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SLIN: 0191112



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18% Rebate On Top 15 Unilever Novelty Items

SLIN	Description	GP\$	GM%
190557	Magnum Double Caramel Bar 3.38 oz	\$1.50	50.1%
190088	Good Humor Glant King Cone 8z oz	\$1.50	50.1%
190164	Klondike Mrs Fields Ice Cream Sandwich 6 oz	\$1.50	50.1%
190496	Good Humor Oreo Ice Cream Bar4 oz	\$1.10	55.1%
190081	Good Humor Strawberry Shortcake Bar 4 oz	\$1.10	55.1%
190472	Klondike Choco Taco 4 oz	\$1.01	51.0%
191378	Good Humor Giant Vanilla Ice Sandwich 6 oz	\$0.78	55.8%
190019	Good Humor Reeses Peanut Butter Cup 3.3 oz	\$1.10	55.1%
190394	Klondike Original Bar 5.5 oz	\$1.10	55.1%
190443	Good Humor Oreo Cone 4.2 oz	\$1.25	50.3%
190206	Magnum Double Chocolate/Vanilla Bar 3.04 oz	\$1.50	50.1%
190560	Magnum Almond Bar 3.38 oz	\$1.50	50.1%
190822	B&J Pint Slices Cookie Dough	\$1.50	50.1%
190690	Popsicle Sponge Bob 1.8 az	50.88	58.7%
190671	Klondike Oreo Ice Cream Sandwich 4.5 oz	\$1.37	54.9%

6% Rebate On Top 14 Ben & Jerry

SLIN	Description	GPS	GM%
190395	B&J Half Baked Pint	52.48	41.5%
191112	8&J The Tonight Dough Pint	SUPER 52.48	41.5%
190003	DO I Char Codan Decumin Diet	60.40	41.5%
190002			41.5%
190001	B&J Cherry Garcia Pint	LY 52.48	41.5%
190155	B&J Strawberry Cheesecake Pint	52.48	41.5%
190556	B&J Steven Colbert Americone Dream Pint	\$2.48	41.5%
190004	B&J Chunky Monkey Pint	\$2.48	41.5%
190551	8&J Phish Food Pint	52.48	41.5%
190737	8&J Boom Chocolatta Core Pint	\$2.48	41.5%
190351	B&J Everything But ThePint	52.48	41.5%
190006	8&J Peanut Butter Cup Pint	52.48	41.5%
191099	B&J Salted Caramel Core Pint	52.48	41.5%
190197	B&J Brownie Batter Core Pint	\$2.48	41.5%

6% Rebate On Top 10 Breyers Items

SLIN	Description	GP\$	GM%
190239	Breyers Oreo Pint	\$1.41	40.5%
190647	Breyers Reeses Pint	51.41	40.5%
190350	Breyers Butter Pecan Pint	\$1.27	42.5%
190360	Breyers Natural Vanilla Pint	\$1.27	42.5%
190352	Breyers Chocolate Pint	ICE \$1.27	42.5%
190362	Breyers Strawberry Pint PREMIUM	DANIT \$1.27	42.5%
190807	Breyers Vanilla 48 oz	\$1.92	32.1%
190804	Breyers Neopolitan 48 oz	\$1.92	32.1%
190899	Breyers Chocolate 48 oz	\$1.92	32.1%
190371	Breyers Oreo Ice Cream 48 oz	\$1.92	32.1%



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Pure® Organic Fruit & Nut Bar **Chocolate Brownie** SLIN#: 307533





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SLIN: 190180



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2017 7-ELEVEN NCASEF INCENTIVE EXPAND AND GROW COCA-COLA SIMPLY BEVERAGES AND WIN!

GOAL

Increase distribution of Coca-Cola Simply Juice SKU's by 5% between March 1st, 2017 and May 27th, 2017

ELIGIBILITY: Each store that increases the number of Coca-Cola Simply Juice SKU's will gain entries into a drawing for cash prizes (eligible SKU's in priority ranking on opposite page).

- Stores adding one (1) incremental 11.5oz Simply SKU will receive 5 entries into drawing
- Stores adding two (2) incremental 11.5oz Simply SKUs will receive 10 entries into drawing
- Stores adding two (2) incremental 11.5oz SKU and one (1) incremental 59oz SKU will receive 15 entries into drawing
- Stores adding three (3) incremental 11.5oz Simply SKUs will receive 15 entries into drawing
- Stores that are currently carrying all 10 SKUs of 11.5oz Simply will receive 5 entries into drawing
- Stores that are currently carrying all 10 SKUs of 11.5oz Simply and 2 SKUs of 59oz Simply will receive 10 entries into drawing

MEASURE: 7-Exchange Data

 Number of store entries into the drawing will be determined by using the Latest 12-Week ending 5-28-17 store level data for eligible SKU's.

DRAWING: Coca-Cola Company will complete the drawing among eligible franchisees in June 2017, winning stores announced in July 2017, and payout by August 31st, 2017.

INCENTIVE KICKER: NCASEF will receive a payment of \$30,000 to be used at the boards discretion if total store SKU growth meets certain parameters.

PAYOUT POTENTIAL: \$150,000

Forty (40) \$500 prizes available (\$20K)

Twenty (20) \$1,500 prizes available (\$30K)

Twenty (20) \$1,000 prizes available (\$20K)

Twenty (20) \$2,500 prizes available (\$50K)

30,000 to NCASEF for achieving 5% growth target.

Note: Store level prize pool will be determined by overall growth % achieved for NCASEF. Every 1% = \$5,500

Questions: Contact Patricia Hale at 806-786-2159 D2017 The Coca-Cola Company.

200 to NCASEE for achieving 5% growth target

ARE YOU CARRYING THE "RIGHT" JUICE SKU'S?



Simply Orange® Pulp Free (11.5 fl oz) SLIN #: 0248051 UIN #: 152405



Simply Lemonade (11.5 fl oz) SLIN #: 0248027 UIN #: 152173



-

Simply Lemonades with Raspberry (11.5 fl oz) SLIN #: 0248028 UIN #: 152264



Simply Orange» with Mango (11.5 fl oz) SLIN #: 0248029 UIN #: 152314



Simply Cranberry® Cocktail (11.5 fl oz) SLIN #: 0248052 UIN #: 152389



Simply Apple (11.5 fl oz) SLIN #: 0248049 UIN #: 152074



Simply Limeade» (11.5 fl oz) SLIN #: 0248050 UIN #: 152249



Simply PeachTM (11.5 fl oz) SLIN #: TBD UIN #: 862177



Simply Fruit Punch™ (11.5 fl oz) SLIN #: 0246790 UIN #: 162719



Simply Tropical™ (11.5 fl oz) SLIN #: 0240163 UIN #: 162727



Simply Orange® Pulp Free (59 fl oz) SLIN #: 0242568 UIN #: 650119



Simply Lemonade (59 fl oz) SLIN #: 0243848 UIN #: 443358



Simply Lemonade with Raspberry (59 fl oz) SLIN #: 0244450 UIN #: 733832



PULP FREE



CALORIES PER BOTTLE





B & Breakfast Burritos

"Top Selling Burritos In C-Stores Nationwide!"



SLIN #170394 • UIN #610170 • DCMS #732551



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- Filled End to End (60% fill - 40% tortilla)
- Authentic Hand-Stretched Tortillas
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SLIN #170425 • UIN #070359 • DCMS #733246





7-Select Chicken Fajita Chimichanga - 12/6oz SLIN #839415 • UIN #178680 • DCMS #4370





& Rice Chimichanga - 12/6oz SLIN #839407 • UIN #178679 • DCMS #437064





7-Select Spicy Beef, Beans & Cheese SLIN #174033 • UIN #272625 • DCMS #433312











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 SLIN #171164 • UIN #540757 • DCMS #435688



March/April 2017

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AVAN77 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. AVANT/ 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.

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Join Us For The National Coalition's Double Down Big Car Giveaway!



July 17-20 Register Now at www.ncasef.com

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SEI News Women's Franchise Competition, Texas 7-Elevens Powered By Wind, Single-Origin Coffee, Orlando City Youth Soccer, InComm 'Vendor Of The Year', Riskonnect, Exclusive Trolli

Bits & Pieces... Vendor Focus. Franchisee Calendars





The Big News: 7-Eleven **Acquires Sunoco C-Stores**

SEI recently announced it has entered into an asset purchase agreement with Sunoco LP to acquire approximately

1,108 convenience stores located in 18 states.

SEI presently has 8,707 stores in the United States and Canada. This

acquisition will be one of the largest in the company's history, and will bring SEI's total number of stores to 9,815 in the U.S. and Canada.

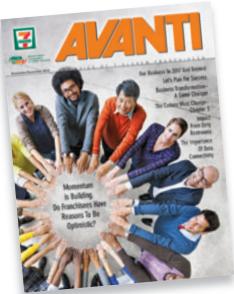
"This acquisition supports our growth strategy in key geographic areas including Florida, mid-Atlantic states, Northeast states, and Central Texas," said SEI President and CEO Joe DePinto.

"It also provides 7-Eleven entry into Houston, the fourth largest city in the United States, and a strong presence in Corpus Christi and across South Texas."

As part of the transaction, Sunoco announced that it will enter into a 15year take-or-pay fuel supply agreement with a 7-Eleven subsidiary under which Sunoco will supply approximately 2.2 billion gallons of fuel annually. This supply agreement will have guaranteed annual payments to Sunoco, provides that 7-Eleven will continue to use the Sunoco brand at currently branded Sunoco stores and includes committed growth in future

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"After the purchase of 1,108 Sunoco Convenience stores, approximately 44 percent of all 7-Eleven stores will sell gas."



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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

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The Voice of 7-Eleven Franchisees March/April 2017

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McLane UIN # Core-Mark #



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periods, the gas company said in a released statement.

All told, after the Sunoco 1,108 store purchase, approximately 44 percent of all 7-Eleven stores will have gas compared to only one quarter of all stores just four years ago.

DePinto Elected To CSNews Hall of Fame



SEI President and CEO Joe DePinto was recently selected as one of this year's inductees into the Convenience Store News Hall of Fame, re-

ported CSNews Online. DePinto, along with Blake Benefiel (director of trade and state relations for Altria Group Distribution Co.), will be honored at a gala banquet and induction ceremony this fall in Dallas. According to the article, DePinto will become the third executive from 7-Eleven to be inducted into the Convenience Store News Hall of Fame, following founding brothers John and Jere Thompson, who were inducted together in 1991, and former CEO James Keyes, who entered the Hall of Fame in 2005. Hall of Famers are selected by a 60-member blue ribbon panel of top convenience store retail executives, as well as past retailer and supplier Hall of Fame inductees.

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SEI parent company Seven & I Holdings is breaking its convenience store operations into two segments in order to

strengthen its overall c-store growth, reported CSP Daily News. While also restructuring its seven operational segments—which include superstore operations and department store operations—the company will spilt its cstore operations into domestic convenience store operations and overseas convenience store operations. The domestic unit will control c-store interests in Japan as well as in China and Hawaii, while the overseas unit will control SEI in the United States and its c-store interests in other countries, the article states.

When the restructure is complete in early 2018, SEI will focus on a growth strategy that includes acquisitions and continued organic store growth, and will also boost its prepared foods offering by making quality and service improvements. Joining SEI in the new international unit will be SEI Asset Management & Investment Co.,

740 Front Street, Suite 170

E-mail: nationaloffice@ncasef.com

Santa Cruz, CA 95060

Office 831-426-4711

Fax 831-426-4713

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hosting Wawa Career Wednesdays. • A recent Harris Poll shows 1 in 4 adults have purchased a meal kit in 2016 (25 percent) and 70 percent of meal kit purchasers are still actively purchasing meal kits. • West Viriginia DMV customers can now renew vehicle registrations at "WV DMV Now" kiosks located in away 7.1 percent of revenues from the existing

Seven & I's **Restructuring Plan**



A new study by PriceAdvantage reveals that 30 percent of fuel retailers utilize day-part **fuel pricing**, or scheduled price changes during set windows of time throughout the day/week, in order to maximize margins and volume. • Anheuser-Busch InBev has committed to secure all of its **purchased electricity** from renewable sources by 2025, reported CNBC. The company said its decision to go big on renewable energy would cut its operational carbon footprint by 30 percent, equivalent to taking almost 500,000 cars off the road. • **Google** is now the world's most valuable brand with a value of \$109 billion, according to the Brand Finance US 500 ranking. **The** total value of America's top 500 brands now exceeds \$3 trillion dollars, having increased 11 percent from \$2.82 trillion in 2016 to \$3.14 trillion this year. • **7-Eleven Hawaii** plans to open a second location in Downtown Honolulu later this year, reported *Pacific Business* News. With more than 60 stores in Hawaii, the company is also opening a new store in Central Oahu in the second guarter. • Wawa recently launched a three-month long spring hiring campaign to fill more than 5,000 full**time and part-time** customer service and management positions across the company's 750 stores. In addition, some Wawa stores are

Sheetz c-stores in Beckley and Star City. • New research by the Cannabiz Consumer Group (C2G) finds that legal marijuana will take retail beer industry. If cannabis were legal**ized nationally**, the beer industry would lose

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

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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.



which Seven & I established in 2012 to support the business expansion initiatives of 7-Eleven in the United States.

In-Store Sales Reach Record Highs

U.S. convenience stores experienced record in-store sales of \$233.0 billion in 2016—and the third straight year of \$10 billion-plus in pretax profits—according to newly released NACS State of the Industry data. The top 10 in-store categories

"C-stores in 2016 experienced record in-store sales, but fuel margins in 2016 dropped to 23.1 cents compared with 23.4 cents in 2015."

> ranked by sales dollars represent about 80 percent of all in-store sales, the report states. In 2016, eight of the 10 top in-store categories saw positive sales, including cigarettes, and nine had positive gross profit dollar growth. Factors such as low fuel prices, job growth and more discretionary income in consumers' wallets

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drove spending inside the store. Here's how in-store sales performed in 2016:

- Tobacco (cigarettes and OTP): 36 percent of in-store sales
- Foodservice (prepared and commissary food; hot, cold and dispensed beverages): 21.7 percent
- Packaged beverages (carbonated soft drinks, energy drinks, sports drinks, water, juices and teas): 15 percent
- Center of the store (salty, candy, packaged sweet snacks and alternative snacks): 9.8 percent
- Beer: 6.7 percent (12.2% for stores selling beer)

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Legislative Update

0

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Florida Lawmaker **Seeks To Protect Franchisees**

Legislation to protect owners of franchise systems like Mc-Donalds and 7-Eleven was recently introduced in the Florida House, reported StPetersBlog.com. Sponsored by Sanford Republican Jason Brodeur, HB 1069 would prohibit a franchiser from refusing to renew a franchise unless specific criteria have been met. A group of 7-Eleven franchise owners made their case for such a bill at a Pasco County Legislative Delegation in January, calling for legislation to protect them from having their businesses ripped out from underneath them by their corporate owners. "We work tirelessly. We are continuing to grow the local economy, paying local and state and payroll taxes," 7-Eleven franchisee Arnie Tange told StPetersBlog.com. "However, because of the lack of protection laws for small businesses, we can lose our small businesses if our franchiser—who's based in another state—decided not to renew or extend my agreement to operate under their brand name."

"Baltimore's Mayor will veto a measure to raise the minimum wage to \$15 per hour by 2022."

Baltimore Mayor Vetoes Minimum Wage Hike

Baltimore's mayor recently said she would veto legislation that would nearly double the Maryland city's minimum wage to \$15 an hour, reported Reuters. The legislation raising the minimum wage from \$8.75 an hour would have put the city at a competitive disadvantage with neighbor-

ing cities and suburban counties, Mayor Catherine Pugh said. Maryland has already mandated a minimum wage increase to \$9.25 an hour in July and to \$10.10 in 2018.

The City Council voted 11-3 in late March to approve the increase, with one supporter of the measure absent. Lawmakers need 12 votes to pass it over Pugh's veto. Even so,

the legislation's sponsor, Councilwoman Mary Pat Clarke, said she was not confident that fellow lawmakers would be able to override the veto. The vetoed measure would raise the minimum wage to \$15 an hour by 2022 for businesses with 50 or more employees and by 2026 for businesses with fewer than 50 workers.

Supreme Court Will Not Reinstate Credit Card Accord

The U.S. Supreme Court recently refused to revive a \$5.7 billion settlement of retailer claims that Visa and MasterCard improperly fixed credit-card swipe fees, in a rebuff that could mean years of additional litigation, reported *Bloomberg*. Rejecting calls from the card companies and the settling retailers, the justices left intact a ruling that scrapped the accord and said it didn't adequately protect the interests of objecting merchants.

The world's biggest payment networks had sought to end a decade-old court battle over fees that exceed \$40 billion annually. Dozens of big retailers—including Amazon.com Inc., Target Corp. and Starbucks Corp.—opposed the settlement and urged

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OPEN UP SUMMER PROFITS

EASY GRAB 'N' GO



- Smirnoff Ice Singles +23% in units L13W¹
- . Smirnoff Singles are growing 12x faster than the 7-Eleven singles segment¹
- . Spiked Original and Screwdriver at highest units APSD since launch!
- · Great opportunity for gross profit!



SMIRNOFF ICE SPIKED SCREWDRIVER 16 OZ. MARKETS": CA, FL, TX



SMIRNOFF ICE SPIKED GREEN APPLE 16 OZ. SLIN: 100429 MARKETS: CA, TX, WA, NV



GREEN APPLE 23.5 OZ. SLIN: 101375 MARKETS: TX MARKETS": AZ, CA, FL, NC, N, NY, OR, SC, TX, VA, WA, WY



ORIGINAL 16 OZ.



MARKETS": AZ, CA, FL, NC,

FLAVORS FOR EVERYONE!



- Smirnoff Multipacks +5.2% L4W²
- 360 degree Marketing Plan with \$15MM in spend
- Summer is FMB's biggest selling window of the year!3
- Smirnoff Ice consumers spend more than the category average in C-Store!⁴



SMIRNOFF ICE SCREWDRIVER 6 x 11.2 OZ. BOTTLES



SMIRNOFF ICE GREEN APPLE



SMIRNOFF ICE ORIGINAL 6 x 11.2 OZ. BOTTLES





PLEASE DRINK RESPONSIBLY

Source: 1. W Scan Data 13 Weeks through 4/2/2017; 2. W Scan Data 4 Weeks through 4/2/2017; 3. Nelson Latert 57 WE 12/31/16: 4 FMB Shopper Groups & C-Stans 2019 2011



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Cigarettes, Cigars, Snuff, Pipe Tobacco, and Vapor





• Other: 10.8 percent

C-stores throughout the country reported a 9.2 percent decline in fuel sales. This was driven by another year of low gas prices, which averaged \$2.17 for the year compared with \$2.44 in 2015. Fuel sales volume was up 2.6 percent, riding the wave of continued economic recovery. Meanwhile, fuel margins in 2016 dropped to 23.1 cents compared with 23.4 cents in 2015, but due to increased sales volume overall fuel gross profit increased 1.6 percent per store per month.

7-Eleven Ranked Among Most 'Mobile-Ready' Brands

7-Eleven is the top non-digital company to make it onto mobile marketing and technology agency Ansible's ranking of the most "mobile-ready" brands, reported Mobile Marketing Daily. While digital endemic brands Facebook and Amazon rank No. 1 and No. 2, respectively, 7-Eleven ranked third on a top 10 list that was split between digital and

Central Texas FOA Supports Austin Police Event

On March 25, members of the Central Texas FOA set up camp at Roy G. Guerrero River Park in Austin to help support the Police Department's annual Public Safety Event and Elementary Schools Youth Soccer Tour-



nament. Franchisees handed out free beverages, food and snacks to all attendees throughout the day, and the FOA was thanked and honored with medallions presented by Austin Mayor Steve Adler and the Austin Police Department for the group's participation.

The Central Texas FOA extends a special thanks to its franchisees and **Board members** who contributed







in every way possible to help make this event a success. The association also thanks Market Manager Ricardo Clement, Zone Merchandiser Yogesh Takhar and Fresh Food Category Manager Justin Whittaker for all their

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"While digital brands Facebook and Amazon ranked No. 1 and No. 2, 7-Eleven ranked third on a top 10 list of mobileready brands."

non-digital brands. The premise behind this global study is to examine how brands have and continue to adapt to the rapid shift in consumer engagement and behavior. According to MAGNA, in 2016 consumers dedicated 33 percent of their time to mobile devices, compared with 25 percent to Live TV. By 2021, MAGNA projects that consumers will raise their mobile consumption to 37 percent, with Live TV consumption decreasing to 22 percent.

Dollar General Buys 323 Dollar Express Stores

DOLLAR GENERAL

Dollar General recently acquired 323 Dollar Express stores from private equity firm Sycamore Partners, which purchased the stores in the Dollar Tree-Family Dollar merger two years ago, reported RetailDive.com. Dollar Express emerged in 2015 when Dollar Tree divested some 330 stores in 35 states in order to assuage Federal Trade Com-

continued on page 26

"Dollar General reported fourth quarter net sales increases of 13.7 percent to \$6 billion, compared to \$5.3 billion a year ago."





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mission antitrust concerns related to Dollar Tree's \$8.5 acquisition of rival Family Dollar. Sycamore was going to rebrand the stores as Dollar Express locations, but they will become Dollar General stores under the new deal.

In March, Dollar General reported fourth quarter net sales increases of 13.7 percent to \$6 billion, compared to \$5.3 billion in the year-ago quarter, with same-store sales rising 1 percent.

Dollar General's fiscal year net sales rose 7.9 percent to \$22 billion, and

fiscal year same-store sales increased 0.9 percent.

Wawa Enters South Florida

Pennsylvania-based convenience store chain Wawa opened its first three South Florida stores on a single day— March 23, reported the Sun Sentinel. The company presently has four Palm Beach County stores listed as opening in

"Wawa in November commemorated the grand opening of its 100th Florida store by giving away free coffee, any size, at all of its Florida locations."

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Spring 2017. Other stores are in various stages of devel-



opment in Fort Lauderdale, Davie, Parkland, Sunrise, and Greenacres. At a groundbreaking ceremony for the West Palm Beach store last year, Wawa president and CEO Chris Gheysens said the company wants to open 50 locations in South Florida over the next five years.

The South Florida expansions follow years of Wawa development in the northern and western sections of the state. In November, the company commemorated the grand opening of its 100th Florida store, in Brandon, by giv-

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A FESTIVE NIGHT AT UFOLINY HOLIDAY PARTY

Members of the UFOLINY FOA closed out 2016 with good cheer and camaraderie



during their Annual Holiday Party, held at the Crest Hollow Country Club on De-





cember 5. The group enjoyed a night of great food, music and entertainment as they celebrated another successful year with family,

friends and colleagues.









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129312

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ing away free coffee, any size, at all of its Florida stores. In business since 1964, the company enjoys a cult following in Florida among transplanted northerners familiar with the company's custommade salads and sandwiches, freshbaked cookies, free wifi, and reputation for friendly service.

Amazon Unveils Its Grocery Pickup Stores

Amazon recently revealed details of its grocery click-and-collect sites in Seattle, saying the offering-to be branded AmazonFresh Pickup—would provide a full array of grocery and household items available for online ordering and pickup, free to its Prime members, reported Supermarket News. The sites, located in Seattle's Sodo and Ballard neighborhoods, are currently open only to Amazon employees in a beta test. The service allows shoppers to shop online and select a delivery time, with orders ready in as little as 15 minutes. Customers can pull in to any of several drive-up spaces at the store



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where employees will load groceries into their cars "within minutes."

7-Eleven #1 On **Top 202 C-Store List**

7-Eleven has garnered the #1 spot on CSP's Top 202 Convenience Stores list, which ranks c-store chains based on store count and other metrics. 7-Eleven came in with 8,303 stores—up from 8,273 on last year's ranking, while Couche-Tard/Circle K ranked #2 with 7,232 stores, and Speedway a distant third with 2,770 stores. CSP noted that 7-Eleven has several competitive advantages: its Retailer Initiative allows an operator to align prod-

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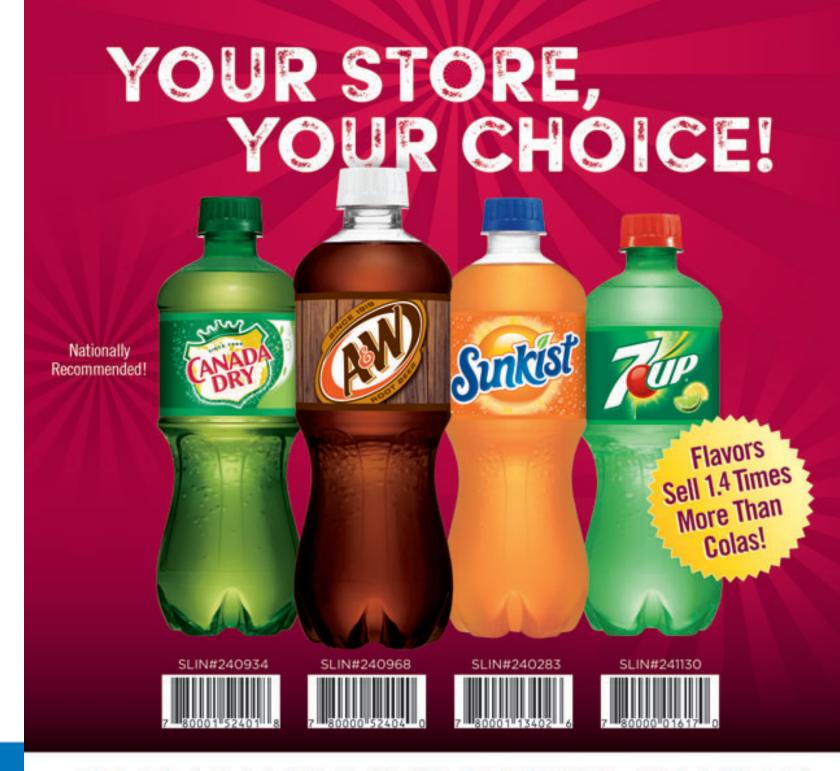
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Territory Rights And Encroachment

BY IOE GALEA, EXECUTIVE CHAIRMAN, NCASEF

SEI has stated and demonstrated it is on a growth path in Canada and the United States by continuing to make store acquisitions that add to overall store totals. The company is presently near its goal of 10,000 locations in North America with its recent purchase of 1,108 Sunoco c-stores (with gas), which brings its total number to 9,815 in the U.S. and Canada. While this expansion offers an opportunity to grow within the 7-Eleven system, many storeowners question if an encroachment amendment to our contract is truly necessary to protect our investments. Franchisees are also asking why aren't we being given first crack at owning a new location coming up in our area?

As I give it some thought and look around my area, I see competition is all around us. It is from retailers that have not competed with us in the past—dollar stores, pharmacy chains, fast food restaurants, big box small format stores—but now we are all fighting for the same cus-

"We need to bring that back to the franchisees because it would renew the security that everyone needs to protect our investment and our financial return and allow us to grow into the system."

> **JOE GALEA** CAN BE REACHED AT 831-426-4711 or ioea@ncasef.com

tomers. One way we are trying to differentiate ourselves from the competition these days is by our product selection. The other is by growing our store count.

SEI has said that the number one advantage of their expansion plan is that it provides opportunity for exist-

ing franchisees to become multiple store owners. This opportunity is important, because it allows us to avoid encroachment by purchasing the new store that may be very close to one we already own. This offers a sense of security and comfort that your investments in the system are going to be safe because you won't be competing against another franchisee so close to your store.



"We used to have a halfmile radius rule, and the current franchisee was always notified and given the first right of refusal."

However, one of the disturbing things we are hearing is that many times, even when these new locations open up close to an existing franchisee, the franchisee always appears to be way down on the list of finding out about it. It is my belief that whenever a new store is available close to another 7-Eleven, the franchisee should be notified as a common courtesy so he or she will have



"One way we are trying to differentiate ourselves from the competition these days is by our product selection. The other is by growing our store count."

the opportunity to decide if they would like that location. A lot of times we find out after the fact, and then the franchisee is at a disadvantage.

When that happens, it creates a negative feeling within the system that franchisees are being left out of the process when we should be totally involved because we already have an investment in the system. It would create a positive feeling if the franchisees were notified and allowed to make the determination if they want that location or not. In a true sense, we are business partners, and as business partners we have a fiduciary duty to disclose what is going on to each other. We used to have a half-mile radius rule, and the current franchisee was always notified and given the first right of refusal. We need to bring that back to the franchisees because it would renew the security that everyone needs to protect our investment and our financial return and allow us to grow into the system.

Our franchisor must realize that we indeed need territory rights. It is something I am hoping we will see down the line. It is becoming more and more necessary with the number of SEI acquisitions to bring everyone to that good, positive feeling that we used to have when encroachment was in our agreement.

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What Business Is Your Franchisor In?

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

During my tenure as the General Counsel of the National Coalition, I have often wondered how best to characterize our franchisor. Is 7-Eleven, Inc. a convenience store retailer and franchisor? A gasoline provider? A logistics and supply company? An accounting and bookkeeping company?

Increasingly, the answer seems to be that SEI is well on its way to being best characterized as a gasoline company, taking into consideration both its retail and wholesale gasoline operations. The most recent chapter in this book is the April 6, 2017 announcement that SEI's parent company would purchase 1,130 Sunoco gas stations and convenience stores for \$3.3 billion, with the transaction anticipated to close in August 2017. This transaction follows a much smaller one in June 2016, which involved the purchase of 79 gas stations and convenience stores in California and Wyoming from CST brands.

Before that, SEI engaged in five additional gasoline-related acquisitions, including a December 2011 transaction with Exxon Mobil involving 183 gasoline properties, a December 2013 acquisition of 145 gasoline stores and a wholesale gasoline business, a January 2016 transaction with Biscayne Petroleum involving 94 retail properties and 7 supply contracts, and a

ERIC H. KARP CAN BE REACHED AT 617-423-7250 ekarp@wkwrlaw.com May 2016 acquisition from Harbor Petroleum involving wholesale fuel contracts.

By our calculation, SEI has engaged in acquisitions involving more than \$6 billion during the period 2013 to date. By contrast, over the last three years, the company has spent less than \$340 million on capital improvements to existing corporate and franchised stores, not including \$54 million on gasoline tanks. To put it another way, the company is willing to spend handsomely to increase its portfolio of gasoline assets, both wholesale and retail, but only willing to spend pennies



by comparison on fixtures, equipment and remodeling and refurbishment of its franchised convenience stores.

The dominance of the gasoline component of SEI's financial condition is exemplified by the fact that from 2010 to 2015, its gross margin on the sale of gasoline increased by 94 percent; but over the same period of time, franchised in-store merchandise gross margin increased by

"SEI is well on its way to being best characterized as a gasoline company, taking into consideration both its retail and wholesale gasoline operations.' "In 2015, for the first time, the gross margin contribution from gasoline exceeded that of the in-store merchandise gross margin contribution."

only 49 percent, or half that rate. In 2015, for the first time, the gross margin contribution from gasoline exceeded that of the in-store merchandise gross margin contribution from company stores.

While 2016 financial statements are not yet available to us, the parent company reports that in 2016 41.4 percent of SEI sales came from gasoline. With the Sunoco acquisition, that will certainly soar. In a similar vein, after the Sunoco acquisition, we estimate that 44.3 percent of all the 7-Eleven locations in the United States will be gasoline stores.

We can also report that SEI's total revenue fell by 21 percent from 2013 to 2015, driven primarily by a decline in fuel sales of 28 percent over the same

period of time, driven, in turn, by lower oil prices. However, from 2013 to 2015, SEI's gross

margin on fuel sales rose by nearly \$30 million. Quite obviously, the only way the company could have realized higher profit on lower sales was to raise prices at the pump, to the detriment of convenience store sales at gasoline stores. The end result was increases in SEI net income ranging from about 8 percent to 10 percent per year, driven primarily, one could argue almost exclu-

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What Business Is Your Franchisor In?

continued from page 35

sively, by the profit generated from the gasoline business.

What's driving the strategic decisions?

Because SEI and its parent company keep its strategies as close to the vest as possible, we are constantly forced to play detective and make reasonable deductions based on the evidence available to us. Here are my thoughts.

First, the parent company of SEI has had more than its share of troubles, with boardroom battles, a major wage and hour scandal in Australia, and a stock that substantially underperforms the Nikkei Index and the S&P 500. Its supermarkets and department stores have been losing money. The only segment that has shown growth and profitability is the convenience store business. It needs yet more sources of profit, and SEI's parent is willing to spend a lot of capital to get it. Thus, the planned expansion in the U.S. with the goal of reaching 10,000 outlets by 2019.

Second, gasoline and gasoline pumps are not like franchisees. They don't organize into franchise owners' associations. They don't have a website, or an advertising supported publication or develop independent, mutually beneficial relationships with their vendors. They don't hire lawyers and other professionals to protect their interests. They don't need to be invited to sit on committees and they don't talk back; in fact, they don't care if you talk to them or not.

Third, the gasoline business provides a source of increasing gross margin contributions, in the face of declining merchandise gross margins in franchised stores and in company stores over the last five years. Gasoline is a business segment where SEI controls the retail price,

"After the Sunoco acquisition, we estimate that 44.3 percent of all the 7-Eleven locations in the United States will be gasoline stores."

often to the detriment of the franchisee. Over the last four years, SEI's gross margin on gasoline has vastly outpaced company convenience store gross margin and franchisee gross margin. That makes it less painful for SEI to sacrifice in-store sales in favor of profit at the pump in its gasoline stores, which after the Sunoco acquisition will reach almost 1/2 of all stores in the United States.

"The company is willing to spend handsomely to increase its portfolio of gasoline assets, both wholesale and retail, but only willing to spend pennies by comparison on fixtures, equipment and remodeling and refurbishment of its franchised stores."

Fourth, the Sunoco acquisition may signal an even deeper incursion into the introduction of the fast food format into the 7-Eleven franchise system. As reported by the Dallas Morning News: "7-Eleven, which has been building its fresh food offerings in recent years, is gaining a whole new menu of breakfast and lunch tacos with Laredo Taco Company and Stripes. A new Stripes store in Corpus Christie has a dining area with 28 seats and an outdoor patio for 20 more, which is different from the traditional 2,500-square-foot 7-Eleven." This should be troubling news to franchisees. Given that SEI has been repeatedly asked for evidence of the incremental labor costs and incremental net profit from fresh food and hot food, to no avail, franchisees should be very wary of the company's inattention to their bot-

This flies in the face of Cheryl Bachelder's theory of the management of a franchise company, which is centered on unit level profitability. See www.https://hbr.org/2016/10/the-ceo-ofpopeyes-on-treating-franchisees-as-themost-important-customers. Her servant leadership model led to a remarkable turnaround at Popeyes and its recent sale to the parent company of Burger King for \$1.8 billion. The management of SEI, which has been seeking a liquidity event for years: please take notice. Cheryl Bachelder is not some bleeding heart liberal. She is a hardheaded, supremely competent business manager who figured out that the best way for a franchisor to succeed is to have successful and profitable franchisees who vote with their checkbooks by buying more and more locations in the system.

Fifth, part of the deal with Sunoco is a 15-year supply agreement under which SEI will purchase 2.2 billion gallons of gasoline per year. Although not disclosed, we have to wonder whether favorable or at least controlled pricing to SEI

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What Business Is Your Franchisor In?

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is part of that arrangement. This will allow SEI to continue to grow its gross profit margin on gasoline with the consequences to franchisees noted above.

As we've stated in the past, these are very crucial times in the business life of every 7-Eleven franchisee. This is also an existential moment in the 40-year history of the National Coalition. It is vitally important now, more so than it has been in

at least the last 15 years, that the National Coalition, every FOA and every franchisee be focused laser-like on a single and solitary goal: achieving a fair and balanced 2019 franchise agreement, which is the product of transparent, good faith collaborative negotiation, and which allows every franchisees to attain a fair reward for their investment and hard work on behalf of the brand.

"It is vitally important now—more so than in at least the last 15 years—that the National Coalition, every FOA and every franchisee be focused laserlike on a single and solitary goal: achieving a fair and balanced 2019 franchise agreement."



lion in retail sales, predicts C2G. • Americans overwhelmingly say that low gas prices are good for the economy (84 percent) and that gas prices would have to increase by more than \$1 per gallon before they cut back on driving, according to results of the NACS Consumer Fuels Survey. • Pizza chain **Domino's** has teamed with Starship Technologies to test pizza delivery by robot in Hamburg, Germany this summer, reported TechCrunch. If all goes well there, Domino's and Starship intend to bring robot pizza delivery to the Netherlands as well. • Amazon plans to sell beer and wine from its new Seattle automated **convenience store**, reported Recode. Dubbed Amazon Go, the store concept allows shoppers to grab prepared food and drinks off of shelves and automatically be billed without stopping to pay on the way out. • Kraft Heinz

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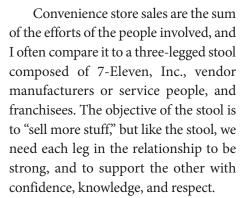
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THE THREE-LEGGED STOOL

VICE CHAIRMAN NCASEF • PRESIDENT, EASTERN VIRGINIA FOA



I would like to thank our vendors, first for providing us with all the fine products we sell in our stores, and second for your ongoing support of the National Coalition and our local FOAs. We all know we can't live without the incremental sales from the new products you provide as well as the core products that form the elementary part of our businesses. Likewise, without your support of our FOAs we could not exist or do the work we do in our communities to make connections and get to know our customers. We also would not have the resources to participate in the legislative activities that protect our customers and our businesses.

When we all work together, and we are committed to supporting each other, we succeed. If we sell more products, you sell more products. In return we all gain more gross profit. Even SEI is happy in this scenario.

Some vendors participate with our FOAs very proactively, as they under-

ROMY SINGH CAN BE REACHED AT 757-506-5926 evafoa@gmail.com

stand what FOAs can give in return. They understand that franchisees are

the real decision makers at store level who sell their products. They realize that franchisees decide what products need to be carried and what products need to be deleted. Do we use SEI's approved product recommendations? Absolutely we do. It's

"I WOULD LIKE TO **THANK OUR VENDORS, FIRST** FOR PROVIDING US WITH ALL THE FINE **PRODUCTS WE SELL** IN OUR STORES, AND SECOND FOR YOUR **ONGOING SUPPORT** OF THE NATIONAL **COALITION AND OUR LOCAL FOAS."**

the first level in accepting your product into our stores. If SEI merchandising sees value in your product, franchisees are almost always willing to give that product a try. In the end, if we see value in your product, we will reorder it.

Likewise, FOAs are a good place to test non-approved, non-recommended products. If a product is not recommended, and you can get a group of

"FOAs are a good place to test non-approved, non-recommended products.'



franchisees in a local FOA to try it, when you are successful you as a vendor have the opportunity to show those positive sales numbers to SEI and potentially get your product approved. In the meantime, all franchisees can purchase and sell non-approved, non-recommended items as part of our contract. We are the "real buyers" in our stores.

Sometimes vendors see the ups and downs in the other leg of the stool, the franchisor/franchisee relationship, which is more like a husband and wife. We have a legal contract, we share a bank account, we both have a heavy investment in the relationship, and our future is explicitly tied. Like a couple, we both

have expectations from each other and we must communicate, be transparent, and discuss differences openly. Sometimes we do this well, and sometimes we do not. Like a couple

"When we all work together, and we are committed to supporting each other. we succeed."

we must be positive towards each other, and sit together and talk about budgets and finances often. Franchisees in many cases have invested their life savings in their stores, and we deserve to be treated like investors, like family and like busi-

> ness partners. Together we can grow the business.



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3	Chobani Non-Fat 12ct 5.3oz - Peach	202093	150540	150714
4	Chobani *Flip*™ 12ct 5.3oz - Almond Coco Loco™	579284	151171	150490
5	Chobani Non-Fat 12ct 5.3oz - Black Cherry	205336	150097	151094

*7-Eleven Exchange 13 wks ending 3/19/17, \$ Sales





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



VIXXO MAINTENANCE PRICE INCREASE—THE UPDATE

BY REHAN HASHMI

VICE CHAIRMAN NCASEF • VICE PRESIDENT, ALLIANCE OF 7-ELEVEN FRANCHISEES FOA



While it is certainly true that SEI did not impose the maintenance price increase on existing franchisees back then—for

which we are thankful-we soon realized that all new franchisees and anyone who renewed their lease or renewed their agreement were subject to the increased prices. So it turns out, SEI did successfully place a maintenance price increase on many franchisees.

The original intent was to hold the increase for all franchisees until the service issues were resolved. Joe DePinto had said if the service levels were not met, franchisees would not have to pay a service increase. Now, SEI has decided to increase the maintenance prices for the rest of us, as much as 32 percent in some areas. I want to revisit, point by point, some of the issues I addressed in my original article.

1. Out of Code BIBs. Franchisees claim

that in 95 percent of cases out of code BIBs do not cause a machine malfunction, and franchisees should not be charged the additional \$100 fee. SEI agreed to remove it from the contract, but we haven't seen confirmation that they did. We don't know if any franchisees are still being charged the additional fee for out of code BIB products, but SEI hasn't formally told us that it was done.

- 2. Duct Cleaning. A review of the preventive maintenance scheduled by FM shows semi-annual cleaning of return and discharge HVAC for grills is an SEI expense. In many stores we don't know when the last duct cleaning was performed. It could be decades. Joe DePinto agreed that the service should be part of the regular preventative maintenance program, and to date it is not.
- 3. Signed Work Tickets. Franchisees requested signed work tickets be left in

"SEI HAS DECIDED TO INCREASE **MAINTENANCE PRICES AS MUCH AS 32 PERCENT IN SOME AREAS. BUT ISSUES WE DISCUSSED IN 2015 ARE NOT RESOLVED."**

> stores at the time of service, or be emailed to the franchisee's personal account while the contractor is still in the store. As of today, maintenance contractors still don't have the handheld devices to print the work tickets or the ability to email the invoices to the franchisee's personal email as we requested. We also want to be able to review charges on the Vixxo 24/7 website. This change for paperless work tickets has still not happened. I still have contractors who



"We hope that SEI will work with the National Coalition to resolve maintenance issues and delay the price increase until the renewal of the franchisee agreement in 2019."

don't email invoices. They have a blank tablet and ask for our signature. We don't know what we are signing.

4. Expense Approvals. When equipment breaks down it often takes up to two weeks to repair due to 7-Eleven expense approval delays or because parts are not immediately available. We have seen some improvement in this area, but still have delays in how SEI approves expenses. If something breaks down, the contractor needs to talk to the local DFM. The local DFM then

> has to determine if it makes sense, and nine out of 10 times he does it, but the amount of time it takes varies. If it is a revenue-generating piece of equipment, franchisees can't afford the delays. We can say SEI has made some improvements, but there is still room for improvement.

5. Asset List Update. Franchisees believe the asset list is inaccurate and in many cases overstates the equipment. Some pieces of equipment decommissioned years ago may still be on the list and may be contributing to the cost increase. SEI promised to bring the list up to date by doing a physical audit of the asset list for each store, but the audit has not happened. How can we justify the price increase without knowing the exact number of

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VIXXO MAINTENANCE PRICE INCREASE—THE UPDATE continued from page 43

pieces to be serviced in a given market? pieces of equipment that are essential to 6. P1, P2, P3 Classifications. Franchisees have long believed that these classifications are outdated and don't match our business model. We are a foodservice destination now and certain pieces of equipment are essential for selling fresh and hot foods. If a light goes out in my doughnut case, it is a P5 and they have 30 days to respond! The Wisco unit, where our hot foods are staged, is a P2 priority of 24 hours, and should be a P1, 4 hours. How can we not offer hot foods for 24 hours (or more)? Our open air case, which probably always contains \$500 worth of inventory, is a P2,

24 hours. What are we supposed to do with

the inventory for 24 hours? Most sand-

wiches have a 2-day code. Our condiment

REHAN HASHMI CAN BE REACHED AT 847-845-8477 or rehan711@yahoo.com

warmer, and chili cheese dispenser are all P2. These are revenue-generating successfully selling fresh and hot foods. SEI agreed to revisit these classifications and revise them, but nothing has changed. They should all be prioritized as P1.

7. Vixxo's 24/7 website. SEI and Vixxo want franchisees to use it more, but we are still struggling to log in. Some franchisees have to re-register on the website every 30 days. Since we don't have Internet access in our stores we have asked for an app to track cases from our smart phones, but this has not happened.

We have other issues, such as overbilling. Contractors will check in by making a phone call when they arrive at the store, but they don't have a way to check out. Sometimes they finish working and eat lunch in our parking lot, and we pay \$75 for their lunch break. We need some kind of tracking mechanism at the store level.

To date, SEI has not worked with the National Coalition to resolve these issues,

but we are getting the price increase. We expect SEI to honor their word and hold the maintenance price increase until the issues are resolved. We hope that SEI will work with the National Coalition to resolve these issues and delay price increase until the re"We would also like a holistic review. taking into consideration issues such as minimum wage increases. sugary beverage taxes, declining customer counts and increased competition."

newal of the franchisee agreement in 2019.

We would also like a holistic review taking into consideration issues such as minimum wage increases, sugary beverage taxes, declining customer counts and increased competition. In light of all of this, I think the best thing to do would be to make this price increase part of the 2019 agreement renewal.



THE APP INDUSTRY—IS IT FOR US?



BY NICK BHULLAR VICE CHAIRMAN, NCASEF

It's been nine years since the launch of the famous Apple App Store. Needless to say, a lot has changed since we first heard Apple's pivotal ad campaign motto "There's an app for that." What started off as novelty items-simple time waster games, and clever ways to use your iPhone camera's

flash as a flashlight—have grown into critical parts of the world's economy and digital infrastructure, an integral aspect of day-to-day life, and booming billion dollar busi-

Apps have integrated themselves into nearly every aspect of our lives; we use them for directions on the road, to find places to eat, to find a place to sleep, to find old friends, to adventure in foreign lands and to navigate through the ever-expanding world of content media. The

app in-

dustry has come very far, and very few industries are able to grow as quickly and dramatically. Let's take Evan Spiegel's app Snapchat as a case reference. In May of 2015, users downloaded the app 13 million times and in the month of May 2016, that number doubled to 27 mil-

"STATISTICS SHOW THAT FULLY EN-**GAGED CUSTOMERS, ALSO KNOWN AS BRAND AMBASSADORS, DELIVER A 23** PERCENT MINIMUM OVER THE AVERAGE **CUSTOMER IN THE SHARE OF WALLET.** PROFITABILITY AND REVENUE."

> When Apple first launched the App Store, there were about 20,000 apps. Today, there are about 4 million apps available to consumers. The entire app industry generates some \$56 billion in revenue and that number is projected to hit \$77 billion in 2017. Globally, the mobile phone market and the app market are growing and are likely to continue to grow.

> > continued on page 47

A Freezerful of Frozen Fun!





continued from page 38

offer for Unilever in a bid to build a global

consumer goods giant, but it was flatly re-

jected by the maker of Lipton tea and Dove

Co recently made a surprise \$143 billion

soap, reported Reuters. • German grocery chain **Lidl** is set to open 20 stores this summer in Virginia, North Carolina and South Carolina, reported the *Washington Post*. Within 12 months of opening its first U.S. stores, the company is slated to have 100 locations up and down the East Coast. • 7-Eleven is tied for 9th place among retailers on the 2017 Temkin Experience Ratings, an annual customer experience ranking of companies. The other retailers occupying the #9 spot with a score of 73 percent are Apple Retail Store, Costco, Kohl's, Marshalls, Nordstrom, Rite Aide and Staples. • Illinois state lawmakers are considering a proposal that could make Illinois the first state in the Midwest and the **ninth nationally to legal**ize recreational pot, reported the Associated Press. • A 2010 study by Wayne State University measured the span of smiles on Major League Baseball players from their 1952 trading cards, and found that **those** who didn't smile in their pictures lived an average of 72.9 years, versus 79.9 years for the players who did smile. • Rumor of a BP **takeover** has resurfaced, but this time it's ExxonMobil that's testing the waters, reported the Evening Standard. The U.S. gas giant has recently sounded out BP's major shareholders to gauge their interest in a potential takeover. • Walmart is now offering "pickup discounts" to U.S. shoppers on items they order online and pick up in-store, as it revamps its e-commerce service to close the gap with larger rival Amazon.com, reported Reuters. • UPS recently tested drone delivery launched from a truck, reported CNNMoney. The company used a new electric delivery truck with a drone launchpad atop it. This allows the drone to make one delivery while the human driver makes another. They later rendezvous at another location, where the drone is loaded with a fresh package. • Japan seems to have too many c-stores and not enough workers or customers, reported *Nikkei* Asian Review. Customer numbers are declining because of intensified competition continued on page 50



THE APP INDUSTRY—IS IT FOR US? continued from page 45

Apps are also the reason why we no longer carry around our plastic loyalty cards for grocery stores and pharmacies. Most businesses have caught up to the fact that loyalty programs allow for them to nurture and connect with the consumer. By analyzing customer purchase patterns through the app, businesses can send them the right offers at the right times. Statistics show that fully engaged customers, also known as brand ambassadors, deliver a 23 percent minimum over the average customer in the share of wallet, profitability and revenue. Even if you have doubts about mobile loyalty programs, 86 percent of marketers ranked mobile loyalty campaigns as very effective.

This brings us to our main question, "Is the App Industry a good fit for 7-Eleven?" Well, the answer is yes, very much so. I fully acknowledge that the app space is crowded, however, apps developed using energy, attention and financial resources are proven to be effective. And there is no reason that our 7-Eleven app could not be developed with the same intentions. Many franchisees have given feedback into the de-

"Many franchisees have given feedback into the development of this app, and many changes are being made to the app as a result of those recommendations.

velopment of this app, and many changes are being made to the app as a result of those recommendations. Even though it seems like a long road ahead, we can only achieve our goals by working together on this.

"STARBUCKS CORP, **A PIONEER IN GETTING CONSUMERS TO PAY** FOR PRODUCTS WITH A **MOBILE PHONE, ADDED A FEATURE IN 2015 THAT LETS CUSTOMERS ORDER AND PAY FOR BEVERAGES IN AD-VANCE AND PICK THEM UP WITHOUT WAITING** IN THE CASHIER LINE."

There will be challenges, but there are hardly any businesses without them.

Starbucks Corp, a pioneer in getting consumers to pay for products with a mobile phone, added a feature in 2015 that lets customers order and pay for beverages in advance and pick them up without waiting in the cashier line. Now, 21 percent of transactions in companyowned U.S. stores come from the app, along with its fair set of challenges. In Starbucks's case, as mobile orders and pay became popular, operational challenges came hand-in-hand, such as congestion at the hand-off plain due to high volumes. The congestion resulted in walk-in customers not making a purchase due to the heavy rush, impacting comparable sales negatively. Starbucks Corp, however, has been working relentlessly to improve the app and to resolve the operational issues. As should we!

It's imperative that we (franchisees and corporate) get to the depth of challenges with our 7-Eleven app. I realize that a ton of feedback will have to be provided by franchisees and a ton of work will have to be done on corporate's end, but it's a nec-

essary evil as the app industry is only going to get bigger and bigger. AV

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Dispelling Some ETA Myths

By Pete Gragnano, President, Suburban Washington FOA

We are currently in the midst of one of our franchisor's most extensive initiatives in recent years, Expand The Assortment (ETA). Numerous references have been written about this endeavor in past issues of Avanti, and more are likely to follow in the coming years as it is rolled out to all stores. I can question the increase of 500+ SKUs in our stores or whether we really need 80 breakfast and nutritional bars. I could ask why the implementation of ETA across the system has not been supported in the same fashion or produced the same results as stores located close to headquarters in Dallas. However, I am here neither to speak in favor nor against ETA, as many of my colleagues will. Rather, I am here to dispel some myths about ETA, which I will call the "Magic Bullet" and "Build It and They Will Come."

Last year I received a call from a 10-plus year franchisee who was having equity issues. His seasonal store was being hit by the combined SEI forces of encroachment (too many of our stores in close proximity) which was reducing sales in all of the

stores in the area—and the dreaded expiration of the Master Lease (which caused him to move from a 50/50 split to approximately 52/48 in favor of 7-Eleven). Combine these two internally generated problems with the annual \$1 increases in the minimum wage in consecutive years, along with normal competition from other retailers in his vicinity, and we have a recipe for disaster.

I advised him to secure a Line of Credit from a local bank to avoid using his credit card for cash advances to maintain mini-

"Our franchisor is evidently hoping that our customers will walk around our stores and notice that we have expanded our HABA, groceries, automotive, etc., and go on a buying binge."

The "Magic Bullet"

ETA is being proposed by a number of corporate executives as being the solution to our minimum wage issues; a panacea to cure all ills. This appears to follow the lead of Joe DePinto, who has told the NBLC that he feels stores will be able to "sell their way out" of the unprecedented and dramatic increases in the hourly wages of our employees. While I was once told that "sales solve all problems," such is generally not the case with our

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unique business model. Here's a real life scenario which negates that theory.

mum net worth and to avoid the potential negative consequences of an Equity Building Budget Agreement (EBBA) with our franchisor. He took my advice and secured a \$25,000 credit line.

In January of this year he called to tell me he had exhausted the \$25,000 and was back to where he was a year ago. In speaking with 7-Eleven operations he was offered an EBBA in the short-term and was told that ETA would solve his equity issues in the long-term. Wisely, he has seen that his ship is sinking and has put his store up for sale. A very good operator is now forced to sell his store, despite working 7 days and 80-90 hours per week in an effort to stay in business.



ETA IS BEING PROPOSED BY A NUMBER OF CORPORATE EXECU-TIVES AS BEING THE SOLUTION TO OUR MINIMUM WAGE ISSUES."

In looking at the long-term solution objectively, let's run some numbers. Assume (I know what happens when you assume) that his store operates on a 40 percent Gross Profit margin (an achievable target if your store sales are not heavily weighted towards either cigarette and/or alcohol sales, and has good fresh food and non-alcoholic beverage sales) and that he operates on a 50/50 split (remember, he's at 52/48, but 50/50 makes the math easier). Based on these two assumptions, every \$1,000 in sales yields the franchisee \$200 in gross profit. Therefore, in order to merely make up the \$25,000 credit line the store needs an annual sales increase of \$125,000, or a little over \$10,000 per month.

Based upon his current Situational Analysis (declining sales due to encroachment), the likelihood of achieving continual \$10,000 month-after-month sales increases is slim to none, and Slim has left town. Consequently, ETA as the "Magic Bullet" does not work. As I wrote in a prior Avanti article, it is only one component of a multi-faceted strategy to help franchisees survive increases in the minimum wage.

"Build It and They Will Come"

When ETA was first proposed to franchisee leaders and our vendor partners at a National Coalition meeting several years ago, SEI senior Merchandising management told the audience that we had narrowed our product assortment too much and that our customers were going elsewhere to buy what

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Franchisee Guest Column

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we no longer had on our shelves. Pedialyte was a product cited by Joe DePinto as a staple product that we no longer carried, but should bring back.

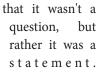
During the Question and Answer session that followed the presentation, I proposed this scenario to the Merchandising

It's 2 am on a rainy night and my wife sends me out to get Pedialyte for the baby. I go to our local 7-Eleven, but they don't have it. I get soaked getting back into the car and proceed to the nearest 24-hour drug store (CVS, Walgreens, etc.) and return home with the Pedialyte. The next time I need Pedialyte in the middle of the night, where do you think I'm going to go?

My question was met with about five seconds of awkward silence, followed by moving onto the next question. Franchisees and vendors around me wondered why my question wasn't answered; namely, how do you tell me that you have Pedialyte back in stock.

The following day I met one of the senior members of the Merchandising team and asked why my question did not get a

> response. I was sheepishly told that it was felt



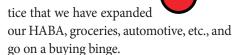
"The last time I looked in the dictionary, 'advertising' was not a four letter word and should be freely used in our business."

Thereafter, I got the answer that I was looking for: "We are going to advertise." This will be done on a store specific basis and could be as simple as a mailing to homes and businesses surrounding the store or placing flyers on parked cars. Other forms of advertising would then complement

In the Baltimore/Washington, D.C. area ETA was done in all of our stores in 2016, yet we haven't seen any of the promised advertising. No flyers. No mailings. Zero. Zip.

WE NEED AN EXTENSIVE **ADVERTISING PROGRAM** THAT TELLS THE CON-**SUMER WE ARE ONCE** AGAIN THE 'ONE STOP' FOR ALL OF THEIR **CONVENIENCE NEEDS.**

Nada. Our franchisor is evidently hoping that our customers will walk around our stores and no-



This theory conflicts with studies done by NACS that indicate the average consumer spends approximately two minutes from the time they enter and then exit a convenience store. If we are banking on someone glancing down an aisle while waiting in line to notice our expanded assortment, we are only kidding ourselves. Some franchisees will be out of business long before they realize any of the financial benefits of ETA.

We need an extensive advertising program (i.e., TV, radio, billboards, etc., as well as via the 7-Eleven App, like the QSRs and

> drug stores that we are competing against) that tells the consumer that we are once again the "one stop" for all of their convenience needs. We

can't afford to wait for the "Build It and They Will Come" theory to achieve the desired results. The last time I looked in the dictionary, "advertising" was not a four letter word and should be freely used in our

We need executive management in Dallas to eliminate their reticence to advertise and we need it now, more than ever. Only our livelihoods are at stake.

This is my opinion and I welcome yours.

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more competition from other industries like supermarkets and drug stores. • PepsiCo Inc. now generates 45 percent of its revenue from so-called guilt-free **products**, which include lower-calorie drinks and items with grains, fruits and vegetables, reported *Bloomberg*. • Retail **leasing** specialists R.J. Brunelli & Co. announced that 7-Eleven has extended its contract with the firm from five New Jersey counties to include Philadelphia, Bucks and Montgomery Counties in Pennsylvania. SEI is seeking 2,800- to 3,000-squarefoot freestanding or end cap units with a 25-foot minimum width in these areas. • Walmart's new Supercenter in Tomball, Texas, includes the company's first rollout of mobile scanning technology, reported CSP Daily News. Customers can use the Walmart Scan & Go app on their smart phone to scan items while

shopping and pay instantly without waiting in the checkout line. • Stumpy's Hatchet House was the first and only hatchet throwing facility in the United States when they opened their doors in April of 2016, and now they are the first and only hatchet throwing **franchise** in the U.S., thanks to the instant success of the hatchet house and inquiries regarding franchising from across the country. • A federal judge has temporarily blocked Seattle's first-inthe-nation law allowing drivers of ride-hailing companies such as Uber and Lyft to

unionize over pay and working conditions, re-

ported the Los Angeles Times. • The total num-

ber of **U.S. restaurants decreased by two** percent from a year ago to 620,807 units, according to The NPD Group. With the decline, restaurant density is at its lowest level in the past ten years, dropping from 1,992 units per million in fall 2007 to 1,924 units per million in fall 2016. • Kellogg Company recently announced it will begin to exit its Direct Store Delivery network in the second quarter, transitioning the DSD-distributed portion of the company's U.S. Snacks business to the warehouse model already used by Pringles and the rest of its North American business. • Wells

Fargo customers can now use their smartphones to withdraw cash from any of the bank's ATMs, reported Reuters. Wells Fargo is the first U.S. bank to roll out cardless ATMs

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Getting The 'Basics' Right

By Greg Addison, Sr. Vice President, The Lewer Companies

Financial Advisors are often asked to express an opinion on the right way to invest and save for retirement. There are literally a hundred or more different variables to consider when answering that question. However, if you get the "basics" right, it's okay if some of the details are a little fuzzy. I don't mean to minimize the

complexity involved with saving for retirement and investing in general. Well ... maybe I do intend to minimize that stuff.

When you read published opinions on this topic you see lots of tactics

discussed, such as: invest for the long-term without market timing; invest globally; be contrarian; allocate to underperforming sectors. Though these tactics are all sensible, they don't represent the "big picture." The "big picture" consists of only three very basic elements, and it isn't rocket science. The most important elements to financial-plan success are:

- 1) An adequate savings rate
- 2) Minimizing truly self-destructive
- 3) Living below your means

That's it—it's not more complicated than that. That's the "big picture" about which too many lose sight. I like Dimensional Fund Advisors' approach; others are attracted to any one of a number of other

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chise owners for thirty years.

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approaches. There's riety of approaches

gressively, conserva-Please Note: This information is not intended to provide specific tax, legal or business advice and may not be relied upon for the purpose of avoiding any tax penalties. • Lewer Financial Advisors is a multi-state registered investment advisor domiciled in Missouri. • Lewer Financial Advisors is a member of the Lewer group of companies. The Lewer Companies have

tively and everything in between. But if you manage the three fundamentals cited above, you can't go wrong.

The first and third are self-evident; the middle criterion—minimizing selfdestructive behavior—is a little more abstract. To me, that suggests things

like chasing the latest investment

fad, a lack of "market courage," paying excessive fees and excessively trading your positions. Yes, I recognize that trading may be part of one of those aforementioned strategies that work for

some people and not for others. It may be fair to re-characterize that middle criterion as minimizing undisciplined behavior. Thus, if your strategy calls for active investment de-

cisions, you can be considered nonself-destructive if you operate according to a clear set of rules rather than on the basis of impulses such as fear or greed or the most recent article you've read.

So it's basic financial science: 1) Save early and often, 2) implement a disciplined strategy that works for you, and 3) live within your means, and "THE MOST IMPORTANT **ELEMENTS TO** FINANCIAL-PLAN SUCCESS ARE:

- 1. An adequate savings rate,
- 2. Minimizing truly selfdestructive behavior.
- 3. Living below your means."

you're well on your way.

Good luck and remember: "It's not how much money you make. It's how much money you keep and how hard it works for you!"—Warren Buffet.

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FOR FRANCHISEES AND VENDORS:

The National Coalition's **Affiliate Member Program**

Twice a year manufacturer representatives in the National Coalition's Affiliate Member Program have a chance to meet with the 92 presidents and vice presidents of the Coalition's 46 Franchise Owner's Associations. Each of the FOAs represent between 15 and 400 franchised stores, and all are located in the 33 states in which 7-Eleven operates stores.

The National Coalition's Board of Directors meets four times per year, and two meetings include an extra two days for an Affiliate Member meeting—one in May, and one in late October/early November. Each meeting includes presentations from the franchise community, SEI corporate executives, and/or industry executives, plus roundtable discussions, breakout sessions, and group social events that provide time for one-on-one networking.

Each FOA brings a president and a vice president to all Affiliate and Board meetings. Each Affiliate Member (and only Affiliate Members) has the opportunity to purchase presentation time at National Coalition Board Meetings to present their latest and greatest products to the Board.

All Affiliate Members receive the National Coalition's FOA list of Presidents and Vice Presidents throughout the country and contact information for these FOA leaders. Each Affiliate Member can have up to two representatives at the meetings. During breakout sessions and roundtable discussions vendor representatives can ask any question and bring up any topic before the group or among individual FOA leaders.



Affiliate Member Signup

If your company has an interest in coming to the October 30-31 Affiliate Member Meeting in Nashville, visit www.NCASEF.com to register as an Affiliate Member. The representatives you designate will then receive an email invite to the meeting.

Board Presentations

If your company would like to present before the National Coalition Board of Directors at the July **16-17** Board Meeting in Las Vegas, contact Meeting and Trade Show Coordinator John Riggio at johnr@jrplanners.com, or 262-275-3086.

2017 AFFILIATE MEMBERS

Franchisees: Call or email the representatives below if you have questions for them or simply want to speak to a representative from their company.

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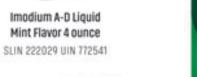
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SLIN 221105 UIN 613299



Oral Care Mist Cool Mint 7.7ml 1 count

ZYRTEC

Benadryl

ALLERGY

SLIN 220016 UIN 144931



Listerine Antiseptic Cool Mint 250 ml

SLIN 220412 UIN 575043

Zyrtec Allergy 24hr 10mg Tablets (Individual Blisters) 3 count



Visine A Eye Allergy Relief Antihistamine & Redness Reliever Eye Drops .5 ounce

SLIN 222195

UIN 237396

Benadryl Allergy Ultratab Tablets 24 count SLIN 220108 UIN 312520







Dbl PB Bites SLIN:306117 8/60z McLane 421438 Core-Mark 433406



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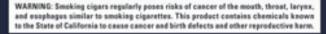








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Member News

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uct assortment with the store's customer preferences, it offers many proprietary and private-label items, and it has assembled a "restaurant-quality" team that is introducing more fresh foods to the chain.

Walmart Unveils Silicon **Valley Tech Incubator**



Walmart is creating a technology-startup incubator in Silicon Valley to

identify changes that will reshape the retail experience, including virtual reality, autonomous vehicle and drone delivery and personalized shopping, reported Bloomberg. The incubator which will be called Store No. 8 in a

reference to a Walmart location where the company experimented with new store layouts—will partner with startups, venture capitalists and academics to promote innovation in robotics, virtual and augmented reality, machine learning and artificial intelligence. The com-

pany said the goal of Store No. 8 is to have a fast-moving, separate entity to identify emerging technologies that can be developed and used across Walmart.

Gas Stations Chosen Based On Food Quality

Americans are increasingly seeking out fueling locations based on the quality of the food associated with the gas station, according to new national survey results released by the National Association of Convenience Stores. While survey results show that gas price is still the

primary determinant in selecting a station, an increasing percentage of consumers say that the quality of items inside the store dictates where they buy fuel. In fact, one in seven drivers (16 percent) say that the in-store offer is driving their fueling decision, a 5-point increase since 2015. A majority (51 percent) of American drivers still say that the gas price is the reason that they prefer a specific store or chain, but that is a 6-point drop over the past two years.

The survey also reveals that fueling customers also are going inside the store more: 42 percent of those fueling up also went inside the store, a 7-point jump from two years ago. For those going inside, the most popular reasons were to pay for gas at the register (50 percent), buy a beverage (45 percent) or buy a snack (36 percent). More than one in five

"NACS new national survey says Americans are increasingly seeking out fueling locations based on the quality of the food associated with the gas station."

> (22 percent) say they used the rest room. Overall, 8 percent say they bought a sandwich or meal, and that percentage jumps to 13 percent for younger consumers ages 18 to 34.

Verifone Security Breach

Electronics payments company Verifone Systems is investigating a breach of its internal networks that appears to have impacted a number of gas stations and convenience stores running its point-ofsale card terminals, reported Reuters. According to KrebsOnSecurity, which

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across its entire network. • The global con-

fectionery market was valued at \$184,056 million in 2015, and is projected to reach \$232,085 million by 2022, growing at a CAGR of 3.4 percent from 2016 to 2022, according to a new report by Allied Market Research. The chocolate confectionery segment dominated the market in 2015 with more than one-third revenue share. • Houston is now home to the nation's largest fully automated coin-operated car vending ma**chine**, reported *Stores Magazine*. Operated by Carvana, it stands eight stories tall and **stores up to 30 cars at one time**. Customers can purchase their car online and opt to pick it up at the car vending machine or have it delivered to their home. • Several retailers—including Best Buy, L Brands and Wal-Mart—have cited the Internal Revenue Service's delay in issuing refunds to lowand middle-income families as a factor in slowing store traffic and sales in February, reported CNBC. • General Motors is said to be readying a massive fleet of automated **electric cars** for a test program with ride-hailing affiliate Lyft, reported Forbes. Starting in 2018, GM intends to deploy thousands of automated Bolt hatchbacks in what could be the largest such test fleet in operation. • Dunkin' **Donuts** recently announced the signing of multi-unit store development agreements with two franchise groups to develop a total of 12 Dunkin' Donuts restaurants in North Carolina over the next several years. • Pennsylvania-based c-store chain **Wawa** recently began rolling out the **mobile ordering** feature on its app, allowing customers to get their made-to-order hoagies—and basically any other menu item normally available on the **touch screens** in Wawa stores—much faster, reported *PhillyVoice*. • New research from the CVS Health Research Institute states that the company's decision in 2014 to remove tobacco from its pharmacy stores has reduced cigarette purchases nationwide. Find-

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ings also show that those who had purchased

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Tropicana Ambient 100% Orange Juice 32 oz. SLIN 240149

Tropicana Ambient

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100% Apple Juice 15.2 oz.



Legislative Update

the Supreme Court to reject the appeal without a hearing. They said the accord was unfair because it stripped them of their right to sue Visa and MasterCard over fee practices that weren't addressed in the settlement.

Proposal To Increase NY Lottery Commission

New York State Senator Tony Avella recently spearheaded a bipartisan effort to help offset the rising costs of New York Lottery retailers by adjusting their compensation rate

for the first time in 50 years, the New York Association of Convenience Stores (NYACS) announced. Backed by a

bipartisan group of his Senate colleagues, Senator Avella aims to increase the retailer's commission from the current 6 percent of the face value of tickets sold to 8 percent in order to reflect higher costs associ-

"NY State Senator Tony Avella aims to increase the retailer's commission from the current 6 percent of the face value of tickets sold to 8 percent in order to reflect higher costs associated with selling lottery tickets."

and win this issue's total. NCASEF Members only.

ated with selling lottery tickets. He has introduced a bill, S.5108, to achieve that. There are 17,700 licensed New York Lottery agents statewide, and together these small businesses have helped build New York Lottery into a \$9.6 billion-a-year enterprise, NYACS said.

NY Surcharge Ban Must Not Violate Free Speech

The U.S. Supreme Court recently ruled that a New York law intended to crack down on credit card

surcharges must not violate merchants' free speech rights, reported USA *Today.* In a unanimous but narrow ruling by Chief Justice John Roberts, the court said the law can be challenged in lower courts based on whether it restricts the way merchants advertise prices. That bolsters the effort mounted by New York merchants who

argued that they should be able to re-

cover the costs of credit card swipe fees by posting the cash price of a prod-

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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,

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continued from page 64 cigarettes exclusively at (P) CVS Pharmacy were **38**

percent more likely to stop buying them altogether. • Fast-food chain Wendy's plans to install self-ordering kiosks at about 1,000 locations by the end of the year, reported the Associated Press. A typical location would have three kiosks, and higher-volume restaurants will be given priority. • Swisher Interna-

tional Inc. recently announced the appointment of Bill Dunn to Vice President, Industry Relations. Formerly Vice President of Field Sales, Bill has held more than 10 different positions of increasing responsibility within the organization spanning a 35-year career, the company said. • Allstate Insur-

ance recently released a new account-specific skill for Alexa devices like the Amazon Echo that allows customers to ask **Alexa** for help finding the due date on their next bill or what the minimum amount due might be. For general consumers, Alexa can assist with locating the nearest Allstate agency office by zip code.

• Each industrial robot introduced between

1990 and 2007 led to the loss of 6.2 jobs, reveals a paper from the National Bureau of Economic Research. Wages also saw a slight drop of between .25 and .50 percent per 1,000 employees when one or more robots was added to their workforce. • MillerCoors and IPG Media Lab have partnered with ondemand alcohol delivery service Drizly to develop a branded **Amazon Dash button** for 500 customers, as well as an Amazon Alexa skill with the trigger phrase "Start Miller Time," reported MediaPost.com. • Bottled water surpassed carbonated soft drinks in 2016 to become the largest beverage category by volume in the U.S., according to the Beverage Marketing Corporation. Last year, total bottled water volume grew nearly 9 percent and Americans consumed an average of 39 gallons of bottled water compared to 38.5 gallons of carbonated soft drinks. • With retail foot traffic falling 12.3 percent in the last two months of 2016, and online sales rising

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NTRODUCING ATERMELON LEMONADE



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uct and a surcharge for buying on credit—but not the higher credit card price.

Under the state's law, a merchant can advertise a \$10 cash haircut and a \$10.30 credit card haircut, or it can advertise the \$10.30 price and a cash "discount." But it cannot post only the \$10 price and a 3

"In NY state a merchant can advertise a \$10 cash haircut and a \$10.30 credit card haircut, or advertise the \$10.30 price and a cash 'discount,' but it cannot post only the \$10 price and a 3 percent or 30-cent credit card surcharge."

percent or 30-cent credit card surcharge. The state Court of Appeals upheld the law as a price regulation, but Roberts said it regulates speech instead, since all the prices are the same. He sent the case back to a federal appeals court to be tested under the First Amendment. "The law tells merchants nothing about the amount they are al-

lowed to collect from a cash or credit card payer," Roberts wrote. "Sellers are free to charge \$10 for cash and \$9.70, \$10, \$10.30 or any other amount for credit. What the law does regulate is how sellers may communicate their prices."

PA Bill Would Allow C-Stores To Sell Hard Liquor

A Pennsylvania lawmaker recently introduced a bill in the state legislature that would allow convenience and grocery stores to sell hard liquor in addition to wine beer, reported KDKA-2 CBS Pittsburgh. Under the bill proposed by Rep. Mike Reese, which now awaits a vote by the full House

Legislative Update

of Representatives, any of the state's 11,234 restaurants, bars, convenience stores or grocery stores with an "R" license from the Liquor Control Board could buy a \$2,000 permit to sell up to three liters—usually four bottles—of hard

liquor to a consumer. A companion bill was introduced in the state Senate by Pennsylvania Sen. Randy Vulakovich. Governor Tom Wolf said he does not sup-

port this measure, at least until the state has fully implemented the liquor reforms of last year.

Kansas Allows Stronger Beer In C-Stores

The governor of Kansas recently signed a new law allowing the sale of stronger beer in convenience stores in two years, reported the Wichita Eagle. The State Legislature approved the measure earlier in April. It's a significant shift in the way the state regulates alcoholic beverages, according to the article. The bill was touted as a compromise between big box stores and some liquor stores in response to changes in alcohol laws in neighboring Colorado and Oklahoma. The House substitute for SB 13 will allow convenience and grocery stores to sell beer with an alcoholic content of 6 percent by volume starting in April 2019. Those stores now can sell only beer with an alcoholic content of 3.2 percent by weight. The change does not include

California To Increase Gas Tax

California legislators are close to passing a bill that raises gas taxes by 12 cents a gallon and creates a new annual fee for vehicle

owners in order to pay for a \$52 billion infrastructure plan, reported The Hill. Supporters of the bill said the average driver would pay about \$10 more per month in fuel taxes, and most drivers will pay between \$25 and \$50 annually to license vehicles valued under

"California legislators are close to passing a bill that raises gas taxes by 12 cents a gallon and creates a new annual fee for vehicle owners."

> \$25,000. Most of the money generated by the gas tax hike, about \$33.7 billion, will pay for a backlog of infrastructure repair projects that has grown to \$130 billion.

WV Gov Proposes Tobacco & Soft Drink Taxes

After lawmakers pushed back on his original 2017-18 West Virginia budget plan, Gov. Jim Justice unveiled in late February a second version that reduces proposed increases in sales taxes, gas taxes and business gross receipts taxes, and makes up some of the difference with higher tobacco taxes and a tax on sugary soft drinks, reported the Charleston Gazette-Mail. Justice announced his "Better Health Initiative for West Virginia" on February 27, which would impose a 1-cent-per-ounce tax on sugary soft drinks to raise \$85 million, and a 50cent-per-pack increase on cigarettes to raise \$47.8 million.

Justice said health advocates had convinced him the increases would not only raise revenue, but would help improve the health of residents. The soda tax would not apply to sugar-free beverages, and would not change the 1-cent soft drink tax that helps support the West Virginia University School of Medicine. Justice's new plan also retains increases in

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FASTEST GROWING NATURAL LEAF CIGARILLOS





Legislative Update

to raise \$5.6 million for tourism promotion.

Conn Legislature Considers Raising Tobacco Age

The Connecticut General Assembly is considering a bill that would raise the legal age for buying and using tobacco products from 18 to 21, reported

"Connecticut and North Carolina would be the third and four states nationally to raise the smoking age to 21."

General Assembly's Public Health Committee heard public testimony recently on the bill. A 2015 study by the Centers for Disease Control and Prevention reported that 75 percent of all Americans, and 70 percent of all smokers support raising the

WNPR News. The

age to 21. If the bill becomes law, Connecticut would be the third state behind California and Hawaii to raise the age of tobacco sales to 21.

Indiana C-Stores & Lawmakers Clash

Indiana convenience stores are trying to block a proposed \$1 per pack cigarette tax hike, reported WIBC-TV. House Republicans' tax proposal was the main focus of attention as a Senate committee conducted the first of seven hearings on a new state budget in early March. The Indiana Grocery and Convenience Store Association warned that would be "devastating" to its members

wholesale liquor prices and beer taxes because Indiana would lose its price advantage over neighboring states. An extra dollar a pack would put Indiana essentially even with Illinois and Michigan, and 40 cents more expensive

> But the Indiana Chamber said smoking drives up business health costs by \$3 billion a year, with another \$3 billion evaporating due to lost productivity. Senate Republicans have been skeptical of the cigarette tax hike, warning you can't assume it'll keep bringing the same amount of money.

NC Bill Seeks To Raise Tobacco Purchase Age

A new bill in the North Carolina legislature would raise the minimum age to purchase tobacco and nicotine products to 21, reports the North State Journal. Current state law is 18 years old. The bill also includes raising the age limits on cigarette wrapping papers and vapor products. It makes an exception for people age 18 to 20 who are serving in the armed forces. According to the article, lobbying efforts to raise the minimum age for tobacco began in earnest in 2005 and have led mostly municipalities to enact higher age lim-

> its, with 220 cities passing them across the country. Hawaii and California raised the tobacco age to 21 in recent years. Currently in North Carolina, a law passed in 2013 to ensure statewide uniformity prevents local governments from

making their own ordinances governing the sale of tobacco and tobacco-derived products.

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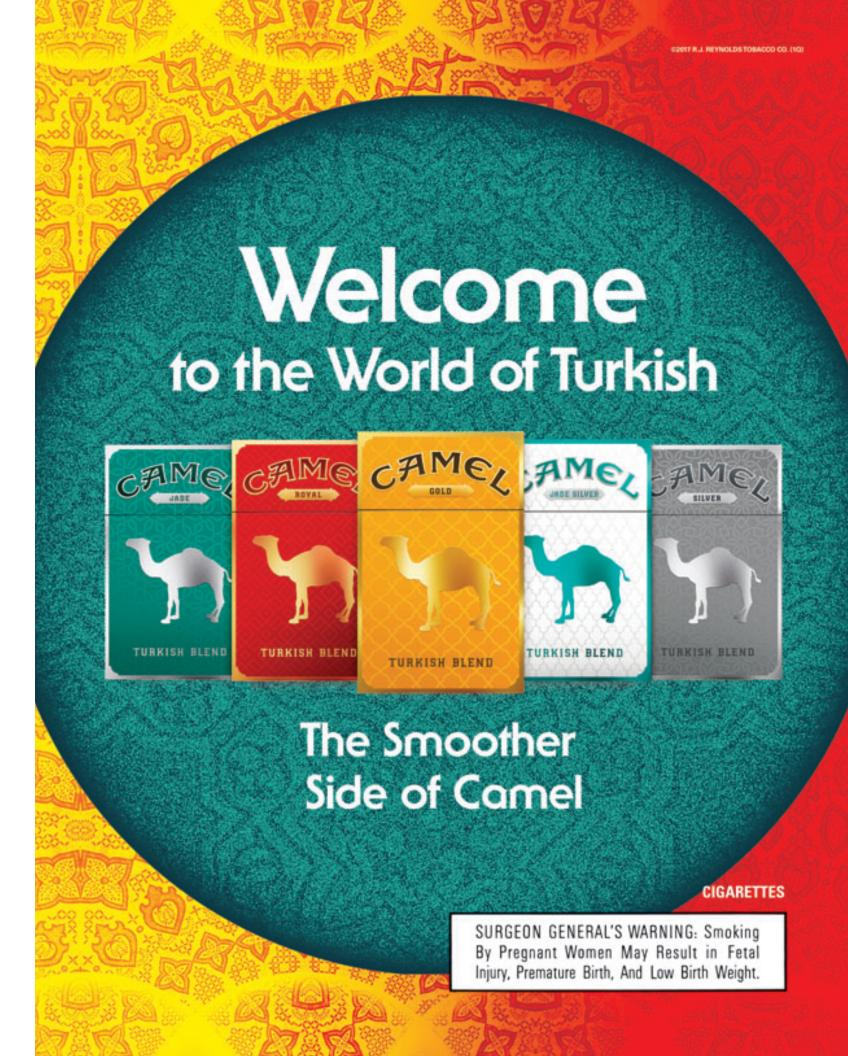


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12.6 percent, many malls are adding

Amazon's yellow lockers as a way to attract more customers, reported the *Philadelphia* Daily News. • Sandwiches, burgers and other handheld items account for nearly one out of every four dollars spent in the foodservice channel in 2016, totaling just over \$205 billion in sales, reveals a new Technomic study. • Walmart Canada recently launched grocery home delivery for customers in the Greater Toronto Area. Customers living within select regions in Toronto, Etobicoke and Mississauga can now have their grocery orders delivered right to their door. • A bill introduced recently in the **Colorado Senate** would open the door for home-delivered recreational and medical marijuana in the state. • Swisher Interna**tional** recently announced the expansion of its international sales team to include Stephan Qarimi as an International Market Manager and Director of Travel Retail. Qarimi will focus on marketing Swisher products that are currently distributed in more than 60 countries as part of the company's global vision. • Jaguar and Shell have teamed up to launch the world's first in-car payment system. Owners of the Jaquar XE, XF and F-PACE in the United Kingdom can now use PayPal or Apple Pay via their car's touchscreen to pay for fuel at Shell service stations. • The size of the average grocery store has grown by more than 7,000 **square feet** in the past 30 years, and the additional perimeter square footage has been filled with a wider variety of fresh items such as local produce, organic options and more readymade and pre-cut items, reported Fortune. • C-Store chains QuikTrip and Sheetz have ranked onto the 2017 Fortune 100 Best Companies to Work For list, with QuikTrip coming in at #68 and Sheetz landing at #87. This list, now in its 20th year, recognizes companies that have exceptional workplace cultures. • GPM Investments LLC recently signed an agreement to acquire Mountain Empire Oil Co. Inc., operat-

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Midwest FOA Donates Funds To Chicago Police Federation

The Midwest FOA, with the guidance and support of Charlene Brandt (Regional Manager of Governmental Affairs, Heartland Zone), represented by its president Jim Bayci and Board member Joe Rossi, presented the Chicago Police Federation with a



\$10,000 donation on April 5, 2017. 7-Eleven's "Working with Chicago

Law Enforcement Special Luncheon" was hosted at the Palmer House Hotel. The Heartland Zone asked for support from the Zone FOAs to match SEI's \$5,000 donation. The MWFOA proudly matched the \$5,000 and, along with SEI, presented a \$10,000 check to the Chicago Police Federation.

Just days after the check presentation, four stores in downtown Chicago were robbed. Within three days, the Chicago Police Department, working closely with the local 7-Eleven team, solved the rob-



beries and arrests were made. The Midwest FOA encourages all franchisees to support your local police departments.

"About 20 percent of shoppers went online to purchase groceries in 2016, more than half of those on and 22 percent at traditional

Amazon Prime grocers."

in 2015. However, more than half of those online grocery shoppers turned to Amazon Prime while 22 percent turned to traditional grocers' online offerings, according to data from Nielsen.

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first reported on the breach, a "source said his employer shared with the card brands evidence that a Russian hacking group known for targeting payment providers and hospitality firms had compromised at least a portion of Verifone's internal network." KrebsOnSecurity also stated the source said "Visa and Master-Card were notified that the intruders appeared to have been inside of Verifone's network since mid-2016."

Supermarkets Expanding Delivery

Big food retailers are expanding grocery delivery services, hoping to dissuade customers from defecting to online rivals like Amazon, reported Market Watch. Grocery heavyweights including Walmart, Kroger and Meijer are broadening delivery areas across the country and the

ways in which customers get their groceries. Meijer recently started delivering groceries in the six Midwestern states—Illinois, Indiana, Kentucky, Michigan, Ohio and Wisconsin—where its 230 stores are located. About 20 percent of shoppers went online to purchase gro-

ceries in 2016, compared with 16 percent

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Philadelphia Soda Tax Reduces Sales

Philadelphia's new tax on sweetened beverages is already taking a toll on drink distributors and grocers, with some re-

porting sales drops of as much as 50 percent, reported Bloomberg. Philadelphia became the first major U.S. city to implement a softdrink tax when it approved a levy of 1.5 cents per ounce on sweetened beverages in June, almost doubling the price of 12 packs of cans and two-liter bottles.

Canada Dry Delaware Valley—a local distributor of Canada Dry Ginger Ale, Sunkist, A&W Root Beer, Arizona Iced Tea and Vita Coco—said business fell 45 percent in Philadelphia in the first five weeks of 2017, compared with the same period last year. Total revenue at Brown's Super Stores, which operates 12 ShopRite and Fresh Grocer supermarkets, fell 15 percent at its six retailers in the city. In March, Pepsi pulled 2-liter bottles and 12packs of its products from Philadelphia grocery store shelves over the city's new tax, saying it wants to offer products and package sizes working families can better afford, reported the Associated Press.

Dollar General Expands Fresh Produce

Discount chain Dollar General plans to greatly increase the number of cooler doors in many of its stores and expand the offering of fresh produce to additional locations, re-Supermarket ported News. The company said it would more than double

"Target is redesigning its stores with a separate entrance for customers looking for small grocery items."

"Excentus' survey report found 37 percent of consumers prefer fuel discounts over credit card rewards. coupons, retailer points and instant discounts at the cash register."

> the number of cooler doors, to a total of 34, in 300 traditional Dollar General locations this year. The expansion is based on knowledge obtained from the conversion of the Walmart Express stores that it had acquired and converted to the DG Plus format, which features fresh meat and produce. In addition, Dollar General plans to begin testing an assortment of fresh produce in certain locations that it is remodeling, and open about 1,000 stores in 2017—including about 160 smaller-format stores of 6,000 feet or less, which have proven to be successful over the past two years. It expects to have 250 such locations by year-end.

Target Redesigns Stores For Convenience

Target is redesigning its stores in order to help customers who need to dash in for small grocery items get out quickly, reported the Associated Press. The redesign

will also encourage those who want to wander the aisles to linger. The new layout will feature a separate entrance and 10-minute parking for shoppers looking to pick up an online order or some essentials. New center aisles will be curved rather than squared off, to inspire people to explore.

The first of the redesigned stores will open in suburban Houston this fall. About 40 more stores will get the remodel treatment by October, using the Houston prototype as a template. More than 600 of Target's

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ing as Roadrunner

Markets, including

all 92 convenience stores with fuel sales and seven quick-service restaurants located in North Carolina, South Carolina, Tennessee and Virgini, reported Convenience Store Decisions. • Overall domestic retail sales for re-

frigerated coffee creamer products approached \$2.5 billion in 2015—an increase of more than 4 percent, reveals a new study by market research firm Packaged Facts. The share of households consuming three or more containers per month is at a five-year high of 12 percent. • Dollar General has announced plans to build the company's 16th distribution center in Amsterdam, New York, located in Montgomery County. The company said the project is expected to create 430 new jobs, and construction on the facility should begin in late spring 2017 with a planned completion date in fall 2018. • Pharmacy Chain CVS re-

cently announced it will fund \$10 million in new and expanded partnerships and programs to launch the second year of **Be The First**, the company's five year, \$50 million commitment to help deliver the nation's first tobacco-free generation. • Chick-fil-A. Chipotle Mexican Grill, and Hardees deliver the best customer experience in the fast food industry, according to the 2017 Temkin Experience Ratings. • White Castle is the first and only fast food organization in the United States to become an official partner of **USA Luge** and title sponsor of the offseason recruitment program—the White Castle USA Luge Slider Search. • Now even the tradition-bound funeral industry offers one-stop services with a simple and convenient online platform: Taiwan-based 51 People Commitment, an online "convenience store" for end-of-life services and the very first in the world utilizing mobile internet technology, officially went online on March 15. • About a third of 45- to 65-

year-old Americans say they'll work

part-time in their golden years and 4

continued on page 80







22451 @Ben 8º Jerry's Homemade, Inc. 2017 Cows. @Woody Jackson 1997.





1,800 total locations are scheduled for updates over the next three years. It expects the remodeled stores to see a 2 percent to 4 percent sales bump. The remodeling is a key part of Target Corp.'s strategy to win back shoppers and rev up sales.

Couche-Tard's Third Quarter Earnings Rise

Circle K parent company Alimentation Couche-Tard recently reported net

SPECIAL NACS **Membership Offer** FOR NCASEF MEMBERS

The National Association of Convenience Stores (NACS), in partnership with the National Coalition of Associations of 7-Eleven Franchisees, is now offering a special membership to NCASEF members at the **reduced price of \$40**—an 80 percent discount off of the starting membership rate of \$200. The NCASEF NACS Membership Program offers industry-specific programs and services, as well as traditional association benefits to help you compete and succeed. The benefits of the special NCASEF NACS Membership Program include:

- Discounts to all NACS events.
- Discounts on all NACS training, educational, and operational products.
- Access to NACS Help Desk, an information resource that provides answers to retailer member questions and facilitates greater industry connections.
- Full voting rights as a NACS Domestic



- NACS Daily News e-newsletter.
- Potential for consideration as NACS Board or Committee Member.
- One copy of NACS Magazine (monthly publication).
- Congressional and federal agency representation through the NACS Government Relations team.
- And more!

To sign up, all you need to do is complete the one-page membership application distributed by your FOA and scan and e-mail, fax, or mail it to NACS.

If you have questions about NACS membership for NCASEF members, please contact NACS Vice **President of Member Services Michael Davis at** mdavis@nacsonline.com or (703)-518-4246. You may also contact NACS Retail Membership Manager, Eboni Russell, at erussell@nacsonline.com or (703) 518-4271.

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"Circle K parent company Alimentation Couche-Tard reported higher net earnings of \$287.0 million for the third quarter of fiscal 2017."

earnings of \$287.0 million for the third quarter of fiscal 2017 compared with \$274.0 million for the third quarter of fiscal 2016. The company also reported that same-store merchandise revenues increased by 1.9 percent in the U.S. and by 2.5 percent in Europe, but decreased by 0.9 percent in Canada. Merchandise and service gross margin decreased by 0.4 percent in the U.S. to 32.9 percent, and by 1.4 percent in Europe to 42.5 percent. In Canada, gross margin increased by 1.4 percent to 33.8 percent. Couche-Tard said same-store gasoline volumes grew 2.8 percent in the U.S. and 1.8 percent in Europe, but decreased by 0.8 percent in Canada. The company further reported that 278 sites acquired from Imperial Oil were successfully integrated into its network in Ontario and Quebec during the third quarter.

Massachusetts Gas **Stations Disappearing**

U.S. Census Bureau figures reveal that the number of Massachusetts gas stations dropped 12 percent between 2005 and 2014, reported the Boston Globe. In Greater Boston, the drop was 14 percent. There are several reasons behind the decrease. Some mom-and-pop operations have been squeezed out by bigger suburban stations. Also, stricter environmental standards have prompted some stations to close rather than pay for expensive equipment upgrades. But per-

continued on page 80





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Intere\$ted In \$aving Money On Your Expen\$e Line?

"When you take April 18 has come and gone, and most of us had to write

The United States Government wants to give YOU tax credits that could be used to reduce the amount of income tax you pay. When you take advantage of the Work Opportunity Tax Credit (WOTC) program, you may receive tax credits that can be used to offset income tax due to the IRS.

a check to Uncle Sam to pay our taxes. Are you interested

in reducing the amount you pay on Tax Day?

How does this program work? New employees that are qualified within 28 days of hire can generate these credits. To qualify employees, SEI has engaged a company, Neon Workforce Technologies, Inc.—also known as TaxBreak—to simplify the process. Once you have completed a power of attorney giving Neon the ability to research your payroll

records through SEI, all you have to do is have your new hires fill out IRS Form 8850 and a tax credit information form. You will then fill out two lines of information about the employee and mail this in-

advantage of the WOTC program. you may receive tax credits that can be used to offset income tax due to the IRS."

Vice President, Greater Oregon FOA forms to your CPA/accountant, and the amount generated will be deducted from the income

tax owed to the IRS.

By By Bill Huffman Co-Chair, NBLC

> What is the cost of this service? Neon only charges you for credits generated by your state. So if you sent in 20 applications and only 5 of them generated credits, you will only pay for those five. Neon charges 10 percent of the tax credits you receive.

This is a rock bottom cost within this industry.

Since this is a federal program that is administered by the state governments, some of the credits take a long time to generate. However, the credits are usable for up to twenty years.

How much can you save? While every store will be different, my two stores have consistently generated in excess of \$13,000 a year for the last five years. As we face operational costs that never go down, this is a way to save some money, and best of all the time it takes is very

Keep in mind that this is not a quick fix. In March of this year, I received additional credits for tax years 2011, 2012, and 2014 that total over \$8,000. This amount may be used for future tax expenses, or I have the option of redoing my tax returns for those years.

> Only 6 percent of franchisees are taking advantage of this program! If you are part of the 94 percent who are not, I urge you to sign up TODAY! All of the forms are on the

ISP, and help is available from TaxBreak at (256) 399-0236. If I can be of any help, please email me at coosbay7eleven@yahoo.com, I will do my best to assist you.

TAKE ADVANTAGE OF WOTC Look for the WOTC Taxbreak forms on your ISP, or call TaxBreak at (256) 399-0236.

BILL HUFFMAN CAN BE REACHED AT (540) 290-0331 or COOSBAY7ELEVEN@YAHOO.COM

"SEI HAS ENGAGED A COMPANY. NEON WORK-FORCE TECHNOLOGIES. INC.—ALSO KNOWN AS TAXBREAK—TO SIMPLIFY THE PROCESS."

formation to TaxBreak. We now also have a portal on the ISP in the Hire Right section, so if you choose to automate this process, you have that option.

Once TaxBreak receives the information, the employee is vetted and applications are sent to your local state government for approval. When approved by your state, Neon will send the information back to you. You then take the

YOUR

State and local decision makers continue to target adult tobacco consumers, retailers, and wholesalers with excessive taxes and unfair policies, such as retail bans and advertising restrictions.

Our People | Our Brands | Your Success

For more information, contact your AGDC Representative or visit tobaccoissues.com



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haps the main factor for the decline: the soaring value of real estate. Especially in urban settings, land has become so valuable that it has enticed many station owners to sell, given that the profit margins of selling fuel tend to be slim.

Millennials Driving **Better-For-You Snacking**

Millennials have been the driving force behind the growth of the betterfor-you snack category, reveals a new national study by Amplify Snack Brands, Inc. and the Center for Generational Ki-

"Better-for-you choices, driven by millennials, are now sought after by a mainstream audience, according to a new report."

netics. Thanks to these health conscious and influential consumers defining both how we snack and our expectations of those snacks, better-for-you choices are now sought after by a mainstream audience, the report states. The national research revealed that healthier snacks have become widely available across the country, break the income barrier, and are being held to the same standards of universal taste appeal as their conventional products. The result: healthy is the new normal.

Among the findings of the study: • 78 percent of Millennials describe better-for-you snacks as tasting the same or better than traditional packaged snacks.

- 64 percent of Millennials, more than any other generation, believe that fewer ingredients mean a snack is healthier. In addition, 79 percent of Millennials said that understanding all the ingredients increases their level of trust in a packaged
- More than any other generation, Millennials will try a better-for-you snack based solely on an online rating, review, or social media post.
 - •. The majority (69 percent) of Millennial moms say their kids understand that some snacks are healthier than others and 55 percent say their kids are more likely to choose a better-you-snack over another packaged snack.

Amazon Delays Opening Of Automated C-Store

amazon

Amazon is postponing the opening of its

Amazon Go convenience store because of technical issues, reported Business Insider.

The cashier-less convenience store was scheduled to launch in Seattle at the

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VANTS YOU!

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.

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time job, changing the very meaning of retirement, according to an Ipsos/USA TODAY survey. • Between 2005 and 2014, Americans consumed 19 percent less beef, avoiding an estimated 185 MMT of climate-warming pollution or roughly the equivalent of the annual tailpipe pollution of 39 million cars, according to a new study by the Natural Resources Defense Council. • Environmentally-responsible dry cleaning franchise **OXXO Care Cleaners** recently launched its OXXO Mobile app, which allows customers to track information about the status of their orders, request pick-up and delivery, and locate a nearby OXXO Store, among other options. • Mama Gaia—a fast casual, organic, vegetarian restaurant con**cept**—recently opened for business in Memphis, Tenn. The couple behind the pioneer concept was inspired when they found a lack of restaurants offering affordable organic and vegetarian menu choices that are served quickly. • Domino's Pizza recently celebrated the grand opening of its 14,000th store in Cyberiava, Malavsia, outside of the nation's capital of Kuala Lumpur. • Museum of Ice **Cream** recently claimed downtown Los Angeles' burgeoning art district as its highly anticipated second location. Open from April 22 until May 29, interactive highlights include a "banana split" comprised of ten thousand "bananas, a melted popsicle jungle, and more. • Alexandria-based startup **ThreadRobe** has introduced an **automated piece of furniture** that eliminates the need to fold, hang, and put away your laundry. Users place loads of clean clothing from the dryer directly into the automated wardrobe's bin, which then separates, identifies and stores them. • Bank of the West recently announced five mobile wal**let options for its customers**, making it one of the few U.S. banks to offer access to all five major mobile wallets: Apple Pay, Android Pay, Samsung Pay, MasterPass by MasterCard, and

Microsoft Wallet.



It's The National Coalition's Las Vegas Double Down Big Car Giveaway!

July 17-20, 2017

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July 19-20

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- · Second straight year at the luxurious Caesars Palace Hotel & Casino!
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Questions? Contact the NCASEF office at 831-426-4711 or nationaloffice@ncasef.com for more information.



qualify for raffle entries



end of March, but the payments technology needed to replace employees at checkout is not working properly. The technology uses cameras, sensors, and algorithms to track what customers pick up for purchase. However, it reportedly malfunctions when more than 20 people are in the store. In order to make this a worthwhile investment for Amazon, the technology will need to be able to support large crowds, the article states.

Consumers Eating More Snacks

Of the vast majority of Americans (91 percent) who snack multiple times per day, 8 percent forgo meals altogether

in favor of snacking, reported *Supermarket News*, citing the Hartman Group's Future of Snacking 2016

Future of Snacking 2016 study. Hartman Group outlines three main drivers of snacking occasions, which tend to overlap: snacking for nourishment to help

meet daily sustenance (56 percent of all snacking); snacking for optimization to help fulfill mental and physical performance (34 percent); and snacking for pleasure or to fulfill emotional desires for enjoyment, craving and comfort (49 percent).

The Hartman group study reveals that yogurts, granola bars, whole fruits and vegetables, water and smoothies Register for the 2017 NCASEF
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tend to be consumed during an occasion where nourishment is among the goals, while snacking for optimization or to manage alertness and focus can include drinking a cup of coffee. Snacking for pleasure, meanwhile, is implicit for a majority of eating occasions since people want to eat snacks that taste good.

Young Men Are Most Likely To Grocery Shop Online

Although online grocery shoppers can be found across all demographic groups, they are more likely to be younger men, ages 18-44, according to a

continued on page 84



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the most of their summer. First Order Date (FOD) is May 1.



recent study by The NPD Group. Amazon Prime members and young adults are other groups more likely to grocery shop online, finds The NPD Group report, "The Virtual Grocery Store." Grocery shopping online appeals to those who find grocery shopping a necessary evil and many of those who feel that way are men, according to the NPD study.

Since many younger adults are delaving marriage and the formation of families, and many Boomers are becoming widowers, more than 40 percent of primary grocery shoppers are men and 60 percent of men, 18 to 44, have purchased groceries online. NPD has found that men tend to make grocery shopping a mission and spend less time in brick and mortar stores compared to women. Men will also buy fewer items on each trip and will likely leave the store if they can't find an item. Online grocery shopping is the answer for men who are looking to avoid physical trips to the store.

For these reasons, the report states, online shoppers are disproportionately men who are looking to minimize physical trips to the store.

Key Trends Shaping Grocery Retailing

There are a number of trends that are putting pressure on food retailers of all stripes, and three of the most prominent are the incursion of e-commerce onto the food retailing landscape; the evolution and expansion of contactless payment options; and the rise of the smaller store formats, reveals a new report by market research firm Packaged Facts. "Food retail is evolving. The customer is king, and perhaps more than anytime in history, the consumers are firmly in control. Competition from multiple channels is unrelenting, and retailers must be creative and innovative in

"Online grocery shoppers are more likely to be younger men ages 18-44, Amazon Prime members, and young adults, according to an NPD Group report."

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their marketing, products offerings, services, and even store designs just to garner even a semblance of consumer loyalty," said David Sprinkle, research director, Packaged Facts.

Mobile Ordering Double-Digit Growth

The use of mobile apps, text messages, and the internet to order food from a restaurant or other foodservice outlets grew by 18 percent last year and now accounts for 1.9 billion foodservice visits, reports The NPD Group. The global information company's study reveals that, while currently more orders are placed using websites, orders placed with a mobile app are growing more strongly. Fifty percent of digital orders come at dinnertime, and 35 percent of digital ordering includes parties with kids, according to the NPD report. People under age 35 and those with higher household incomes are among above-average users of digital ordering.

Deals and promotions play an important role in digital ordering, finds

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Want to talk to other franchisees?





The National Coalition has Franchise Owner's **Association member** organizations in all 33 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, Board Member, So. 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@vahoo.com 847-845-8477
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ΟZ	SKU	Cost/Bag	COGS (6%)	EDLP (62¢)	Final Cost/Bag	Margin \$	Margin %
6	Nuts & Chocolate	\$1.84	11¢	62¢	\$1.11	\$1.88	63%
6	Tropical Fruit & Nut	\$1.84	11¢	62¢	\$1.11	\$1.88	63%
6	Nuts, Seeds & Cranberries	\$1.84	11¢	62¢	\$1.11	\$1.88	63%
6	Peanut Butter & Chocolate	\$1.84	11¢	62¢	\$1.11	\$1.88	63%

NEW Peanut Butter Chocolate Trail Mix

Tropical Fruit & Nut

Nuts, Seeds & Cranberries

Nuts & Chocolate

















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NPD. When consumers order digitally, they are twice as likely to order on a deal, and that deal is usually a coupon. Twenty-nine percent of all digital orders used a coupon. Other top deals used were discounted price, daily special, and combined item special. Additionally, the

"The use of mobile apps, text messages, and the internet to order food from a restaurant or other foodservice outlets grew by 18 percent last year and now accounts for 1.9 billion foodservice visits."

ability to pay with mobile boosts customer satisfaction scores and encourages guests to visit for reasons related to loyalty, reports NPD.

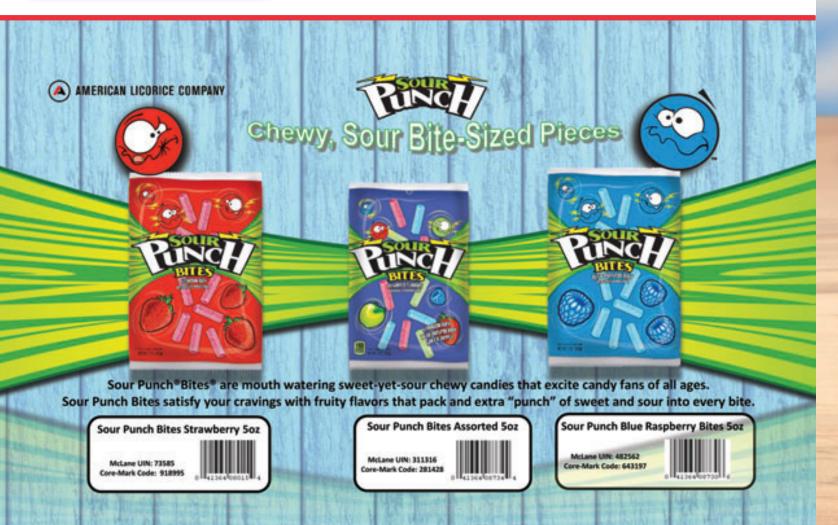
Americans Want Seasonal Ingredients Year-Round

While Americans wait all year in anticipation for their favorite seasonal-inspired food and drinks, new research from Mintel reveals that nearly seven in 10 (67 percent) consumers enjoy being able to consume specific seasonal ingredients year-round. The study also shows that seasonal flavors create an emotional connection with consumers, such as evoking notions of comfort (39 percent),

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special (39 percent), warmth (33 percent) and happy (30 percent). What's more, over one quarter (27 percent) of Americans consider seasonal flavors to be nostalgic.

The Mintel research further reveals that 43 percent of American consumers prefer seeing seasonal ingredients featured in coffee drinks, rising to more than half (53 percent) of Millennials and 57 percent of iGeneration consumers. Seasonal flavors aren't just limited to non-alcoholic beverages, however, as American consumers are also interested in seeing seasonal ingredients featured in beer (27 percent), craft beer (23 percent) and dinner/happy hour cocktails (22 percent).



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STORES





NEW WOMEN'S FRANCHISE INITIATIVE COMPETITION

In an effort to increase its own number of female franchisees, 7-Eleven has kicked off a franchise give-away contest targeted exclusively to women entrepreneurs.

One deserving woman will be awarded a 7-Eleven feefree franchise, a value of up to \$190,000. In adhas kicked off a dition, 7-Eleven said it franchise give-away will make a donation contest targeted exwinning to the woman's charity of clusively to women choice that aligns with entrepreneurs." its Project A-Game pro-

gram, which helps provide

youth a foundation for success

by funding programs focused on education, fitness, safety and hunger relief.

The competition is similar to the company's successful Operation: Take Command franchise giveaway for U.S. military veterans. Like Operation: Take Command, this multi-phase competition includes meeting company franchising qualifications, preliminary interviews, video contest and a final one-on-one interview with 7-Eleven senior leadership for the top finalists. The winner can choose any of the company's 7-Eleven con-

venience stores available in the continental U.S. at the contest's culmination. The winner will be announced in July 2017.



SINGLE-ORIGIN COFFEE FROM MEXICO

"7-Eleven

SEI recently introduced its second single-origin coffee, this time from the Chiapas growing region of Mexico. Rainforest Alliance Certified, the new premium, sustainable coffee from Chiapas is made exclusively from beans harvested in the mountainous highlands of southern Mex-

> ico, an area known for its dense rain forests and ancient

Mayan ruins. Notes of cocoa balance the fullbodied, dark roast, which has a smooth, clean finish.

7-Eleven coffee drinkers' taste preferences continue to shift toward darker, richer flavors, the company said. With 100

percent Colombian coffee experiencing the fastest growth in its hot beverage lineup, SEI introduced the darker roast, single-origin coffee from Nicaragua last fall. The new Mexican single-origin coffee is bolder still, with roast levels falling between the Colombian and Brazilian Bold flavors giving 7-Eleven customers more of a selection in the flavor profiles they like.

MOST TEXAS 7-ELEVENS TO BE POWERED BY WIND ENERGY

SEI announced it has signed an agreement with TXU Energy to purchase 100 percent Texas wind energy for all its Texas stores located in competitive energy markets.

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The 96-month wind energy agreement, which impacts 425 stores, starts June 1, 2018 and is expected to reduce 7-Eleven's carbon footprint by 6.7 percent while providing significant operating expense savings. SEI said TXU Energy will help it save even more by providing energy efficiency rebate incentives through its TXU Green-Back program. These incentives will allow 7-Eleven to fund and pilot new energy efficient technologies that can be used throughout its portfolio of facilities.

Last year, SEI outlined steps to reach measurable corporate social responsibility (CSR) goals to reduce its environmental footprint. The company's CSR mission has three focus areas—people, planet and products. SEI said it has already decreased electricity use in store operations by an estimated 21 percent over the past seven years through projects including installation of LED lighting, energy management systems and high-efficiency HVAC units.

SEI RAISES FUNDS FOR ORLANDO CITY YOUTH SOCCER

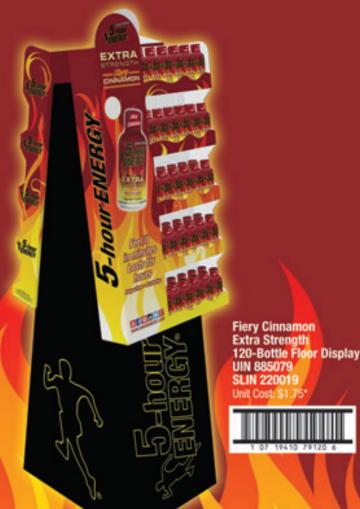
Major League Soccer team Orlando City SC announced that 7-Eleven continued its support of the Orlando City Youth Soccer (OCYS) program by collecting \$2,500 throughout the 2016 Major League Soccer (MLS) season. The funds were

"7-Eleven contin- in-store activaued its support of the Orlando City Youth Soccer used to support program by collecting \$2,500 throughout the 2016 Major League Soccer season."

raised through tions and donations and will be the OCYS scholarship program, which provides financial sources to budding youth soccer continued on page 93

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It's the hottest new flavor from the hottest energy shot brand - new Fiery Cinnamon Extra Strength 5-hour ENERGY shots. With its bold packaging and bolder taste, Fiery Cinnamon is destined to become your hottest selling energy shot.

About the program

- . 7-Eleven has a six-month exclusive on new Fiery Cinnamon Extra Strength flavor (May-Oct 2017)
- Versatile shipper can be displayed on the floor or power wing.
- 7-Eleven pricing of 2/\$6.00 on Extra Strength offers great consumer value and drives
- ONLY AVAILABLE THROUGH MCLANE (CoreMark-for the Western Stores).

- 5-hour ENERGY® is 7-Eleven's best selling energy shot brand and maintains a 93% market share in C-Stores.
- Cinnamon is a top trending flavor with consumers
- Stores that have front end displays of energy shots have much higher sales than those that don't



Financial	Prebook	Financial	Prebook
Cost	\$130.75	GP Percent	50%
Billback	\$5.04	GP Dollars	\$125.57
Net Cost	\$125.71	Quantity	72
Retail	\$251.28	SRP	\$3.49

*Includes Supplier Upcharge

results may vary. See www.Srourenergs.com for more details. 7-4LEVEN is mark of 7-Eleven, loc. 605/17 Living Essentials Warketing, LLC. All rights in

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Member News



continued from page 90

players, the soccer club said. The scholarship can cover the cost of registration, equipment, jerseys and more.

Throughout the 2016 season, Orlando 7-Eleven stores treated kids 12 and under to a free purple Slurpee when they wore their youth soccer jersey to a participating store. 7-Eleven also offered fans "Plugged In" playlists, hosted player appearances and supported Magnet Mondays with the Kickin' Cruiser.

SEI NAMES INCOMM 'VENDOR OF THE YEAR'

Prepaid product and transaction services company InComm has been named Services Vendor of the Year by SEI. This is the first time 7-Eleven has given out an award for excellence to any of its services vendors, according to a released statement by Incomm. InComm and 7-Eleven have worked together for over 13 years.

"Our customers rely on 7-Eleven for a wide variety of prepaid products," said Jack Stout, 7-Eleven Vice President of Merchandising. "Our long-standing collaboration with InComm has not only allowed us to meet those prepaid needs, but it has also empowered us with the innovations that keep us ahead of our competition. In-Comm's dedication to excellence in the prepaid category made it a deserving choice for Services Vendor of the Year."

SEI GOES LIVE WITH RISKONNECT

SEI recently announced that it has gone live with Riskonnect's Risk Management Information System (RMIS) to power its claims management, policy management and property data collection processes in the U.S. and Canada. Riskonnect RMIS helps companies increase op-

erational efficiencies with added systems integration capabilities that reduces redundant data entry and increases data integrity. "7-Eleven needed a RMIS system capable of consolidating our data for advanced reporting and automation to increase our efficiencies. Riskonnect has been able to provide us with the custom built modules and tools we need to be successful in supporting our organization," said Danny Downs, Risk Analyst.

News

EXCLUSIVE TROLLI SLURPEE FLAVOR CRAWLS INTO 7-ELEVEN STORES "In March

SEI and Ferrara 7-Eleven introduced Company's Pineapple Lime, the Trolli brand introduced another Weirdly first-ever Trolli-Awesome collaborabranded Slurpee tion—this time featurflavor, exclusive to ing sloths, an exclusive 7-Eleven. Slurpee flavor, Weirdly Awesome straws and a free offer. In March 7-Eleven introduced the first-ever Trolli-branded Slurpee flavor—Pineapple Lime—and exclusive to 7-Eleven, Trolli Sour Brite Sloths gummy candy. In a nod to Trolli's popular Sour Brite Crawlers, four Weirdly Awesome



Slurpee straws were also available for purchase in select stores for a limited time.

SLURPEE 'TWIN-SIES'

7-Eleven celebrated National Siblings Day during the week of April 10-16 with Buy One-Get One FREE Slurpee drinks-any size, all day, every day during the promotion. Available exclusively at 7-Eleven stores, the featured

> Slurpee flavor during the BOGO was the first ever Trolli-branded

Slurpee flavor—Pineapple Lime. As part of the first Trolli flavor promotion, 7-Eleven stores also rolled out Trolli Sour Brite Sloths gummy candy. During the Buy One-Get One Free Slurpee drink event, both the purchased and free Slurpee drinks counted toward the 7Rewards "Buy Six, Get the Seventh Free" drink offer available on the 7-Eleven smartphone app.

7-ELEVEN MEXICO **DEPLOYS ORACLE RETAIL**

Oracle recently announced that 7-Eleven Mexico S.A. implemented Oracle Retail to simplify operations and facilitate the customer experience. 7-Eleven Mexico operates 1,950 conven-

ience stores supported by 8 distribution centers and 18,000 collaborators across 15 states in Mexico. With the introduction of the new system, 7-Eleven Mexico has given teams the ability to adopt a more aggressive business strategy to retain and attract customers. The replacement of the technology platform has also addressed an important aspect of 7-Eleven's philosophy: empowering store managers to take decisions about the quantity and type of product at each point of sale, making each store a mix that fits the reality of their micro market, at every moment of the day and at special

Distribution through McLane Retail: \$1.59

Everyday

Financials

Cost: \$.94

GP\$/GP%: \$.65/41%

AMAZING

VALUE: \$1.59 retail

Buy

G

et

ree

P2 PROMOTIO

3/1-5/2

Targeted at Male consumer - key for 7

Eleven

Strong national media support plan

An On the

Go, Protein Packed snack solution

#1 Brand in Millennial Volume

Growth

Drinkable

Yogurt

On-The-G

Ρ3

PROMOTION

5/3-6/27

2

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VENDOR FOCUS

Pennzoil Streamlines Its Look

The #1 Convenience Store motor oil brand, Pennzoil, is going through a redesign that is intended to streamline the look of the entire portfolio of high-performing motor oils to reflect the advanced technology inside the package. Pennzoil is already synonymous with yellow and has chosen to

Pennzoil has moved to an all yellow bottle design for increased visibility on-shelf.

move to an all yellow bottle design for increased visibility at shelf. The labels have been revamped to allow consumers to easily find their go-to formulation. Each front label is colorcoded for easy navigation across all Pennzoil motor oils and features the viscosity grade front-and-center. On the back label, you'll find a product com-

Bunny Tracks and to easy product selection for the consumer at the shelf. But there's one thing

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• PB 'N Cones—Sure to be a favorite, it features swirls of creamy peanut butter and crunchy, chocolate-dipped cone pieces throughout rich vanilla ice cream, giving this classic favorite a unique twist and added texture. Additional scoopable ice cream new flavors

include Rockin' Rocky Road, Monster Cookie Mash, Toffee Brownie Twist and Mint Cookie Crunch, which adds yummy fudge swirls and mint chocolate cookie chunks to traditional mint ice cream. Lastly, Blue Bunny is excited to announce, by popular demand sea-

For consumers who want a delicious

sonal favorite flavor Cherrific Cheesecake will be available year-round.

Exclusive: New 7-Eleven

treat that's on the lighter side, Blue Bunny is happy to offer flavor additions to its no-sugar-added Sweet Freedom® collection—

Peanut Butter Party.



New Blue Bunny Snacks, PB 'N Cones and new scoopable ice cream flavors.

that remains untouched—the oil inside. The same technologically advanced motor oils you know and trust are still available, including Pennzoil Synthetics made from natural gas. **Blue Bunny Dials**

parison chart that helps with selecting the right motor oil for the vehicle.

This, in addition to creating a more unified look across the brand, leads

Blue Bunny is upping the ante with a new lineup of products, including personal-sized ice cream Bunny Snacks novelties and several new scoopable ice cream flavors.

Up the Fun With New

Flavors

• Bunny Snacks—This brand-new per-

sonal-sized treat offers consumers a delicious, satisfying, bite-sized portion. The unique new format combines Blue Bunny ice cream with

sweet surprises to create four unique flavors: Salted Caramel Pretzel, Chocolate Vanilla Twist, Chocolate Chip Cookie and

Cookies 'N Cream.

Cinnamon Extra

Strength 5-hour ENERGY

shots, exclusive at 7-Eleven

May to October 2017.

5-Hour Energy Flavor Living Essentials, makers of 5-hour ENERGY shots, recently unveiled new Fiery Cinnamon Extra Strength 5-hour ENERGY. With

its bold packaging and even bolder taste, Fiery Cinnamon will attract new customers and keep them coming back for more. From May through October 2017, Fiery Cinnamon Extra Strength 5-hour ENERGY shots will be available exclusively through 7-Eleven retailers. Two eye-catching displays are available—a 120-bottle floor (or power wing) display, and a 48-bottle countertop display. Either way you choose, you're sure to re-energize your front-end sales.

5-hour ENERGY is America's bestselling brand of energy shots. In fact, it was the first energy shot on the market and continues to lead the field by a wide margin. Why? Because it works. And unlike most canned energy drinks, 5-hour ENERGY shots have zero sugar, zero carbs and are portable, making them

the favorite of hard working people on the go.

For more information about Fiery Cinnamon Extra Strength 5-hour ENERGY shots, call Dempsey Garrett at 936-321-1857 or your McLane representative.

g :ING













continued from page 95

eties via McLane now:

Bhuja Snacks Offer Healthier, Flavorful **Alternatives**

New recommended Bhuja Snacks are a combination of wholesome ingredients blended in a secret recipe of all natural spices. Made with timeless recipes, wholesome ingredients, and natural spices, Bhuja Snacks contain no preservatives, are certified NON-GMO, are



• Beer Mix—Fragrant spices mingle with peanuts and crispy wholesome noodles for a crunchy contrast that's deliciously distinctive.

After you're done working your body into shape, treat it

GMO verified, no preservatives, no sugar added, Pure

feature laser-drilled holes to facilitate fast medicine release and provide

temporary relief of fever and minor aches and pains, including headache, back-

ache, minor pain of arthritis, toothaches, and pain due to the common cold.

Thanks to this new technology, 70-80 percent of the medicine is released in 3

minutes. Rapid Release Gel sales will be 56 percent incremental. Cost is \$3.30,

SRP is \$5.99, and Suggested Gross Profit Margin is 45 percent. The 7-Eleven

Plan-o-gram will be available from September to October 2017.

Coconut Water 500 ml accounted for 60 percent of total

YLENOI

Rapid Release Gel sales will

be 56 percent incremental.



16.9 ounce size.



Bhuja Snacks, an approved healthier snack option.

• Philadelphia Bagel Chips & Cream comes with crunchy multigrain bagel chips and

vegetarian friendly, and have a low Glycemic Index. Available in two vari-

Cheese Dips—Available in two flavors, Strawberry, and Chive & Onion, this popular Philly snack wholesome Philadelphia Cream Cheese perfectly portioned in portable snack cups for an eat-athome or on-the-go snack. SRP \$2.19.



cheese, savory meats, delicious nuts and sweet fruit combined for an irresistible small meal. With 40 percent more protein, P3 Protein Plates will satiate more demanding snacking needs. Each of four flavors contains a larger serving of protein in a tasty blend of meat, cheese, nuts and fruit. No artificial preservatives and conveniently packaged for eating on the go. Available in four different varieties. SRP: \$3.99.

• Planters P3—Combines fresh roasted nuts, premiumcut lean jerky, and tasty seeds for a delicious snack. Packed with protein, fiber, vitamins and minerals, P3 is the

> and shelf stable. SRP: \$3.99. Available in three varieties.



Natural blend of meat, cheese and crackers. Contains no artificial preservatives, ingredients, or flavors. The meat components sourced from three best-selling Oscar Mayer Natural cold cuts. Top consumer claims

continued on page 98

VENDOR FOCUS

coconut water sales. Resealable cap adds convenience and meets active lifestyle needs. McLane UIN 685651, Core Mark 437084.

Kraft Introduces **New Snack Items**

To respond to changing consumer snacking usage and attitudes, Kraft is innovating between meal, meal replacement and anytime snacks to provide satisfying meal replacements with quality ingredients. Better for you snack food comsumption has grown 25 percent in the last 10 years with more portable, more protein and more variety leading the growth areas.

For consumers searching for better, nutritional snacking solutions to fit within their fast, "hyper" day, serve up these new tasty Kraft items:

• P3 Protein Plates—Natural

snack your customers want to keep them active and going strong. This item is peggable

• Oscar Mayer Naturals Plate—A



GREEN TEA GINGER TWIST SLIN: 241493 • UIN: 754721



CAROLINA HONEY SLIN: 241499 • UIN: 754713



HIBISCUS TEA SANGRIA



HIBISCUS LEMONADE **TEA SQUEEZE**

sales@argotea.com



formerly Hibiscus Tea Squeeze

THE ICONIC PREMIUM ICED TEA HIGH

Argo Tea is one of the highest penny profit beverages in your cooler

PENNY PROFIT

APPEALS TO MILLENNIALS'

DRIVE INCREMENTAL SALES WITH

Sargo tea.

tea + ingredients with purpose.

argo tea

argo tea

Bring in new customers with one of the fastest-growing all-natural teas²

AWARD-WINNING PACKAGING

Argo Tea's iconic glass bottles stand out on your shelf

Nielsen Global Health & Wellness Survey, Q3 2014: Younger consumers endorse healthy foods with a willingness to pay a premium

Argo Tea is up +34% in the past 52 weeks. IRI Total \$ Sales, MULO + C. December 25, 2016.

argo tea

MOJITEA SLIN: 246190 • UIN: 185637

AVAILABLE VIA MCLANE

96 AVANTI MARCH | APRIL 2017

TYLENOL RAPID

RELEASE GELS

PROVIDE FAST RELIEF

Tylenol Rapid Release Gels (24 count)

VENDOR FOCUS

continued from page 96

(Protein, Natural, and No Artificial Preservatives) drive increased purchase intent in over 71 percent of consumers. Available in three varieties. SRP: \$3.99.

Introducing Airio—The World's Smallest Cigarette Filter

There are over 40 million smokers in the U.S. and many of them are looking for alternatives or more healthy ways to smoke. Launched in Janu-

ary 2017 by Smokey Mountain Chew, the Airio Micro Filter eliminates approximately 65 percent of the tar in a cigarette via a unique centrifugal process and is the ultimate in discrete filtering. You can see the tar removed as you smoke. Each

Airio Cig Filter works for up to three cigarettes. Airio comes packed in 20-count

filter packs and are available in an attractive 12-count display.

Take advantage of the Special Intro Offer running now thru September 2017: Buy 10 filter packs get 2 FREE. Costs per 12-count

display is \$9.00 (net of distributor markup) or 75

VENDOR FOCUS

cents per filter pack of 20. Airio has a low SRP designed to create impulse sales at \$1.99 to \$2.19 per pack. Available thru McLane.

New Blue Diamond Nut Thins

In A 2 Ounce Package

C-store consumers are seeking healthier options, so expand your sales with the healthy, craveable goodness of America's #1 gluten-free snack cracker, now available in a convenient 2-ounce size. Blue Dia-



Popular Blue Diamond Nut Thins, now in 2-ounce on-the-go sizes.

mond Nut Thins Snack Crackers are available in Sea Salt, Cheddar Cheese, and Sriracha flavors and are made with real almonds, gluten free, at an SRP of \$1.99. According to the experts, 50 percent of customers are looking for healthier foods, and 53 percent would shop in c-stores more often if healthier choices were available. Order today: Sea Salt (SLIN 0307347), Cheddar Cheese (SLIN 0307348), and Sriracha (SLIN 0307346).

FOA BOARD MEETING DATES

7-Eleven FOAC

Micro Filters has

until September.

a special intro of buy

10 packs and get 2 free

Phone: 847-353-9999

May 25, 2017 June 29, 2017 July 27, 2017 August 25, 2017

September 28, 2017 October 26, 2017

November 30, 2017

December 21, 2017

Columbia Pacific FOA

Phone: 503-901-1677

May 18, 2017—General Members Meeting

August 24, 2017—Board Meeting September 21, 2017—General Members Meeting November 9, 2017—Board Meeting

FOA Of Greater Los Angeles

Phone: 909-822-4122 May 16, 2017 June 20, 2017 Aug 15, 2017

Sept 19, 2017 Oct 17, 2017 Nov 21, 2017

Metro New Jersey FOA

Phone: 908-232-1336 June 14, 2017 September 13, 2017

November 22, 2017

Midwest FOA

Phone: 908-232-1336

Dates for Chicago:

(Co-sponsored with Alliance of 7-Eleven Franchisees FOA) September 21, 2017—General Meeting

Dates for Michigan:

June 13, 2017—General Meeting September 28, 2017—General Meeting

UFOLINY

Phone: 516-647-4617 General Membership Meetings May 23, 2017 June 27, 2017 August 31, 2017 September 26, 2017 October 24, 2017 November 28, 2017

November 28, 2017

Board Meetings

May 16, 2017

June 20, 2017

July 25, 2017

August 22, 2017

September 19, 2017

October 12, 2017

November 21, 2017

NOTE: February through June meetings will be held at the Upsky Long Island Hotel in Hauppauge, NY.









EXPAND YOUR SALES WITH HEALTHY, CRAVEABLE GOODNESS

FOR MORE INFORMATION OR FREE SAMPLES OF NUT-THINS* CONTACT:

JIM LEAVITT, BLUE DIAMOND GROWERS | NATIONAL SALES MANAGER - CONVENIENCE
480-686-9778 (O) /480-748-8964 (C)







IN THEATERS JUNE 2017!



- "Despicable Me" franchise grossed over \$2.5B at global box office
- "Despicable Me 2" (\$970MM+) and "Minions" (\$1.15B+) both rank among the top five animated films of all time
- The "Minions" DVD was the # 1 animated release of 2015

High Impact Retail Program!

- Bazooka Candy Brands merchandisers generate an 87% sales lift!
- 96ct CT shipper of Top 5 ranked Kids NCC candy designed for quick sell-through
 - · 24 Juicy Drop Pop (ranked # 1)
 - 36 Baby Bottle Pop (ranked # 2)
 - · 36 Jumbo Push Pop (ranked # 4)
- 3-Dimensional design that can be displayed as a floor shipper or powerwing
 - 24 Juicy Drop Pop (ranked # 1)
 - 36 Baby Bottle Pop (ranked # 2)
 - 36 Jumbo Push Pop (ranked # 4)

Major Kid-Focused Promotional Support

- Dedicated NEW TV Spot on Major Networks & Digital Advertising
- . Online game featuring "Despicable Me 3" characters on highly visible Candymania.com website

DM 3 96ct Display

McLane UIN: 175323

Core-Mark Code: 440925 SLIN: 145260

> *Source: IRI MULO historical data "Source: IRI MULO based on dollar sales L52 WE 4.17.16

SAN DIEGO FOA VENDOR APPRECIATION EVENT

AleSmith Brewery San Diego, California September 7, 2017 Phone: 619-713-2411

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UFOLINY 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

DELAWARE VALLEY FOA ANNUAL TRADE SHOW

Caesars Palace Atlantic City Atlantic City, New Jersey September 28, 2017 Phone: John Riggio 262-275-3086

MIDWEST FOA/ALLIANCE OF 7-ELEVEN FRAN-CHISEES FOA ILLINOIS HOLIDAY SHOW

Chicago O'Hare Marriott Chicago, Illinois November 1, 2017 Phone: 847-971-9457

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: 847-971-9457

UFOLINY HOLIDAY PARTY

(venue to be announced) December 7, 2017 Phone: 516-647-4617

COLUMBIA PACIFIC FOA HOLIDAY PARTY

(venue to be announced) December 8, 2017 Phone: 503-901-1677

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

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

NATIONAL COALITION

BOARD OF DIRECTORS

MEETING

PACIFIC NORTHWEST FOA HOLIDAY PARTY

(venue to be announced) December 9, 2017 Phone: 253-261-4455

METRO NEW JERSEY FOA HOLIDAY PARTY

(venue to be announced) December 15, 2017 Phone: 908-232-1336

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FOA EVENTS

METRO NEW JERSEY FOA TRADE SHOW

Royal Albert's Palace Edison, New Jersey May 11, 2017 Phone: 908-232-1336

SOUTHERN CALIFORNIA FOA TRADE SHOW

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

TEXAS FOA TRADE SHOW

Four Points by Sheraton Hotel Irving, Texas May 18, 2017 Phone: 214-208-6116

TEXAS FOA **GOLF TOURNAMENT**

Cowboys Golf Club Grapevine, Texas May 19, 2017 Phone: 214-208-6116

EASTERN VIRGINIA FOA

Trade Show Hilton Garden Inn Suffolk, Virginia May 24, 2017 Phone: 757-506-5926

EASTERN VIRGINIA FOA **GOLF TOURNAMENT**

Sleepy Hole Golf Course Suffolk, Virginia May 25, 2017

Phone: 757-506-5926

MIDWEST FOA/ALLIANCE OF 7-ELEVEN FRANCHISEES FOA ILLINOIS TRADE SHOW

Donald E Stephens Convention Center Rosemont, Illinois May 25, 2017 Phone: 847-971-9457

MIDWEST FOA/ALLIANCE OF 7-ELEVEN FRANCHISEES FOA

Illinois Golf Tournament St. Andrews Golf & Country Club West Chicago, Illinois June 7, 2017 Phone: 847-971-9457

UTAH FOA TRADE SHOW

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

NOR-CAL UNITED 7-ELEVEN FOAS CHARITY GOLF **TOURNAMENT**

Hiddenbrooke Golf Club Vallejo, California June 7, 2017 Phone: 707-280-1776

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: 847-971-9457

FOA OF GREATER LOS ANGELES GOLF INVITATIONAL

Black Gold Golf Club Yorba Linda, California June 21, 2017 Phone: 909-822-4122

COLUMBIA PACIFIC FOA **GOLF TOURNAMENT**

Langdon Farms Golf Club Aurora, Oregon June 29, 2017 Phone: 503-901-1677

CHESAPEAKE DIVISION FOA ANNUAL PRIVATE YACHT CRUISE

National Harbor Oxon Hill, Maryland June 30, 2017 Phone: 571-344-2781

7-ELEVEN FOAC **GOLF TOURNAMENT**

St. Andrews Golf and Country West Chicago, IL July 12, 2017

7-ELEVEN FOAC TRADE SHOW

Phone: 847-353-9999

Odeum Expo Center Villa Park, IL July 13, 2017 Phone: 847-353-9999

METRO NEW JERSEY FOA PICNIC

(venue to be announced) August 5, 2017 Phone: 908-232-1336

7-ELEVEN FOAC **FAMILY PICNIC**

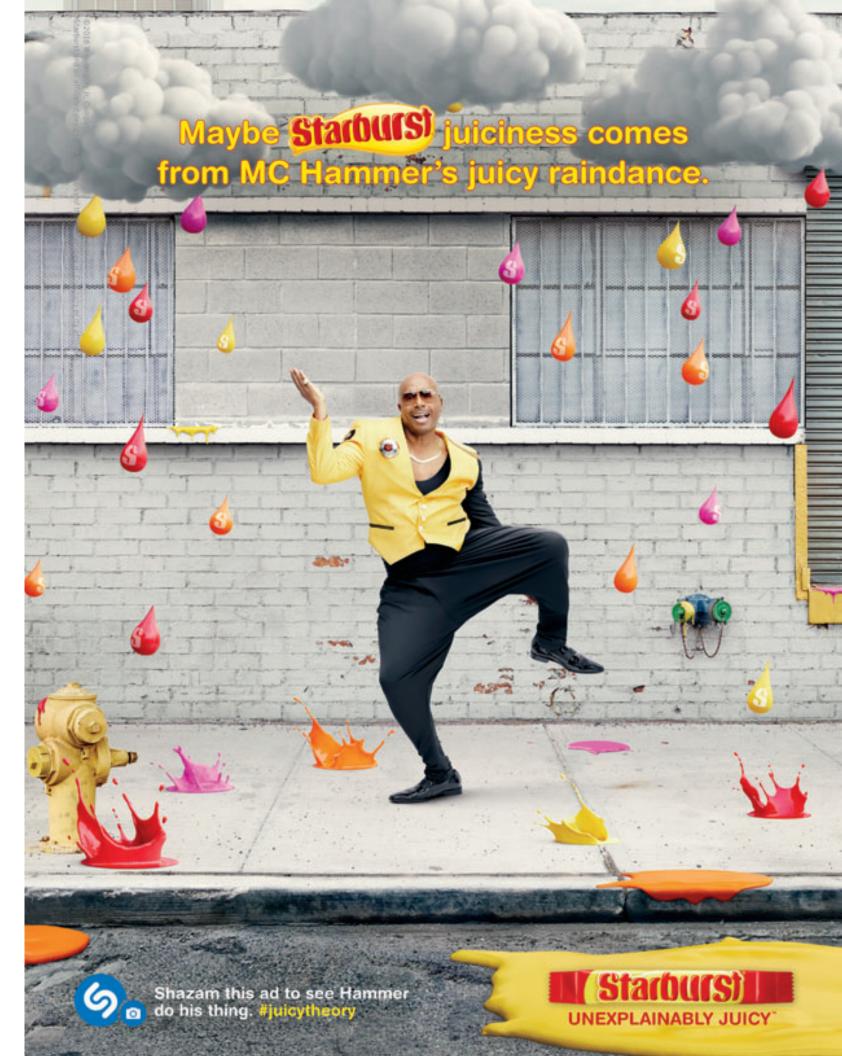
Forest Preserves of Cook County **Ned Brown Meadow** Busse Woods Grove 29 August 12, 2017 Phone: 847-353-9999

SAN DIEGO FOA DAY AT THE RACES

Del Mar Horse Racetrack Del Mar, California August 25, 2017 Phone: 619-713-2411

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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.















www.djarumcigar.com