where they can take their young children with the confidence that dirty and unsanitary conditions will not be present. If there is any doubt about how important a clean

“NINETY-FIVE PERCENT OF 1,000 ADULTS SURVEYED SAID UNCLEAR RESTROOMS WOULD NEGATIVELY IMPACT THEIR PERCEPTION OF A RETAIL STORE AS WELL AS THEIR DECISION ABOUT RETURNING TO THE STORE.”



toilets and urinals, mirrors, etc.).

Patco Food Safety offers several products for restroom cleaning, including Patco Glass and Hard Surface Cleaner and Patco Disinfectant Restroom Cleaner.

Establishing a regular cleaning schedule that goes hand-in-hand with the cleaning for the rest of the store is another way to ensure a clean restroom. A daily cleaning schedule creates structure and establishes a routine.

Some managers or owners make the mistake of not assigning a particular employee to restroom cleaning. No one really wants to do it! Specifically assigning an employee to clean the restroom each time it appears on the cleaning schedule can help avoid arguments between employees over who is responsible for the task.

A restroom checklist should be created and easily accessible to employees. A rest-

continued page 42

LINDA WILT

CAN BE REACHED AT
LWilt@bhcinc.com

continued from page 41

room check-list should include:

- Mopping the floor
- Cleaning the mirror
- Scrubbing the sink, and wiping down faucets and spigots
- Disinfecting the toilet—inside and outside surfaces
- Emptying the trash containers
- Checking the lighting and the air vents
- Restocking toilet paper, paper towels, disposable seat covers, etc.
- Paying attention to any unpleasant odors, and disinfecting where needed
- Wiping down walls, stalls, and doors, including the handles



- Posting a reminder sign to wash hands after using the restroom

The restrooms are an opportunity to make a good impression on your customers. Meeting or even exceeding the expectations of those who use them will pay off when they decide to make a purchase at your store while they are there, or to come back again. It's worth the effort. **AV**

Sources: *cstore decisions.com*, *mall business chron.com*, *usatoday.com*

“A clean restroom can lead to repeat business, higher earnings and happier customers.”

continued from page 36

2020, analysts expect **marijuana taxes to outstrip cigarette taxes** as a revenue-generator in the state. •

Wal-Mart Stores has implemented blockchain technology that may help the company quickly identify, locate and remove **recalled food items**, reports *Bloomberg*. The retailer began testing the technology with certain items in the U.S. and China, and it expects to expand its use to more products if the tests prove successful. • **The Macy's Thanksgiving Day Parade** costs between \$10.4 and \$12.3 million and normally features 17 giant character balloons, 27 floats, and 10,000 parade marchers including, reveals online cash back shopping site Ebates. • Nature's Frequencies recently introduced the **Food Freshness Card, a 6-inch square laminated card that helps to keep food fresher longer**. The company said the card has been independently laboratory tested to increase the life of many fresh foods, including fruits, vegetables, and

continued on page 46



When it comes to franchising with 7-Eleven®, more is always more.

If you're succeeding as a single-store Franchisee, maybe it's time to multiply. Multiple stores mean more opportunities to grow your career – and, of course, more cash flow is nice. The truth is, we're growing like crazy, which means there's more out there if you're ready!

To learn more and see if you qualify, contact your Field Consultant or visit **Franchise.7-Eleven.com**

7-ELEVEN franchisee

© 2016 7-Eleven Inc. All rights reserved. This is not an offer to sell a franchise. An offer can only be made in applicable states with authorized documentation. 7-Eleven Inc., P.O. Box 711, Dallas, TX 75221-0711



**SWEET, CREAMY COCOA
INFUSED WITH SPICY PEPPER
AND A TOUCH OF AVOCADO FOR A SMOOTH, CREAMY FINISH**

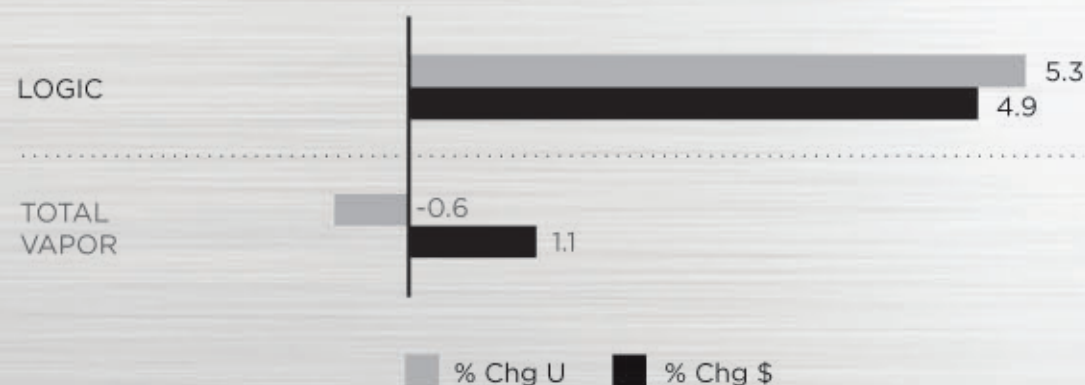
**Exciting and On-Trend...
Order Now!**

F.O.D. 12/19/16



LOGIC OUTPERFORMS CATEGORY

TOTAL VAPOR CATEGORY L4 WKS. % CHG. \$ UNIT SALES VS. PP



LEADING THE CHARGE



Source: Logic calculation based on Nielsen AOD reporting, Unit Share, 4wks ending 10/08/16, Total AOC Including C-Store

SMART CAPSULES. NO SPILLS.



Electronic Cigarettes
logic.
It's that simple.

Available at all major wholesalers.
To learn more visit logicvapes.us
or speak to us at (844) 552-9623.

WARNING: This product contains nicotine derived
Intended for use by adult smokers of legal

from tobacco. Nicotine is an addictive chemical.
smoking age. Underage sale prohibited.



Member News

continued from page 16

Legislative Update

reaches \$12 per hour in 2020. The rate will also get an annual cost of living adjustment as of 2021.

Maine's current \$7.50-an-hour rate will also rise to \$12 by 2020. The change will start with an increase to \$9 per hour in 2017, followed by three years of \$1-an-hour hikes. Increases after that would be determined by inflation. Washington voters approved an even larger increase. The western state's current \$9.47-an-hour minimum wage will rise to \$13.50 by 2020, starting with a jump to \$11 next year. Cost of living adjustments would determine the rate after 2020.

States Report Results Of Tobacco Tax Ballot Questions

California, Colorado and Missouri were among the states that had tobacco tax increases on their November 8 ballots. Here are the results, as reported by *CSP Daily News*:

- California: Voters approved Proposition 56, which will increase the California cigarette tax rate by \$2 per pack and raise the tax rate on other

tobacco products—including electronic cigarettes—an equivalent amount.

- Colorado: Voters defeated Amendment 72, which would have increased the Colorado cigarette tax by \$1.75 per pack from the current 84 cents per pack, and raised the excise tax on other tobacco products by another 22 percent of the manufacturer's list price.

- Missouri: Voters defeated Amendment 3, which would have increased the cigarette tax each year through 2020, at which point the additional cigarette tax would total an aggregate of 60 cents per pack and would have assessed a fee paid by cigarette wholesalers of 67 cents per pack on non-settlement cigarettes. Voters also defeated Proposition A, which would have increased the cigarette tax in 2017, 2019 and 2021, at which point the additional cigarette tax would total an aggregate



continued on page 52



Play The Name Game!

Look carefully at each page in this issue. Somewhere in this magazine a line is hidden that contains the words \$Name Game Winner + person's name + city\$. If you find this line, and it contains your name, call AVANTI's Offices at 215 750-0178 before the next magazine is published, and win this issue's total. NCASEF Members only.



continued from page 42

bread. • **WalletHub's latest Corporate Tax Rate Report** reveals that the top three companies paying the highest overall tax rates are

General Electric (79.2 percent), Kinder Morgan (73.1 percent) and Amazon.com (60.6 percent), while the top three companies paying the lowest overall tax rates are **General Motors** (-34.3 percent), Chevron (2.7 percent) and Mondelez International (7.5 percent). •

Target has grabbed the top spot among American businesses that are **going solar**, according to the Solar Energy Industries Association's 2016 *Solar Means Business* report. Adding more solar this year than any other U.S. retailer, **Target now has 147.5 megawatts of installed solar capacity**. •

McLane Company recently released its new Direct Store Delivery (DSD) app for Android mobile devices, which enables customers to manage their entire supply chain in real time from a mobile device. •

McDonald's Corp. plans to offer table service at all of its U.S. restaurants, upending decades of fast-food tradition in a bid to placate pickier customers, reported *Bloomberg*. The company also plans to integrate **more digital kiosks**, mobile ordering and payment options in 2017.

- Voters in California, Massachusetts and Nevada approved **recreational marijuana** initiatives on Election Day, November 8, while voters in Florida, North Dakota and Arkansas have approved medical marijuana initiatives, reported the *Washington Post*. • Only about 20 percent of U.S. consumers have used **contactless payment systems** such as Apple Pay, Samsung Pay and Android Pay to make retail purchases, according to a study commissioned by NXP Semiconductors. •

Dr Pepper has agreed to buy Bai Brands—the maker of low-calorie, coffee-fruit drinks—for \$1.7 billion, while **PepsiCo is paying about \$250 million to acquire Kevita**, a maker of fermented probiotic and kombucha beverages, reported the *Wall Street Journal*. The deals come as more consumers turn to healthier and

continued on page 54



BUY THE TIC TAC® MINTS 36 ct. DISPLAY & GET A FREE

TIC TAC MIXERS CHERRY COLA TRAY* - with purchase -



AVAILABLE FOR 2016

Item Number XUS00246

© Ferrero. All Rights Reserved.



*One 12 ct. Tray of Tic Tac Mixers Cherry Cola 60 ct. Packs

Offer Expires 12/31/2016. While Supplies Last.



Member News

continued from page 24



LET'S PLAN FOR SUCCESS

BY BOB STRAUSS | Former 7-Eleven FOAC President, Retired Franchisee

The current year is at an end and, unlike the 108 previous Chicago winters, Cub fans won't be hanging their heads low, crying out, "Wait 'til next year!" The tradition of expecting improved results but feeling you were getting more of the same has ended. Yes, the Cubs put a winning organization together and have won the World Series. The team won, the fans won, advertisers won and, just as importantly, the team owners won.

Just like old Cub fans, franchisees who are on the 2004 store agreement are moaning about their prospects of an improved contract in a couple of years. They may have good reason to not be overflowing with optimism. Like long suffering Cub fans, there's a tradition in the 7-Eleven franchise community to expect improvement from the next store agreement, but to end up feeling things are the same or worse.

While the players involved in the store agreement—management, individual franchisees, FOAs and the National Coalition—have changed, the tradition hasn't. The steps follow roughly like this:

- 1) 7-Eleven announces that it will soon begin developing the sketch of the outline of the concept of the initial thoughts for the next, and even better, generation of store agreement.
- 2) The National Coalition and FOA leadership

forget about all previous and current urgent issues and become laser-focused on the contract.

- 3) 7-Eleven announces that they plan to gather franchisee input as they sketch the contract outline.
- 4) The National Coalition and FOA leadership

"There's a tradition in the 7-Eleven franchise community to expect improvement from the next store agreement, but to end up feeling things are the same or worse."

lobby for effective representation during the input process.

- 5) Some franchisees argue that 7-Eleven already has the new contract written.
- 6) Franchisee leaders share a lengthy contract bucket list with 7-Eleven of essential changes needed for improvement.
- 7) Over the course of time, franchisee input is gathered by 7-Eleven.
- 8) The new contract is introduced at group meetings by smiling 7-Eleven representatives.

9) Franchisees leave, crying with their heads hung low.

The Cubs broke a disheartening tradition by writing a clear organization goal, writing a business plan, making sure that everybody knew what the business plan was, making sure that everyone had the tools to accomplish the plan, and making sure the plan motivated everyone with a belief that perfect execution of the plan could make everyone a winner.

7-Eleven has an opportunity to start a new tradition. Does that mean changes to the gas arrangement, credit card fees, encroachment, product and service costs, advertising, maintenance, labor, physical plant updates, gross profit split, and so on?

Maybe. The bottom line is that only 7-Eleven knows what profit is necessary for the trademark to perpetuate its dynamic growth. Only 7-Eleven knows the best financial deal it can justify and what it must give or take to hit its bottom line goal.

The new tradition can start with clear guidance from the 7-Eleven Executive Committee that the next contract, while hitting financial

continued on page 50



"The bottom line is that only 7-Eleven knows what profit is necessary for the trademark to perpetuate its dynamic growth."

BOB STRAUSS
CAN BE REACHED AT
(847) 337-5921 or
bsrun1@aol.com

**ORDER TODAY
THROUGH
McLane**

GET READY FOR THE COLD & FLU SEASON NOW!

**Vicks Nyquil
Liquid
Cherry 8 oz**



SLIN 221231

Get your customers the rest they need with NyQuil™ Cold & Flu Nighttime Relief Liquid, a powerful 6-symptom cold & flu relief.



**Pepto Bismol
Maximum
Strength 4 oz**



SLIN 220948

When your customers need maximum strength for digestive upsets, put a coat on it with Pepto-Bismol™ maximum strength.



**Vicks Dayquil
Liquid
Original 8oz**



SLIN 221116

DayQuil™ Cold & Flu Liquid, non-drowsy, multi-symptom cold and flu relief helps your customers get their power back to enjoy the day.



**New!
Vicks
VapoInhaler
is back!**



SLIN 221604

A new, gentle Non-Medicated Menthol/Camphor Formula! 94 percent of consumers recognize VapoInhaler as the category leader.



**Respiratory Care products are carried in 94 percent of convenience stores.
P&G has an 84 dollar share in Cold/Flu Treatment products.**



Member News

continued from page 24

of Labor, which called for an increase to the minimum salary for salaried employees and was supposed to take effect on December 1. Despite a federal judge's injunction on November 22, which prevented the regulation from being enacted, Sheetz moved forward with the salary changes already communicated to its employees.

The company said the pay increase affects approximately 270 employees and is expected to cost approximately \$1 million annually. Sheetz employs more than 17,500 people in Pennsylvania, West Virginia, Maryland, Virginia, Ohio and North Carolina.

Minimum Wage Slows Dunkin' Growth

Dunkin' Brands recently stated that its franchisees are dragging their feet in opening new stores amid concerns



New Coalition Officers Elected

The National Coalition elected three new vice chairman to serve two-year terms as officers of the association (above). **Nick Bhullar**, Chairman and former President, Southern California FOA, **Rehan Hashmi**, Vice President, Alliance of 7-Eleven Franchisees FOA, and **Romy Singh**, President, Eastern Virginia FOA, will each sit at the head table and help in identifying franchisee issues and managing the National Coalition. Terms start January 1. Next year the Coalition will hold elections for chairman, executive vice chairman and treasurer at the October/November meeting in Nashville, TN. **AV**

continued from page 48

LET'S PLAN FOR SUCCESS

goals, must have other goals. The contract must be fair for everyone. Though not a legal partnership, the relationship should feel like one. It should feel like neither party is taking advantage of the other. As a franchisee leader once said, "We need a contract we can

live with." Nothing motivates people more than believing excellent execution of a solid plan will make them a winner. Let's hope that Dallas plans for success. **AV**



about a higher minimum wage and the outcome of the November elections, reported *Investor's Business Daily*. The doughnut and coffee chain, which opened up 61 stores in the third quarter compared with 91 in the year-ago quarter, told Wall Street analysts recently that it now expects to wind up at the low end of its target of 430 to 460 stores opened for the full year. The news came just days after a survey of McDonald's franchisees found growing tensions with the parent company, with the independent operators complaining of too much discounting even as wage pressures are growing and sales growth has slowed.

BP Unveils Interactive Gas Pump

BP is testing a talking gas pump at two of its Chicago-area stations and two in Brooklyn, New York, reported the *Chicago Tribune*. "Miles"—an interactive pump with a high-octane per-

"BP's Miles interactive pump greets customers with an artificial intelligence personality, Pandora and other activities."

sonality and a touch screen—uses artificial intelligence to engage customers. When a car pulls up to the pump, a motion detector wakes up Miles to greet customers with blaring music and a choice of Pandora radio formats. The pump provides a few options to pass the time while filling the tank, including music trivia games, video e-cards and "augmented reality" photos for social sharing. BP has not set a rollout for Miles beyond the three-month test. One concern may be that Miles proves to be a little too engaging, slowing down fill-up times as customers take selfies, play trivia and listen to music.

Japan C-Store Testing Automated Checkout

Panasonic Corp. is introducing convenience store checkout machines that can scan and bag items on their own, eliminating the need for human cashiers, reported the *Wall Street Journal*. Panasonic is presently testing the new system in a Lawson c-store adjacent to its Osaka headquarters. Lawson

continued on page 58

The #1 Trusted Eye Drop Brand has a new lower cost and great gross profit margins!

Visine® Is Back In The Planogram At A Great Price Point!

NEW LOWER PRICE!



Visine Original .5 ounce

Fast relief of redness due to minor eye irritation caused by conditions such as smoke and other airborne pollutants.



SLIN 220090
UIN 710061
Coremark 027821
UPC 074300008035

GP Margin 46%
SRP \$5.39



Visine-A Allergy Relief .5 ounce

Contains an effective antihistamine and redness reliever clinically proven to relieve itchy, red allergy eyes due to pollen, ragweed, grass, animal hair and dander.



SLIN 222195
UIN 237396
Coremark 050823
UPC 342002200058

GP Margin 40%
SRP \$7.99



Visine Advanced Relief .28 ounce

Relieves redness due to minor eye irritations as it lubricates and moisturizes with key ingredients to cool, soothe and refresh.



SLIN 221307
UIN 363440
Coremark 721124
UPC 074300081489

GP Margin 53%
SRP \$2.99



Legislative Update

of 23 cents per pack and would also have increased the tax on other tobacco products by 5 percent of the manufacturer's invoice price.

Four Cities Voted To Tax Sugary Beverages

Voters soured on sweetened beverages on Election Day, agreeing to add taxes to soft drinks and soda in Boulder, Colorado and three California cities, reported *USA Today*. Boulder added a 2-cent per ounce excise tax on distributors of sugary drinks such as soda, sports drinks and sweetened iced tea. The three California cities—San Francisco, Oakland and Albany—each added a 1-cent per ounce excise tax. The taxes are projected to generate \$15 million in San Francisco, \$3.8 million in Boulder and \$223,000 in Albany, according to estimates by each city. In Oakland, the tax was projected to generate \$6 million to \$10 million per year, according to the Oakland Chamber of Commerce.

D.C. Lawmakers Advance Tobacco Purchase-Age Bill

The Washington D.C. City Council recently moved forward with a bill to raise the age of legal tobacco use from

18 to 21 and restrict its public use, reported WTOP.com. Despite the objections of three council members the bill passed, making it a civil offense for anyone under 21 years of age to possess tobacco, and a criminal offense to purchase tobacco. The Council also approved an ordinance ending the use of all tobacco products at organized sporting events, which includes a ban on vaping.

Surgeon General Report Calls For E-Cig Regulations

The U.S. surgeon general has called for action to reduce the use of e-cigarettes among young people, noting they have overtaken cigarettes to become the most commonly used tobacco products among this group, reported Reuters. The first Surgeon General report on e-cig use among youths states that young people were more vulnerable to the negative consequences of nicotine exposure, and recommends that e-cigs be incorporated into existing smoke-free policies to prevent youth from accessing them. Such policies include imposing price and tax policies that discourage

"The first Surgeon General report on e-cig use among youths recommends e-cigs be incorporated into existing smoke-free policies."

use. The report drew a swift and angry response from those who argue that e-cigarettes may have the potential to help smokers quit, thereby lowering the overall burden of death and disease caused by conventional cigarettes.

Colorado Testing 'By The Mile' Gas Tax

As gasoline tax revenues decline with more fuel-efficient vehicles hitting the streets, the Colorado Department of Transportation (CDOT) recently launched a program to test a new way to raise funds for road and bridge maintenance by taxing drivers by the mile, reported the *Denver Post*. CDOT officials said this could one day eliminate the need for the state's 22-cent per gallon gas tax. The agency's Road Usage Charge Pilot Program, which started in December and will run for four months, recruited 100 volunteers to track how far they drive and then "pay" 1.2 cents per mile for their use of the road. No money will actually change hands during the test, but CDOT hopes to get a sense of how such a system would work in terms of mileage reporting and revenue collection.

Californians Vote To Ban Plastic Bags

Voters in California approved Proposition 67—the statewide ban on carry-out plastic bags—on November 8, reported the *Sacramento Bee*. The ban takes effect immediately, which means grocery stores, retail stores with a pharmacy, convenience stores, food marts and liquor stores will no longer provide single-use plastic carry-out bags to customers. Shoppers who forget to bring their own bag to the store will have to pay at least 10 cents for a recycled paper bag or reusable alternative.

continued on page 54

DRINK

CHOBANI™

Smooth. Delicious. Protein-Packed.

14g PROTEIN

1/3 LESS SUGAR*

ONLY NATURAL
NON-GMO
INGREDIENTS

PROBIOTICS

NOW AVAILABLE

Aaron Steinbach, Regional Sales Manager
aaron.steinbach@chobani.com
(402) 250-9985



SLIN: 150042

SLIN: 150036





Member News

continued from page 52

Legislative Update

About 150 cities and counties across California—including major population hubs such as San Francisco, Los Angeles, San Jose, Oakland and Long Beach—already had plastic bag bans on their books. The statewide law allows municipalities to continue to operate under their own guidelines if the ordinances were adopted before January 1, 2015. Otherwise the communities must comply with the new state law.

“Voters in California approved Proposition 67, which bans the use of carry-out plastic bags in all stores in the state.”

Chicago’s Cook County Approves Soda Tax

Cook County in Illinois, which encompasses Chicago, recently approved a penny-per-ounce tax on soda and other sweetened beverages in hopes of raising more than \$200 million a year to help bridge a budget gap, reported the *Wall Street Journal*. The tax is slated to go into effect July 1, 2017. Cook County is by far the largest local government to pass such a measure, spanning an estimated 5.2 million residents. The Cook County tax will be applied broadly to include beverages with zero-calorie sweeteners like diet soda. The county estimates the tax will raise \$221 million annually, enough to balance its budget. **AV**

Greater Seattle FOA Supports Local Police Youth Program

Members of the Greater Seattle FOA, along with local SEI management and Seattle franchisees, recently presented a check for \$10,771 to the Seattle Police Foundation to help fund their SEAPAL program, which benefits inner city youth through athletic activities. The funds were raised with the help of SEI’s Project-A-Game. The Seattle Police were very appreciative of the support of their SEAPAL program, which is entirely donor-funded. Next year, the Greater Seattle FOA, franchisees and SEI management hope to raise enough funds to entirely support this program and grow its relationship with the Seattle Police Department. **AV**



Visit the National Coalition
Website: www.ncasef.com



continued from page 46

more natural beverages. • **CVS Health**

announced that its Medication Disposal for Safer Communities program, which has donated a total of 626 drug disposal units to police departments in 42 states, has collecting more than 47 metric tons of unwanted medication since 2014. • **Anheuser-Busch InBev** might be eyeing **Coca-Cola** as its next acquisition, reported CNBC. InBev, the world’s largest brewer, recently completed a \$107 billion purchase of SABMiller. • New research from Mintel reveals that **87 percent of Americans who use third-party food delivery services agree that it makes their lives easier**, and nearly one third (31 percent) say they use these services at least twice a week. • The World Health Organization recently issued a new report stating that **taxing sugary drinks** can lower consumption and reduce obesity, type 2 diabetes and tooth decay. The report recommends fiscal policies that lead to at least a 20 percent increase in the retail price of sugary drinks. • Millennials and Gen Zs are driving the **growth in fresh and frozen vegetable consumption**, reports The NPD Group. Younger consumers, those under age 40, have increased the annual eatings per capita of fresh vegetables by 52 percent and frozen vegetables by 59 percent over the last decade. • In a bid to boost savings and sales, Yum Brands—the company behind **KFC, Pizza Hut, and Taco Bell**—recently announced that it will **sell thousands of its restaurants to franchisees**, reducing its number of company-owned locations from 10,000 to less than 1,000 by the end of 2018, reported *USA Today*. • The number of cigarette smokers in the United States has dropped by 8.6 million since 2005, according to the Centers for Disease Control and Prevention. • **Wal-Mart has seen sales and customer satisfaction improve** as it increased average employee wages and made the path to management

continued on page 58

SPACE JAM PREMIUM E-LIQUID

2016 4TH QUARTER
PROMO

2017 1ST QUARTER
PROMO



WWW.SPACEJAMJUICE.COM

#SJVTA

MOST RECOGNIZED E-LIQUID
BRAND GLOBALLY

INDUSTRY LEADER IN RESPONSIBLE
MARKETING & BRANDING

LARGEST LOYAL CONSUMER
FAN BASE

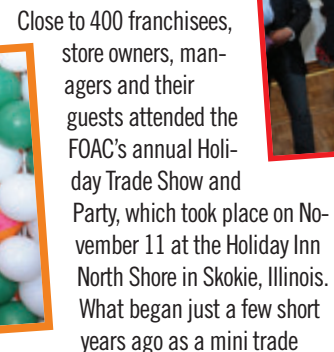
HIGH RETAILER MARGIN



R.WILLEMSTEIN@SPACEJAMJUICE.COM (972) 505-1963



**5TH ANNUAL FOAC HOLIDAY
TRADE SHOW & PARTY**
A True Celebration!




“Our vendor partners have been incredibly supportive,” said Nirav (Nick) Patel, FOAC board member and chairman of this year’s Holiday Trade Show. “With nearly 50 vendors exhibiting at this year’s show, it was definitely one of the most successful holiday trade shows that the FOAC has ever had,” he added. “Not only was it wonderful to have such strong vendor participation, but it was equally exciting to see the interaction between our vendors and our franchisees.”

At the conclusion of the trade show everyone was invited to attend a cocktail reception, which was followed by dinner and dancing. "It's important, especially during this time of the year, to make time to connect with our fellow franchisees and to celebrate our hard work and achievements," said Ken Patel, FOAC President.

This year's event was even more special as several members of SEI's Dallas leadership team were in attendance including SEI COO Chris Tanco, Lone Star Zone Leader Randy Quinn, VP Franchising Jeff Schenck, and Franchise Relations' Bruce Maples.

In its ongoing effort to give back to the community and make the world a better place, the FOAC has supported several not-for-profits, charitable organizations and associations throughout the years. This year was no exception. During the cocktail reception, members of the FOAC Board of Directors presented checks to representatives from the Anne & Robert H. Lurie Children's Hospital of Chicago and Swim Across America. In appreciation of its support, Lurie Children's Hospital has even named one of their exam rooms after the FOAC.

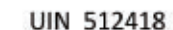
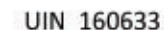
"Thanks to the generosity of our franchisees and vendor partners, we are able to support the important work of these two organizations," said Liaquat Ali, FOAC Treasurer. "It is an honor for the FOAC to be affiliated with each of them, and we will continue to do whatever we can to help them fulfill their mission of helping others." 



Replaces Duracell Ultra



DURACELL with Duralock Power Preserve™ Technologies





Member News

continued from page 50

Inc. has partnered with Panasonic on the project. The new checkout system features a special shopping basket designed to detect the merchandise placed into it and calculate the bill. After a customer places the basket in a slot, the bottom of the basket slides out and the merchandise drops into a plastic bag underneath, ready to be carried away. Customers can pay with cash or a card. For now, customers need to manually scan each item before putting it in their basket, but Panasonic said the system would be fully operational in February once electronic tags have been attached to each piece of merchandise.

Circle K Tops In North America Store Count

Canadian c-store retailer Alimentation Couche-Tard's purchase of CST Brands this year and the 1,500 Pantry stores in 2014 have vaulted its subsidiary Circle K to the No. 1 spot in terms of store count in North America—past 7-Eleven, reported *CSP Daily News*. According to

the article, Circle K now operates 10,746 stores in the U.S. and Canada, within 41 states and 10 Canadian provinces. 7-Eleven operates 10,500 in North America in 33 states and five Canadian provinces.

Visa Changes Its EMV Debit Routing Rules

Visa has agreed to change its rules and requirements for merchants regarding the rollout of EMV smart chip technology in the U.S., reported *Convenience Store Decisions*. The move came after an investigation was launched by the Federal Trade Commission (FTC) and Federal Reserve Board of Governors, under which it became apparent that Visa was violating current law that requires competition for debit network routing services. To avoid further immediate enforcement action, Visa agreed to amend its

"Canada's Alimentation Couche-Tard has surpassed 7-Eleven in total North American store count with 10,746 stores in the U.S. and Canada."

Core Selection of Payment System Rule 1.5.4.6 to clarify that it does not apply to U.S. debit transactions, and modify its Transaction Acceptance

continued on page 60



Remembering Roger Beazley

The United Franchise Owners of Long Island & New York is sad to announce the recent passing of one of its former leaders and longtime franchisee, Ollie "Roger" Beazley. Roger joined the 7-Eleven family in 1977, when he refinanced his home to invest in a store in Kings Park, New York. He was instrumental in UFOLI as a startup association, and held various positions on the Board as Golf and Affiliate Membership Chairman, Soundwave Editor and Publisher, Vice President and President. Roger is survived by his wife, Ping; sons Roger, Todd and Jason; daughters Colette, Chrissy, Cherie, and Lee; grandchildren Marissa, Dylan, Mitchell, Austin, Nick, Amee, Peter and Ethan, and two great grandchildren. **AV**

Visit the National Coalition
Website: www.ncasef.com



continued from page 54

more transparent, reported the *New York Times*. • **Budgeting and shopping** are the major sources of **stress** for moms with children under 18 during the holiday season, found a new BJ's Wholesale Club survey. • The Kroger Co.'s **K.B. Specialty Foods recently broke ground on a new anaerobic wastewater treatment system** at its facility in Greensburg, Indiana. The modification will turn food production byproducts into energy and will also lead to improved air quality in the area. • While only 16 percent of non-users would consider ordering their **Thanksgiving dinner from a meal kit company**, the percentage jumps to 51 percent among existing meal kit service users, reveals a new Technomic study. • C-store chain **Sheetz** announced it has partnered with **on-demand restaurant** food-delivery service OrderUp from Groupon in two locations—Morgantown, West Virginia, and State College, Pennsylvania. Customers in these two areas can now place orders from local Sheetz stores and have them delivered to their doorstep. • **Smoking cessation advocates and anticigarette groups** are worried the Trump administration will undo many of the tobacco regulations enacted in the last few years, given that several members of **President-elect Trump's transition team** have close ties to the tobacco industry, reported *Yahoo News*. • CVS Health recently announced the national rollout of **CVS Pay**, which is now part of the CVS Pharmacy mobile app and integrates payment, prescription pickup and the ExtraCare loyalty program all into one quick scan at checkout. • **The USA, Indonesia and India reported the most losses worldwide from credit card skimming** at ATMs, reveals a new report by the European ATM Security Team. • **Australia's Fair Work Ombudsman** has signed an agreement with 7-Eleven to use biometric technology and CCTV supervision to prevent worker exploitation by

continued on page 60



YOUR SUPPLY CHAIN ADVANTAGE IN ACTION.

When it comes to offering supply chain advantages to 7-Eleven, we're committed to delivering world-class procurement, logistics, merchandising and technology services to help you buy better, sell smarter and profit more.

To find out more, visit mclaneco.com.

© 2015 McLane Company, Inc. All rights reserved.





Member News

continued from page 58

Device Guide, and its Acquirer Implementation Guide. The FTC announced on November 22 that it would halt the investigation due to these changes, while reserving its rights to revisit this violation in the future.

1 In 6 Americans Worked At A C-Store

One in six American adults (17 percent) has worked in a convenience store, gas station or corner store, and they say that their job gave them valuable experience in how to work with people and how to run a business, according to a new national consumer survey released by the National Association of Convenience Stores (NACS). Of that total, 91 percent say they learned a lot about how to work with people, 86 percent say the experience they gained was valuable, 82 percent

say they learned about how businesses are run, and 71 percent say they would recommend this type of work to others, particularly as a first job. Those who said the convenience store job was their first job are equally as positive about the experience: 83 percent say the work experience was valuable and 74 percent say the wages they earned were consistent with their level of experience.

Couche-Tard Net Earnings Drop

For its second quarter of fiscal year 2017, Circle K parent company Alimentation Couche-Tard Inc. reported net earnings of \$324.0 million, compared with \$415.7 million for the second quarter of fiscal 2016. Excluding certain items for both comparable pe-

continued on page 62

San Diego FOA Donates To Toys For Tots



From left to right: Lisa Ashby, Sgt Major Jason R. Cain, Bob Elkins (San Diego FOA President), Major Anthony Davis, with San Diego FOA Christmas Committee members Budge Missan, Renee Aon and Vijay Booter.

The San Diego FOA recently donated \$5,000 to the U.S. Marine Corps Reserve's Toys for Tots program. The funds were raised during the group's annual golf tournament on May 12, 2016, and was matched by Zone Leader Enid Cangialosi and the San Diego SEI team. The check was presented to Sgt Major Jason R. Cain, Coordinator, and Major Anthony Davis.

Visit the National Coalition
Website: www.ncasef.com



continued from page 58

franchisees, reported The ABC. **7-Eleven**

Australia has paid nearly \$57 million in wages to workers who were underpaid by franchisees. • **Subway celebrated National Sandwich Day on November 3** by inviting customers to join The Good Deed Feed—guests who bought any sub and any drink on that day received a free sub of equal or lesser value, and Subway donated one meal to Feeding America. • **Two former employees are suing an Orlando 7-Eleven store**, alleging violation of the Fair Labor Standards Act (FLSA) in failing to pay overtime, reports *The Florida Record*. • Sales of **marijuana products** in Washington state have for the first time surpassed \$200 million in a quarter, reported the Associated Press. **Marijuana sales** in the second quarter of 2016 amounted to nearly \$212 million. Spirits sales in the same period amounted to almost \$249 million. • Sheetz recently announced the openings of **three new stores in central Pennsylvania**:

Manheim, Hummelstown-Derry Township and York. All Sheetz locations are open 24/7 and these new stores will offer more than 60 new full and part-time job opportunities, the company said. • **Burger chain White Castle re-released its famous recipe for its Turkey Stuffing** just in time for Thanksgiving, made with 10 Original White Castle Sliders. The turkey stuffing originated in 1991 when a White Castle team member enhanced her grandmother's family stuffing recipe with a sack of Sliders. • **Organic sweetener brand Wholesome!** recently launched the first ever **Fair Trade Organic Frostings**. Available in Vanilla, Chocolate and Wild White Strawberry, each flavor is made with Wholesome! Fair Trade Organic Powdered Sugar. • More than 154 million Americans

continued on page 70

GOOD HUMOR

CHECK THAT THE ITEMS BELOW ARE CARRIED AND IN-STOCK!



GOOD HUMOR® STRAWBERRY SHORTCAKE NOW BACK ON THE 2016 SCHEMATIC.

FULLY FUNDED 2/\$3 PROMO IN PERIOD 2. ORDER NOW!

SLIN: 190081
GOOD HUMOR®
STRAWBERRY
SHORTCAKE BAR

SLIN: 190496
GOOD HUMOR®
OREO® BAR

SLIN: 190088
GOOD HUMOR®
GIANT KING CONE

**TOP SELLERS
= MAXIMUM SALES
= MORE PROFITS!**



Member News

continued from page 60

riods, net earnings for the quarter would have been approximately \$331.0 million compared with \$375.0 for the second quarter of fiscal 2016, a decrease of 11.7 percent, mostly attributable to unusually high fuel margins in the U.S. during the second quarter of fiscal 2016, the company said.

However, Couche-Tard also reported same-store merchandise revenues were up 2.3 percent in the U.S., 3.4 percent in Europe and 1.2 percent in Canada. The company further announced merchandise and service gross margin of 33.3 percent in the U.S., 41.4 percent in Europe, and 33.6 percent in Canada. Additionally, 278 Imperial Oil retail sites were successfully integrated to Couche-Tard's network in Ontario and Québec, of which 173 sites had been integrated by the end of the second quarter.

Anheuser-Busch & SABMiller Merger Is A Done Deal

The more than \$1 billion merger between Anheuser-Busch InBev and SABMiller closed recently, reported *Forbes*. SABMiller ceased trading on global stock markets in early October and the new company is now trading as one under the name Newbelco. Considered the third largest acquisition in

continued on page 64

"The Anheuser-Busch InBev/SABMiller merger has created the world's largest brewer with \$55 billion in annual sales."

Visit the National Coalition
Website: www.ncasef.com

How To Join A Local FOA

For franchisees interested in joining their local FOA, presented below are step-by-step instructions to guide you through the signup process online.

CREATING AN FOA CASE

1. From the Store home screen click on the 7-Help section and click New/Status/Update.
2. On the home screen select the Accounting drop down.
3. Next choose Accounts Payable.

4. The franchisee desiring membership should make sure that their store number is listed, as well as the FOA they want to join.

• The subclass should be "FOA" and the sub-subclass should be "all."

• In the Description section state "FOA membership" and in the Detailed Description section state, "I would like to become a member of (provide the complete name of the FOA) at \$XX.XX per month for dues."

5. Then click Submit.

Please Note:

- Once the case has been submitted you will receive a case number.
- The case will then be routed to AP.
- The FOA analyst will complete the task request from the case and then close the case.
- All membership adds, changes and removals must be submitted by the 22nd of each month.
- All membership adds, changes and removals can also be submitted by calling customer service at 1-877-711-4422.

It is very important that the following information is included when the cases are created:

- Store # and letter code
- Correct name of FOA you want to join
- Dollar amount of monthly dues
- If adding multiple stores, be sure you provide the dollar amount to be deducted per store.

See examples below:

For A Single Store

"Please add store 12345W to ABC FOA at \$10.00 per month."

For Multiple Stores

Please add the following stores to ABC FOA:

12345W at \$30/month

67890W at \$10/month

**7-ELEVEN EXCLUSIVITY
OCTOBER–DECEMBER**

2 CIGARS FOR 99¢

RESEALABLE FOIL POUCH

White Owl®

BLUE RASPBERRY Limited Edition

SAVE ON 2 CIGARS

RESEALABLE FOIL POUCH

White Owl®

BLUE RASPBERRY Limited Edition

2 CIGARS FOR 99¢

0 31700 05440 6

White Owl® BLUE RASPBERRY
2-for-99¢ Pouch
UIN# 793273
SLIN# 322809

SAVE ON 2 CIGARS

0 31700 05454 3

White Owl® BLUE RASPBERRY
SAVE-on-2 Pouch
UIN# 793257
SLIN# 322807

White Owl®

BLUE RASPBERRY Limited Edition

whiteowlcigar.com

FOR MORE INFORMATION, CONTACT YOUR SWEDISH MATCH REPRESENTATIVE. 800-367-3677 customer.service@smna.com

©2016 SWEDISH MATCH CIGARS, INC.



Member News

continued from page 62

history and the largest ever in Britain—where SABMiller remains headquartered until its main corporate functions merge with AB InBev's in Belgium—the new company will boast annual sales of \$55 billion. That's up from \$44 billion before the closing. Although the merged company will divest itself of many brands in order to comply with anti-trust laws, the deal brings AB InBev a much larger presence in developing countries and continents like China, South America and Africa, where SABMiller enjoys much stronger holdings and access to markets.

“CSNews 2016 Technology Study found that almost half of all chain c-stores now offer a mobile app.”

C-Stores Use Mobile Tech To Boost Sales

More convenience store operators are adopting mobile-centric technologies to connect, engage and market to consumers on their smartphones, with the goal to drive more traffic to their stores and ultimately boost sales and profits, reported *Convenience Store News*. The Convenience Store News

2016 Technology Study found that nearly half of chain c-stores (47 percent) now offer a mobile app, a solid 8 percentage-point increase compared to last year, and a robust 18 percentage-point increase compared to two years ago. In 2014, just 29 percent of c-store operators indicated they were offering a mobile app. The study also reveals that, aside from store location services, fuel prices and coupons are the most popular features of c-store mobile apps.

C-Store Retailers Optimistic

Strong c-store sales had retailers saying they were optimistic about their business prospects in the fourth quarter of 2016, according to a new report by *CSP Magazine* parent-company Winsight and Technomic. However, with slimmer gasoline margins and increasing competition, owners were now forced to stray from traditional methods when it came to promoting their products. Highlights from Winsight's 2017 Convenience Retailing Trends Forecast include:

- Services 2.0—Key making, in-store bill pay and at-the-pump ordering are now in play at c-stores, which will increasingly employ new, unheard-of service platforms to get consumers out of their homes and into stores.
- Balancing The C-Store Diet—Convenience stores are now embracing a better balance between health and indulgence to meet the evolving de-

continued on page 68

Festive Cheer At The FOASC Holiday Party

Good tidings filled the air as members of the Southern California FOA, their families, vendor partners and SEI guests joined together on December 3 at the Swad of India restaurant in Upland, California to eat, drink and make merry at the association's annual Holiday Party. The evening featured great food, a live band and DJ, a Christmas show, raffle prizes, and lots of fun as franchisees and their guests celebrated the holidays while looking forward to a prosperous 2017.



Visit the National Coalition
Website: www.ncasef.com



LOCALLY SOURCED SPRING WATER IS TWICE AS NICE AT 7-ELEVEN

1-Liter promotion from January 2017 – December 2017!

2/\$2.00

1-Liter Bottles



- 60%+ margin
- #1 selling water at 7-Eleven*
- #1 selling 1-Liter bottle at 7-Eleven*
- 85%+ take rate on promotional bundles purchased

*7-Exchange YTD 11/20/16

©2016 Nestlé Waters North America Inc.

NWNA14B40_56



Chicago Street Renamed For Longtime 7-Eleven Franchisee

7-Eleven franchisee Joe Rossi was recently recognized by the City of Chicago and 2nd Ward Alderman Brian Hopkins with an honorary street naming. Rossi operates his landmark store on Chicago's Gold Coast at Dearborn and Maple, and now the stretch of Maple Street between Dearborn and Clark carries the honorary name of Joseph "Joe" Rossi Way.

"Working in this store for almost 30 years hasn't really felt like a job, it's felt more like spending time at a comfortable second home. I love my employees as if they are family, and my customers are my extended family," said Rossi. "This street naming honor is very special to me because it says our store and our people have been appreciated in return."

Joe Rossi, Jr., who has joined his father in the 7-Eleven franchise, added, "My dad takes care of people in many different ways, and he has made a lifetime of friends along the way. Each one of them has their own individual story on how

he has impacted their lives. We have been raised knowing how to care for others by the example shown to us by our father, and we're so proud that his legacy will always be commemorated on Maple Street."

"This is such a fitting tribute to Joe. He is a great franchisee and solid anchor of this community," said Charlene Brandt, regional manager of government affairs for 7-Eleven. "As we envision our stores being woven into the fabric of neighborhoods, Joe is the perfect person to carry out our mission and represent our company."



Left to right in the photo are Chicago Police officer David Ramos, 2nd Ward Alderman Brian Hopkins, Joe Rossi and Illinois Secretary of State Jesse White. In addition to having the street named in his honor, Secretary of State White presented Joe with a commemorative license plate and proclamation.

KAYAK®

MOIST SNUFF



KAYAK LONG CUT WINTERGREEN
McLANE UIN #276170



KAYAK LONG CUT STRAIGHT
McLANE UIN #278747



KAYAK FINE CUT NATURAL
McLANE UIN #084491

TASTE VALUE SALES



Member News

continued from page 64

FRESNO FRANCHISEE CELEBRATES 10TH ANNUAL COAT DONATION

This winter marks the 10th year that Fresno 7-Eleven franchisee and Sierra FOA president Serge Haitayan has donated hundreds of coats to schoolchildren in the community his store serves. Since 2007, Serge estimates he has donated over 4,500 coats to students and families of the Clovis and Fresno Unified School Districts in the Central Valley/Coastal market. He donated approximately 800 children's coats last year, and topped it with 900 coats for the drive's 10-year anniversary. The annual holiday event began after Serge visited a nearby elementary school on a cold day and noticed many students without coats. This inspired him to give back to the community by helping local youth stay warm each winter. While Serge tries to keep a low profile regarding his local philanthropy, some in the community have learned of his generosity and have stopped by his store to thank him.



Boxes full of winter coats line a wall in Serge's Fresno 7-Eleven.



Serge (center) poses with students and staff of Mollie Bakman Elementary School.

mand for nutritional products without alienating core consumers.

- The Regulation Of Everything—There's no escaping regulation. It seemingly touches everything in the retail space, including age-old targets such as wages and tobacco products. The coming year will reveal best practices emerging from retail leaders.

Organized Retail Crime On The Rise

Organized retail crime is continuing to grow, with 83 percent of merchants surveyed reporting an increase in the past year, according to the 12th annual ORC study released by the National Retail Federation. The survey of 59 senior retail loss prevention executives found that

"Eighty-five percent of c-store consumers use two different types of payment methods each month."

100 percent said their companies had experienced ORC in the past year, up from 97 percent in 2015 and marking the first time in the survey's history that all responding companies reported being a victim. In addition, 83 percent said ORC had grown: the average loss was \$700,259 per \$1 billion in sales, a significant increase from \$453,940 last year. With the problem growing, 71 percent of loss prevention executives said they now believe their top management understands the severity and com-

plexity of the crimes, up from 63 percent last year.

BAT Makes Bid On Reynolds American

British American Tobacco Plc (BAT) recently offered to pay \$47 billion for full control of Reynolds American Inc., proposing a blockbuster trans-Atlantic deal that would create the world's largest publicly traded tobacco company, reported *Bloomberg*. The unsolicited cash-and-stock offer would allow London-based BAT to acquire the 58 percent of Reynolds that it doesn't already own. However, the U.K. company only plans to pursue the transaction with the support of Reynolds. The two sides haven't yet held negotiations, BAT said, and the Reynolds board is reviewing the offer. The merger will give BAT a bigger foothold in the U.S. and capitalize on Reynolds's leadership in electronic cigarettes. The acquisition also would be the biggest transaction by a U.K.

company since the nation voted in a June 23 referendum to leave the European Union.

Consumers Recognize Benefits Of C-Stores

Nearly three in four (71 percent) Americans say convenience stores are a good fit with their community's values and an even higher percentage (77 percent) say they would be "very" or "somewhat" favorable toward a new convenience store being opened in their area, according to a national

continued on page 70



Look for your All-time Favorites + 2 New Singles!



SLIN: 190348



SLIN: 1900440



SLIN: 190054



New!



SLIN: 1900440



SLIN: 1900440



SLIN: 1900440



New for 2017



SLIN: 190225



SLIN: 191229



SLIN: 1900440



SLIN: 1900440



HÄAGEN-DAZS® is used under license from ©HDIP, Inc., all other trademarks are owned by Société des Produits Nestlé S.A., Vevey, Switzerland.



Member News

continued from page 68

consumer survey released by the National Association of Convenience Stores (NACS). Younger consumers (ages 18-34) are overwhelmingly more favorable toward convenience stores than other age groups. More than 8 in 10 consumers (82 percent) ages 18-34 say convenience stores are a good fit with their community's values, fully 90 percent say they are favorable to a new convenience store, and more than one in three (37 percent) say they would be "very favorable."

Consumers with children are also more favorable to new convenience stores than consumers without children—85 percent of consumers who have at least one child under the age of 18 living at home say they would be favorable to a new convenience store opening in their area and 36 percent say they would be "very favorable."

Michigan Franchisees Celebrate Unity At Annual Picnic

Franchisees and their families from throughout Michigan gathered on July 11 to enjoy a fun-filled day with friends and colleagues at the 7-Eleven franchisee picnic. The event was hosted by franchisees Larry Penzien, Abid Jamil, Jon Baloch, and Hassan Hans, and invitees included SEI Zone Leader Marc E. Clough, Market Managers Dave Heagle and Scott Boldman, and local field consultants. The weather was perfect that day for a BBQ and outdoor activities. The picnic happened to fall on 7-Eleven's birthday, which was celebrated with a small cake cutting. Abid Jamil said organized events such as these allow franchisees to



casually meet other local storeowners and their families.

Michigan franchisees are planning to join the National Coalition in the near future.



Cash Use Remains Strong

Cash is the most commonly used form of payment in brick-and-mortar stores at 89 percent—compared with 74 percent for debit cards, 66 percent for credit cards, 18 percent for store mobile apps and 17 percent for mobile wallets, reveals the 2016 U.S. Health of Cash Study by Cardtronics. The study also found that 56 percent of consumers use cash as frequently as they did one year ago, and 23 percent are using it even more frequently. The report states consumers are individually defining payments convenience by embracing today's unprecedented menu of ways to pay. Cash, card, digital and mobile—consumers are using a blended mix of payment options, with 85 percent using at least two different

types of payment methods each month and 55 percent using at least three.

Shopping Perks Driving Customers In-Store

As retailers opt for events to drive traffic to physical stores, nearly three-quarters of U.S. adults affirm that any retail experience is more likely to bring them to a brick-and-mortar store, according to a Coldwell Banker Commercial Affiliates survey conducted by Harris Poll. The survey, which polled Younger Millennials (18-29), Older Millennials (30-34), Gen Xers (ages 35-49) and Boomers (50-69), found that shoppers still value traditional brick-and-mortar shopping experiences. In fact, nearly half of Americans prefer to make purchases in a store instead of shopping online. Furthermore, shoppers want stores to be a hub for convenience and entertainment where experiential retail meets blended retail.

continued on page 76



continued from page 60

shopped over the long Thanksgiving weekend, up from 151 million last year, but average per-person spending dropped 3.5 percent to \$289.19, according to a National Retail Federation survey. • **Black Friday 2016** became the first day in retail history to **drive over one billion dollars in mobile revenue**—purchases made via smart phones and tablets—at \$1.2 billion, a 33 percent growth year-over-year, according to Adobe Digital Insights. The report also states that **Cyber Monday hit a new record with \$3.39 billion spent online**, a 10.2 percent increase year-over-year. • Macy's, Stage and JCPenney were 2016's Best Stores for Black Friday, offering an average discount of at least 62.8 percent, ac-

continued on page 76

Visit the National Coalition

Website: www.ncasef.com

SOUR Punch

chewy, Sour Bite-Sized Pieces



Sour Punch® Bites® are mouth watering sweet-yet-sour chewy candies that excite candy fans of all ages.

Sour Punch Bites satisfy your cravings with fruity flavors that pack and extra "punch" of sweet and sour into every bite.

Sour Punch Assorted Flavors 5oz

McLaneUIN: 235705

Core-Mark Code: 281428

SLIN: TBD

FOD of 02/06/17



AMERICAN LICORICE COMPANY



SEI News

SOUTHEAST FLORIDA STORE OPENINGS WITH MORE PLANNED

SEI opened four new 7-Eleven stores in Palm Beach County, Florida in December and announced plans for 20 more in southeast Florida in 2017. "With 37 stores currently operating in Palm Beach County, 7-Eleven plans aggressive growth for south Florida in 2017," said Charles Bantos, real estate manager for 7-Eleven. "In addition to the four new stores planned for 2016, we plan to open approximately five stores in the county and a total of 20 stores in southeast Florida next year. We are excited to see this growth in our neighborhood as 7-Eleven's convenient offerings become more accessible to surrounding residents."

LOCAL SLURPEE FLAVORS HIT SELECT MARKETS

SEI recently made seven regional soda fan favorites into frozen Slurpee flavors, according to *Convenience Store Decisions*. Customers in select markets across the U.S. can now slurp on familiar, popular soft drink flavors right from their hometown.



The new regional flavors include:

- **California Blackberry Lime**—a mash-up of blackberries and lime made with real fruit juice (available in Greater Los Angeles Orange County, Sacramento – Oakland, San Francisco and San Diego).

- **Dr. Brown's Black Cherry Soda**—featuring a rich cola flavor and black cherry sweetness (available in New York City region).

- **Canada Dry Cranberry Ginger Ale**—made from real ginger with a refreshing cranberry flavor (available in Pittsburg, Baltimore, D.C. Metro, Philadelphia and Boston).

- **Cactus Cooler**—a fruity mix of orange and pineapple flavors with the goodness of Slurpee (available in Las Vegas, Phoenix, Tucson and Reno).

- **Manzanita Sol**—a crisp, tart apple taste just like the classic Mexican soda (available in Dallas-Fort Worth, San Antonio and Austin).

- **Slurpee is for Lovers Sour Lemon Lime**—the refreshing flavors of lemon and lime (available in the Alexandria, Norfolk, Arlington, and Virginia Beach regions of Virginia).

- **Vernors Boston Cooler**—embraces the deliciously different taste of Vernors Ginger Ale and the sweet taste of ice cream in Slurpee form (available in Detroit, Toledo, Ohio and Cleveland, Ohio).

7-ELEVEN'S FIRST SUSTAINABLY SOURCED COFFEE

SEI recently introduced its first coffee to be Rainforest Alliance Certified—the



new Nicaragua single-origin coffee from Matagalpa. Carrying the Rainforest Alliance Certified seal with the little green frog means 7-Eleven stores' new coffee is sourced from coffee growers whose farms are required to meet strict standards

designed to protect the environment, conserve wildlife and promote the well-being of local communities, SEI said in a released statement. This single-origin coffee, made exclusively from 100 percent Arabica beans harvested from

Nicaragua's famed Matagalpa region, is a full-bodied, medium-dark roast with a delicious dark chocolate aroma and rich, sweet notes of cocoa.

CAMPAIGN BENEFITS ST. JUDE CHILDREN'S RESEARCH HOSPITAL

SEI launched a national Slurp4Good fundraising campaign in November to raise money for St. Jude Children's Research Hospital and its mission

continued on page 74

"Seven locally popular Slurpee flavors were introduced in select markets nationally."

Make a Play for Protein

DANNON®
OIKOS®

10g
PROTEIN
per 7 fl oz

0 ADDED SUGAR

0 ARTIFICIAL SWEETENERS

0% FAT



BE UNSTOPPABLY YOU

- Brand with #1 Millennial Volume Growth¹
- 50% of yogurt consumers are interested in healthy foods on-the-go²
- Retail price \$1.59

SLIN	DESCRIPTION
150081	8/7 fl oz Strawberry
150026	8/7 fl oz Mixed Berry



* Not a low calorie food

¹ IRI MUL0, 2015, ² Snacking Occasion Consumer Trend Report, Technomic 2016

©2016 The Dannon Company, Inc.



SEI News

of finding cures and saving children battling cancer and other life-threatening diseases. During the St. Jude Thanks and Giving campaign, 7-Eleven donated 11 cents per large Slurpee drink sold from



November 9 through January 3 up to \$200,000. The company said funds raised through these efforts help ensure no family ever receives a bill from St. Jude for treatment, travel, housing or food, because all a family should worry about is helping their child live. Earlier in 2016, the 7-Eleven Slurpee truck made a stop at St. Jude in Memphis to bring hospital patients and their families a summer block party.

SEI HONORED FOR ENVIRONMENTAL COMMITMENTS

7-Eleven has received *Store Brands* magazine's 2016 Store Brand Achievement Award for Best Achievement in Social Responsibility Tied to Store Brands for its commitment to reducing its environmental footprint over the next decade, reported CSNews Online. SEI announced in July 2016 that it is working to set measurable corporate social responsibility goals to reduce its energy footprint in stores and offices by 20 percent by 2025, and reduce its packaging footprint by 20 percent by 2025. The Store Brand Achievement Awards honor retailers for innovation in a dozen categories covering product development and marketing.

FREE COFFEE ON ELECTION DAY

The fifth quadrennial 7-Election Presidential Coffee Cup Poll officially ended Election Day, and 7-Eleven closed out the big day in a big way by giving away cups

"SEI launched the Slurpee Slurp4Good fundraising campaign to benefit St. Jude Children's Research Hospital, where no family ever receives a bill."

of fresh-brewed coffee, the most popular proprietary beverage. All size cups and flavors of hot beverages were free through the 7-Eleven mobile app. The free offer appeared automatically as a coupon in the "Scan and Save" section of the app at 12 midnight Tuesday, November 8. No purchase was necessary to receive a free, fresh-brewed cup of coffee, cappuccino, latte or hot chocolate at participating 7-Eleven stores. The free cup counted as a star in the 7Rewards ongoing "Buy Six Cups, Get the Seventh Cup Free" offer.

CHICAGO & CLEVELAND 7-ELEVEN SERVE UP WORLD SERIES DEAL

To celebrate Major League Baseball's 112th World Series, 7-Eleven stores in the hometowns of the Chicago Cubs and Cleveland Indians offered local fans special deals during the historic games. Beginning October 26 until a winner was crowned, 7-Eleven stores in the greater Chicagoland area of-

fered a Big Bite hot dog and Big Gulp soft drink for \$1.08, while 7-Eleven stores in Cleveland offered a Big Bite hot dog for 68 cents during the run of the series. 7-Elevens in both cities also offered fans a free medium cup of coffee on the day after each game.

CHICKEN & HUMMUS SANDWICH RECALL



In late November, LSG Sky Chefs Supply Chain Solutions, Inc. issued a voluntary recall for the 7-Eleven Chicken and Hummus sandwiches the company produces for 7-Eleven stores in the Pittsburgh, PA, Cleveland, OH, and the Buffalo, NY markets. The hummus spread used in the sandwiches was subjected to a voluntary national recall issued by Sabra Dipping Company due to possible *Listeria monocytogenes* contamination. All 7-Eleven Chicken with Hummus sandwiches were pulled from affected 7-Eleven stores at that time. Consumers who purchased this sandwich at 7-Eleven stores between November 18, 2016 and November 20, 2016 were asked to dispose of the product or return it to a 7-Eleven store for a full refund.

CANADA 7-ELEVEN CELEBRATE 'REVERSE BIRTHDAY'

On Monday, November 7 (11/7—the reverse of 7-Eleven's 7/11 birthday), 7-

continued on page 76



HOW CAN WE HELP YOU?

A partnership with Vixxo means peace of mind and business solutions. Our secure portal gives you better control and access over your store maintenance service requests and associated costs, quality assurance tools and much more!

Visit www.FM24-7.com TODAY!





Member News

continued from page 70



Share Your Experience and Expertise

Do you have a store experience, some operational expertise, or thoughts about the 7-Eleven system you would like to share with your fellow storeowners? **Avanti Magazine welcomes articles from franchisees** interested in communicating their ideas, knowledge, suggestions, opinions, etc. to the franchisee community at large. Please contact Sheldon Smith at sheldon.smith5@verizon.net or 215-750-0178 if you would like to contribute an article to Avanti.

Six Key Food & Drink Trends For 2017

According to market intelligence agency Mintel, 2017 will be a year of extremes in regard to food and drink trends—from “ancient” products including grains, recipes, practices and traditions to the use of technology to create more and better tasting plant-enhanced foods. Here are the top food and drink trends set to impact global markets:

- **In Tradition We Trust**—Consumers will seek comfort from modernized updates of age-old formulations, flavors and formats.
- **Power To The Plants**—The preference for natural, simple and flexible diets will drive further expansion of vegetarian, vegan and other plant-focused formulations.
- **Waste Not**—The focus of sustainability zeros

in on eliminating food waste.

- **Time Is Of The Essence**—The time investments required for products and meals will become as influential as nutrition or ingredient claims. In 2017 the time spent on, or saved by, a food or drink product will become a clear selling point, inspiring more products to directly communicate how long they will take to receive, prepare or consume.
- **The Night Shift**—Evening will be tapped as a new occasion for functional food and drink formulations. There will be potential for more evening-focused innovations formulated for relaxation, satiety and food and drink that provide functional benefits while the consumer sleeps.
- **Balancing The Scales: Health For Everyone**—Healthy food and drink are not “luxuries.” More campaigns and innovations are to be expected that will make it easier for lower-income consumers to fulfill their healthy ambitions. **AV**

SEI News

continued from page 74
Eleven stores in

Canada hosted a unique event to celebrate their birthday in reverse. Leading up to the special day, the Canadian 7-Elevens hijacked their own social media accounts to sporadically post reverse messages, flipped around



images and even turn their logo inside out to have a little fun. On November 7, Slurpee enthusiasts across Canada were encouraged to wear their clothes backwards at any 7-Eleven store to receive a free medium Slurpee. In addition to the free Slurpee, fans were invited to upload pictures of their backwards outfits to Twitter, Instagram and Facebook with the hashtag #Reverse711. **AV**

Visit the National Coalition
Website: www.ncasef.com



continued from
page 70

cording to a new WalletHub study. • **GPM Investments**—operator of the Fas Mart, Village Pantry and Road Ranger convenience-store chains, among others—is purchasing **Admiral Petroleum** and its 171 c-stores from Sun Capital Partners, reported *CSP Daily News*. The deal gives GPM nearly 1,000 convenience stores in the East and the Midwest, making it one of the 10 largest in the industry. • **BusinessTown**, a website featuring more than 700 free how-to videos designed to help people start and run a business, launched in December. The videos cover every aspect of business from “7 Keys To Starting A Successful Business” to “Cheap Marketing Tricks That Work.” • **Sheetz** recently announced that it has committed to the sale of **only cage-free eggs in its stores by 2025**. • **Tao Asian Bistro** in Las Vegas ranks **#1 on Restaurant Business magazine’s Top 100 Independent Restaurants list**, with a total food and beverage revenue of \$47,941,106 in 2015. • Canadian independent fuel marketer • **Pizza Hut** announced it is expanding ordering capabilities to include **Alexa Voice Service** on Amazon Echo, Amazon Tap, Echo Dot, Amazon Fire TV and Fire tablets, allowing customers to place an order with a simple phrase. • **Amazon.com recently made its first drone delivery to an actual customer**, dropping off a Fire TV device and a bag of popcorn to a rural house in England **13 minutes after receiving an online order**, reported the *Chicago Tribune*. • Although U.S. consumers are now more informed about **genetically modified organisms (GMOs)** and the benefits of their use in food, many still have concerns about them, finds The NPQ Group. **AV**

SNYDER'S
OF HANOVER



Snyder's Lance

Snacking is our *passion*

Ask about our Free Spinner Rack & product with DSD service!



CONTACT DANNY BUSH @
dbush@snyderslance.com for more details

VENDOR FOCUS

New Executive Series Lighters From DjEEP



DjEEP's new Executive Series of disposable lighters will stand out on the shelf.

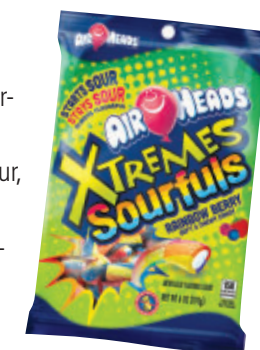
Kretek International recently launched its new Executive Series of disposable lighters in a four-lighter collection. The new series is a dramatic design departure for disposable lighters, and is the first of several new concepts for the DjEEP lighter line for 2017.

The new Soft Touch surface features a deep matte black finish that feels soft to the touch. Each lighter has a metallic color inset with textured grip. The new Soft Touch series of lighters will be available only on DjEEP's 24 slant-tray pre-pack display.

DjEEP will also be introducing its new Elegant series early in 2017 to go with the Soft Touch Executive collection, new Marilyn Monroe graphics, Hot Body LacquerWrap, and Chrome Luxury Designs. DjEEP lighters offer an unsurpassed combination of features, durability, and quality. DjEEP's distinctive graphics and bright lacquer wrap designs stand out on the shelf. Call your Kretek sales representative for details on promotion opportunities at 1-800-358-8100, or email salesinfo@kretek.com.

Airheads Xtremes Sourfuls—Flavor With Sour

Introducing Airheads Xtremes Sourfuls, the newest member of the Airheads Family. Airheads Xtremes Sourfuls start sour, stay sour and are always flavorful. This new dimension of sour balances mouth-tingling sourness with rainbow berry sweetness. As you chew through each piece,



Airheads Xtremes Sourfuls supports the increasing sour trend in candy.

you'll be surprised as you unlock more of that same balance of flavor and sourness through the end.

Sour is a huge trend in candy with Sour items up 19 percent. Sour is growing 8 times faster than the non-chocolate category, and the Airheads Xtremes brand has experienced double-digit growth in the last three years. Airheads Xtremes Sourfuls, a winning SKU for your store, will be available in a 6 ounce peg bag on February 6, 2017 (McLane UIN 771774, Core-Mark DCMS 433363).



EAS, sister company to Swisher International, is the exclusive distributor of the new Cue Vapor System.

EAS Announces Cue Vapor System

E-Alternative Solutions (EAS) recently announced the widespread release of the Cue Vapor

continued on page 80

Swisher Sweets' New Outlaws Cigars

Swisher Sweets' Outlaws Cigars are rough-cut, hand-rolled cigars crafted in Honduras from sun-grown tobaccos. The result is a rugged cigar with a surprisingly mellow, sweet taste and an easy draw. Available in three-count packages, Outlaws Natural Leaf Cigars flavors include:

- **Original**—Combination of air-cured tobaccos encased in a bold broadleaf wrapper.
- **Double Barrel Rum**—Enhanced by oak barrels and wooden casks for the perfect rum cigar.
- **Honey Maple**—Dedicated to the outdoors, the one-of-a-kind blend is unmistakably Swisher.
- **Campfire**—Blend of dark fire tobacco and a hint of marshmallow for a rustic experience.
- **Peach Brandy**—Inspired by bootleggers' aging peaches to create perfectly smooth Brandy.



Swisher Sweets' Outlaws Cigars feature natural leaf and a rough cut for the modern outlaw.

All blends are currently shipping nationwide. For more information or to place an order today, contact your Swisher representative at 1-800-874-9720.

SCREAMIN ENERGY SE MAX HIT 12 Count Display SLIN# 221006 UIN# 218263
SE ULTRA 12 Count Display SLIN# 220142 UIN# 017392



VITAMIN B's

REAL COFFEE

GINSENG



LIQUID ENERGY Ginseng Drink 12 Count Display Coffee Flavor SLIN# 123457 UIN# 078972



VITAL 4U VITAMINS

VITAL 4U 12 Count Display
Fiber Drink SLIN# 221218 UIN# 628578

Helping To Make



A Healthy Place

@Vital4U



12 Count Display
SLIN# 220350 UIN# 816975



continued from page 79

System, a patent-pending technology that delivers full-flavor, all-day vaping with just the push of a button. Users simply click-in the desired pre-filled, leak-proof cartridge and push the button. No coils to change or tanks to fill. EAS, a sister company to Swisher International, will be the exclusive distributor of this technology in the U.S.

Cue, which is manufactured by Digirettes, was introduced to retailers in the U.S. during NACS in Atlanta. EAS intends to offer the device in 6 different colors: black, blue, white, orange, pink and red. The 5mL refill cartridges will be available in varying nicotine levels (0mg, 3 mg and 6 mg) and in multiple flavors, including a variety of Tobaccos, Fruits, Desserts, Mints and Drinks. All e-liquids are made in the U.S. with domestic and imported ingredients.

Convenience Valet Brings Vital 4U To C-Stores

Mechanical Servants LLC, doing business as Convenience Valet, recently announced a new deal for exclusive representation of Precise Nutrition's Vital 4U in the convenience store trade. Precise Nutri-



Precise Nutrition's Vital 4U line of energy and vitamins, now distributed by Convenience Valet.

tion is the manufacturer of the national energy and health supplement brand Vital 4U with the products Liquid Energy, Screamin' Energy, Vital 4U Vitamins, and more. Precise Nutrition introduced the Vital 4U brand in Southern California 30 years ago with one of the first ever energy shots in the market—Vital 4U Liquid Energy. Since then Vital 4U has expanded their product line to support growing consumer demand for easy-to-use ginseng based liquid energy shots and other convenient health products. Vital 4U's single serving multivitamin package is one of the top selling daily vitamin packs available today in convenience stores nationwide.



Visine Advance Sales Top Among Eye Drops

Visine was the recipient of the 2016 Trip Advisor Travelers' Choice Favorites Award for Eye Drops. The Visine Advanced 7-Eleven code offers 40 percent more volume than the Clear Eyes 7-Eleven code (0.28 ounce versus 0.20 ounce) at the same price. Within the convenience category, the Visine Advanced 0.28 ounce peggable codes within Trial and Travel is outpacing the Eye Drop Category by a significant amount, up 18.7 percent YTD versus minus 2 percent in Total US Eye Drops.



Visine Advanced 0.28 ounce is outpacing the Eye Drop Category in sales.

Eye Care shoppers within the Redness segment are seeking an option that will reduce the appearance of red eye and irritation, but may want to consider products for Dry Eye to manage their tired and dry eye symptoms, as well. As consumers be-

come more and more attached to their electronic and mobile devices, eyestrain is a natural by-product of overuse and could be a contributing factor to category growth.



FanFave has introduced a Limited Edition 3D Foam 7-Eleven Logo Clock.

FanFave Sports Magnets And 3D 7-Eleven Clock

Following the successful launch of their one-of-a-kind 3D Foam NFL Wall Signs, FanFave is officially launching MLB, NBA, NHL and NCAA 3D Foam Wall Signs for immediate purchase. 7-Eleven stores will be the first retailer to sell their new, much-anticipated 3D Foam Magnet.

Both the 3D wall signs and magnets are backed by a



continued on page 82

Customers Buy More In Clean Stores



Protect Your Image,
Save Time & Money with
Patco Food Safety

- Cost effective food industry chemical and delivery systems for cleaning and sanitizing
- Initial Installation, On-Site Training, Service Calls and Preventative Maintenance Program

Patco FOOD SAFETY

www.patcofoodsafety.com
317-923-3211

HELP YOUR CUSTOMERS START THEIR DAY SMART WITH NUTRITIOUS OATMEAL IN CONVENIENT CUPS. JUST ADD HOT WATER!

QUAKER

Instant Oatmeal Cups

Special Promotional Funding On Top Selling
Maple & Brown Sugar and New Protein Cranberry Almond!

two for \$3.00

January 4 to February 28, 2017

Protein Cranberry Almond
40 grams of Whole Grains
10 grams of Protein

NEW

QUAKER
SELECT STARTS
INSTANT OATMEAL
PROTEIN 10
Cranberry Almond

Maple & Brown Sugar
NATURALLY & ARTIFICIALLY FLAVORED

Cranberry Almond SLIN 211147

Maple Brown Sugar SLIN 160911

Available Through McLane and Coremark!

continued from page 81

100% Guarantee. FanFave rounds out their New Year offerings with a Limited Edition 3D Foam 7-Eleven Logo Clock. For more information or to order any of these new items today, please contact FanFave, Inc. direct at 909-975-4999.



Once a 7-Eleven hot food exclusive, Doritos Loaded are now available for the freezer.

Doritos Loaded In The Freezer

Doritos, one of the marquee brands from PepsiCo's Frito-Lay division, recently announced the nationwide availability of its boldest nacho snack yet: Doritos Loaded, a bite-sized, triangle-shaped snack loaded with melted cheese and covered in a crispy Doritos-flavored crust. Doritos Loaded, which first appeared as an exclusive hot foods item in 7-Eleven stores in 2014, is now available for the freezer section in two varieties: Doritos Loaded Nacho Cheese and Doritos Loaded Jalapeno & Cheese. They're the ideal snacking size and are ready after just minutes in the oven. MSRP is \$2.98-\$3.49 for the 7.5 ounce box and \$4.98-\$5.79 for the 15 ounce box.

Jones Soda Limited-Edition Slurpee

7-Eleven and Jones Soda Co. recently announced the launch of a perennial fan favorite, Jones limited-edition Orange & Cream Slurpee flavor. For a limited time the Jones Slurpee drink will be sold exclusively at 400 7-Eleven stores in the states of Washington and Oregon. The Jones Orange & Cream Slurpee flavor is the first cane sugar product for the Slurpee brand. In conjunction with this new Jones Slurpee, Jones Soda launched an innovative and fun billboard campaign to celebrate the collaboration with 7-Eleven. SEI teamed up with Jones Soda earlier this year to launch a line of premium bottled soft drinks sold under the 7-Select private brand label.

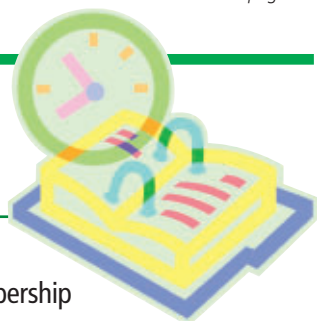


Enjoy Sweet Sales With Sour Punch Bites

American Licorice Sour Punch candy is the brand of mouth-watering sweet-yet-sour chewy candies that excites candy fans of all ages. One

continued on page 84

FOA BOARD MEETING DATES



7-Eleven FOAC

Phone: 847-278-7415

January 26, 2017
February 16, 2017
March 30, 2017
April 27, 2017
May 25, 2017
June 29, 2017
July 27, 2017
August 25, 2017
September 28, 2017
October 26, 2017
November 30, 2017
December 21, 2017

Midwest FOA

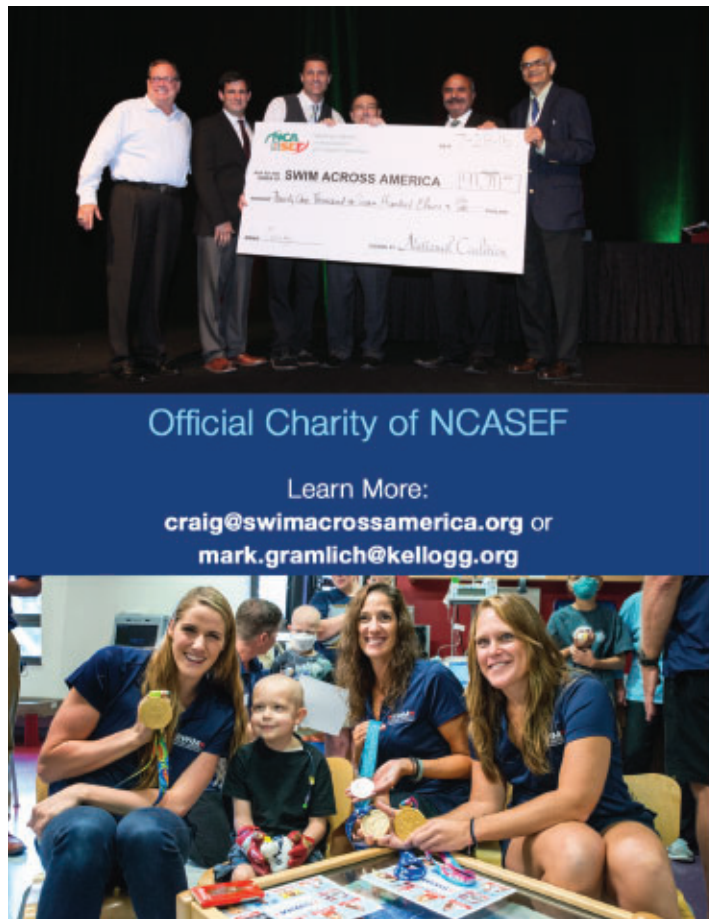
Phone: 908-232-1336

Dates for Chicago
(Co-sponsored with Alliance of 7-Eleven Franchisees FOA)
January 19, 2017—General Meeting
March 23, 2017—General Meeting
September 21, 2017—General Meeting
Dates for Michigan
January 17, 2017—General Meeting
September 28, 2017—General Meeting
June 13, 2017—General Meeting

UFOLI, NY

General Membership Meetings

Phone: 516-647-4617
January 26, 2017
February 28, 2017
March 30, 2017
April 27, 2017
May 2017—TBD
June 29, 2017
Board Meetings: Last Tuesday or Thursday of every month with few exceptions



THANK YOU TO THE
FOA SUPPORTERS
OF
SWIM
ACROSS AMERICA
★ MAKING WAVES TO FIGHT CANCER ★

TEXAS FOA
CENTRAL FLORIDA FOA
SOUTHERN CAL FOA
TRI STATE FOA'S
GREATER SEATTLE FOA
SAN DIEGO FOA
FOAC - CHICAGOLAND
LAS VEGAS FOA
GREATER LA FOA
SAN FRANCISCO/MONTEREY BAY FOA



Brent | at age 9
cancer of the
nervous system

Finding cures. Saving children.®

St. Jude Children's Research Hospital® is leading the way the world understands, treats and defeats childhood cancer and other life-threatening diseases. And families never receive a bill from St. Jude for treatment, travel, housing or food – because all a family should worry about is helping their child live.

Visit **stjude.org**
to join our mission.



VENDOR FOCUS

continued from page 82

of the first brands to enter the sour candy market in the 1990s, Sour Punch candy continues to tease taste buds with its fun colors and fruity flavors, all packing that extra “punch” of sweet and sour. Sour Punch candies satisfies that sour craving through its many forms: Straws, Bites, Bits and Twists.

Sour Punch Bites are bite-sized sour, chewy pieces that tantalize your taste buds. Sour Punch Bites come in various flavors such as Strawberry, Green Apple Watermelon and Blue Raspberry. Sour has the largest volume sales growth of the top 10 non-chocolate types of candy. Sour Punch delivers with a variety of flavors options to a wide range of sour candy consumers.



Sweeten candy sales with American Licorice Sour Punch Bites.

Get Crazy Sales With Pumpkin Pancake Sausage

Harvest the power of fall’s most in-demand flavor with the new Oscar Mayer Pumpkin Pancake Sausage—a classic Oscar Mayer pork sausage wrapped in a flavorful pumpkin spice pancake. Pumpkin Pancake Sausage pairs well with a warm cup of coffee or frothy hot chocolate, and is a great addition to both breakfast and lunch menus.

Americans love pumpkin season; it’s no surprise that menu mentions of pumpkin are up 116 percent in the last four years. Furthermore, with 56 percent of consumers actively trying to include more protein in their diet, the Pumpkin Pancake Sausage satisfies demand in a convenient, on-the-go format. This product appeals to consumers with a taste preference for sweet and protein combinations. Plus, it’s easy and cost-effective for foodservice operators since there’s no need for buns and condiments.

Establishments that menu the Oscar Mayer portfolio can utilize free Oscar Mayer merchandising. Oscar Mayer brand products draw purchase demand, and establishments can

help to strengthen their sales with brand merchandising programs. Sign up for a whole year or select the specific promotions you would like to offer. Contact your Kraft Heinz Foodservice sales representative, or visit kraftheinz-foodservice.com/contactus to receive samples and POS materials.



Heat up your roller grill sales with Oscar Mayer Pumpkin Pancake Sausage.

Oikos Greek Yogurt Protein Drinks Now In 7-Eleven

Introducing new Oikos Greek Yogurt Protein Drinks at 7-Eleven—a line of deliciously smooth, drinkable yogurts that pack in 10g of protein without any added sugar, artificial sweeteners, or fat. Available through McLane at a hot everyday cost of \$0.94/bottle, provides a 41 percent margin at \$1.59 SRP. In addition, McLane is offering a BUY 1, GET 1 FREE case offer through January. Oikos is the official yogurt of the NFL.



New Oikos Greek Yogurt Protein Drinks offer a 41 percent margin.

Diageo Unveils New Smirnoff Items

Diageo recently introduced two new Smirnoff Ice Spiked flavors and Smirnoff Seltzer 6pk 12oz cans to help spike your FMB sales.

After the successful launch of Original, Screwdriver and Hurricane Punch Spiked 8% ABV cans, Diageo has added Green Apple and Grape (available in 16oz & 23.5oz). Smirnoff has unmatched brand recognition with the #1 Vodka name in the world, and 8%+ ABV FMBs are a one



Spike your FMB sales with Smirnoff Ice Spiked Green Apple and Grape and Smirnoff Seltzer 6pk 12oz cans.

billion dollar segment. Additionally, Smirnoff Singles are growing 15 percent faster than 7-Eleven singles segment (L4W 11/27/16). Green Apple is the second largest Smirnoff Ice flavor, and Grape is a top growth flavor in 8%+ ABV.

Smirnoff Sparkling Seltzer 6pk 12oz cans (available in Cranberry-Lime, Orange-Mango, and

Watermelon) appeal to the health conscious consumer by offering lower calories and no artificial ingredients. Hard Seltzers were an \$8MM dollar business in 2016, and contributed 30 percent of FMB growth. Hard Seltzers are also growing 15 times faster than the category. Smirnoff Seltzer is highly incremental—a different consumer from traditional Smirnoff Ice—77 percent of Smirnoff Seltzer volume is sourced outside of FMBs and 44 percent outside of the Malt Beverage category. **AV**

Advertiser's Index

7-Eleven, Inc.	42	Maruchan.....	23
American Licorice.....	71	McLane	59
Aon Risk Services	34	Mondelez	15
Blu Ecigs	25	Nestle Ice Cream	9,69
Blue Bunny	13	Nestle Waters	8,65
Chobani	53	P&G	49
Coca-Cola	cover 2	PATCO	80
Dannon	73	Pepsi Quaker	81
Dean Foods	30	Perfetti Van Mele	40
Diageo Guinness	37	Precise Nutrition	78
Don Miguel	17	Seneca	26-27
Dr Pepper Snapple Group	32	Shamrock.....	24
Duracell	57	Simply Orange	18-19
Ferrero	47	Snyder's	77
Vixxo	75	Space Jam	55
Heineken	10	Swedish Match	4,63
Johnson&Johnson	51	Swisher International	7,67
Kellogg's.....	6	Unilever Good Humor/Breyers....	
Kerry/Insight Beverages	43	3,5,61
Kretek International ..21,cover 4		Whitewave Foods	35
Logic Ecig	44-45	Wrigley	cover 3
Mars Ice Cream.....	38	Windsor	28

FOA EVENTS

continued from page 86

7-ELEVEN FOAC GOLF TOURNAMENT

(venue to be announced)
July 12, 2017
Phone: 847-353-9999

7-ELEVEN FOAC TRADE SHOW

(venue to be announced)
July 13, 2017
Phone: 847-353-9999

7-ELEVEN FOAC FAMILY PICNIC

(venue to be announced)
August 12, 2017
Phone: 847-353-9999

UFOLI,NY GOLF TOURNAMENT

Baiting Hollow Golf Club
Baiting Hollow, New York
September 7, 2017
Phone: 516-647-4617

SOUTHERN CALIFORNIA FOA CHARITY GOLF TOURNAMENT

Industry Hills Golf Club
Industry Hills, California
September 20, 2017
Phone: 626-255-8555

MIDWEST FOA ILLINOIS HOLIDAY SHOW

(venue to be announced)
November 1, 2017
Phone: 908-232-1336

7-ELEVEN FOAC HOLIDAY PARTY/TRADE SHOW

(venue to be announced)
November 16, 2017
Phone: 847-353-9999

MIDWEST FOA MICHIGAN HOLIDAY SHOW

(venue to be announced)
December 6, 2017
Phone: 908-232-1336

Want to talk to other franchisees?



The National Coalition has Franchise Owner's Association member organizations in all 31 states in which 7-Eleven operates.

To find the FOA closest to you. Visit www.NCASEF.com to contact any one of the 46 local Franchise Owner's Associations nationwide. Want to talk to someone at the national level? Call the NCASEF Vice Chairman in your area:

■ Nick Bhullar, Vice Chairman, Chairman, Southern California FOA
bhullar711@yahoo.com
818.571.1711

■ Romy Singh, Vice Chairman, President, Eastern Virginia, FOA
757-506-5926
evafoa@gmail.com

■ Rehan Hashmi, Vice Chairman, Vice President, Alliance Of 7-Eleven Franchisees
rehan711@yahoo.com
847-845-8477

■ National Office
nationaloffice@ncasef.com
831-426-4711

FOA EVENTS

FOA OF GREATER LOS ANGELES & SAN DIEGO FOA TRADE SHOW

Anaheim Convention Center
Anaheim, California
January 27, 2017
Phones: 619-726-9016
619-713-2411

TRI-STATE FOSE TRADE SHOW

Howard County Fairgrounds
West Friendship, Maryland
March 23, 2017
Phone: 301-572-6811

GREATER OREGON FOA TRADE SHOW

Monarch Hotel & Conference Center
Clackamas, Oregon
April 4, 2017
Phone: 503-516-3483

UFOLI, NY TRADE SHOW

Hilton Long Island Hotel
Melville, New York
April 4, 2017
Phone: 516-647-4617

PACIFIC NORTHWEST FOA TRADE SHOW

(venue to be announced)
April 6, 2017
Phone: 253-261-4455

TEXAS FOA TRADE SHOW

Irving Convention Center
Irving, Texas
April 12, 2017
Phone: 214-208-6116

TEXAS FOA GOLF TOURNAMENT

Cowboys Golf Club
Grapevine, Texas
April 13, 2017
Phone: 214-208-6116

SOUTHERN NEVADA/LAS VEGAS FOA TRADE SHOW

Cashman Field Center
Las Vegas, Nevada
April 19, 2017
Phone: 702-561-0311

SOUTHERN NEVADA/LAS VEGAS FOA GOLF TOURNAMENT

Rhodes Ranch Golf Club
Las Vegas, Nevada
April 20, 2017
Phone: 702-561-0311

MIDWEST FOA MICHIGAN TRADE SHOW

(venue to be announced)
May 4, 2017
Phone: 908-232-1336

SOUTHERN CALIFORNIA FOA TRADE SHOW

Pasadena Convention Center
Pasadena, California
May 17, 2017
Phone: 626-255-8555

NCASEF BOARD MEETINGS

NATIONAL COALITION BOARD OF DIRECTORS MEETING

JW Marriott Starr Pass
Tucson, Arizona
February 22-24, 2017

NATIONAL COALITION BOARD OF DIRECTORS MEETING

Marriott St. Louis Grand
St. Louis, Missouri
May 3-5, 2017

NATIONAL COALITION BOARD OF DIRECTORS MEETING

Caesars Palace Las Vegas Hotel
Las Vegas, Nevada
July 16-17, 2017

NATIONAL COALITION AFFILIATE MEETING

Gaylord Opryland Resort & Convention Center
Nashville, Tennessee
October 30-31, 2017

NATIONAL COALITION BOARD OF DIRECTORS MEETING

Gaylord Opryland Resort & Convention Center
Nashville, Tennessee
November 1-3, 2017

MIDWEST FOA ILLINOIS TRADE SHOW

(venue to be announced)
May 18, 2017
Phone: 908-232-1336

MIDWEST FOA ILLINOIS GOLF TOURNAMENT

(venue to be announced)
June 7, 2017
Phone: 908-232-1336

UTAH FOA TRADE SHOW

(venue to be announced)
June 7, 2017
Phone: 801-450-4538

UTAH FOA GOLF TOURNAMENT

(venue to be announced)
June 8, 2017
Phone: 801-450-4538

MIDWEST FOA MICHIGAN GOLF TOURNAMENT

(venue to be announced)
June 14, 2017
Phone: 908-232-1336

continued on page 85



NATIONAL COALITION 42ND ANNUAL CONVENTION & TRADE SHOW

**Caesars Palace Las Vegas Hotel
Las Vegas, Nevada**

July 17-20, 2017 | Trade Show: July 19-20, 2017



INTENSELY COLD. UNMISTAKABLY COOL.



ULTRA MENTHOL

The addition to the Djarum Black line combines the unmistakable taste and aroma of a premium aged tobacco with an intensely cold blast of menthol. No wonder more smokers than ever are asking for Djarum by name.

Djarum Black Ultra Menthol SUN 0321435 7 51667 29002 9	Djarum Black Cherry SUN 0321435 7 51667 06754 6	Djarum Special SUN 0321433 7 51667 06758 4
Djarum Splash SUN 0321395 7 51667 07422 3	Djarum Mild SUN 0321395 7 51667 07426 1	Djarum Bali Hai SUN 0321209 7 51667 07434 6
Djarum Black Vanilla SUN 0321434 7 51667 09062 9	Djarum Black Menthol SUN 0321436 7 51667 09066 7	Djarum Black SUN 0321436 7 51667 04694 7



www.djarumcigar.com

WARNING: Smoking cigars causes lung cancer, heart disease, and emphysema, and may complicate pregnancy. This product contains chemicals known to the State of California to cause cancer and birth defects and other reproductive harm.

Ask your Kretek representative for details at salesinfo@kretek.com