

Business

BUSINESS PEOPLE

The J. L. Hudson Co. announced the promotion of **JOHN P. HOELLER** of Farmington Hills to the position of vice president, store group. Hoeller will be responsible for the Downtown, Eastland, Lakeside, Fairlane and Briarwood, Ann Arbor stores. Since joining Hudson's in 1972, he has served as vice president, shopping center operations with Dayton Hudson Properties, assistant store manager at the Northland and Oakland Mall stores, director of distribution and assistant to the vice president of operations.

WILLIAM R. BRENNEMAN has joined Bloomfield Hills based D'Arcy-MacManus & Masius Advertising as associate media director. Before joining DM&M, he was employed with Kenyon & Eckhardt as media supervisor. Prior to that, he was associated with the J. Walter Thompson agency. He began his advertising career with Leo Burnett in Chicago.



ZACCAGNINI TAUSCH MS. TOOT

ANTHONY V. ZACCAGNINI of Troy has been named order department supervisor for Lear Siegler's National Twist Drill & Tool Division in Rochester. He has had extensive order department, quality control and inventory control experience beginning in 1969 with Huck Manufacturing Company and later with Shatterproof Glass and Diamond International.

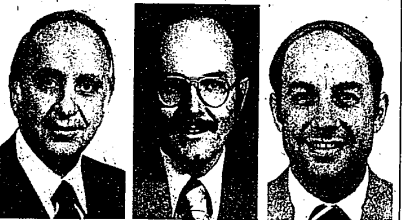
Three key management changes have been announced by Campbell-Ewald Co. **WILLIAM J. TAUSCH** of Birmingham has been promoted to executive vice president and director of the Chevrolet account, the world's largest advertising account. **ANTHONY J. HOPP** of Bloomfield Hills has been promoted to senior vice president and associate management supervisor on the Chevrolet account. Hopp has responsibility for the big car segment of the market. **MARTIN F. WEST** has been promoted to senior vice president and associate management supervisor of the Chevrolet truck account.

JANE TOOT of Birmingham, has been named assistant administrator for patient care-related services at Children's Hospital of Michigan in the Detroit Medical Center. She is in charge of rehabilitation services, social services, pastoral services and education services. A former coordinator of rehabilitation services, Ms. Toot assumed her new assignment after her return to Children's after a year's leave to work on a Ph.D. in early childhood special education.

GARY W. JOHNSON has been named production manager for WKBD-TV 50 in Southfield. Johnson comes to TV-50 from KXTV in Sacramento, where he was production manager and assistant to the program manager since May 1976. In his role of production manager, he will supervise the day-to-day operations of the producer/directors and film and art departments.

KEN RICHARDSON of Southfield has joined Max Brook, Inc., Realtors, and will be associated with the West Bloomfield office. He will be specializing in residential real estate in West Bloomfield and Farmington Hills. He has specialized in the north suburban area for the past several years. He was most recently the operations manager for the B. F. Chamberlain Co.'s central region, which included offices in Lathrup Village/Southfield, Royal Oak, Madison Heights and Oak Park. He recently was elected a director of the South Oakland County Board of Realtors.

PAUL C. CHEVOR was named director of materiel, **FREDERICK A. SALTSMARSH** was named inventory planning manager, reflecting a change in the corporate purchasing functions of Ex-Cell-O Corp. in Troy. Chevor, who was previously director, corporate purchasing, assumed the added responsibility of corporate inventory planning. Prior to joining Ex-Cell-O in 1975, he was purchasing manager for the Gas Turbine Systems Division of Westinghouse Electric Corp. Saltmarsh joined Ex-Cell-O in 1978 as manager, corporate purchasing. Prior to that, he had been procurement manager at the Winchester, Ky., axle plant of Rockwell International and a buyer at Ford Motor Co. Holmes joined Ex-Cell-O's management training program in 1984 and has held several management positions including manager, inventory control for the Packaging Systems Division.



CHEVOR CRITCHFIELD FASSBENDER

The National Bank of Rochester appointed **ROBERT L. CRITCHFIELD** to vice president and commercial and mortgage loan manager, and **THOMAS R. FASSBENDER** to vice president and operations manager. Critchfield, an employee of NBR since April 1978, is responsible for NBR's Commercial Lending and Residential Loan Departments. Prior to joining NBR, Critchfield was branch manager and later a credit analyst at City National Bank of Detroit. Fassbender, an NBR employee since August 1978, is responsible for NBR's operations area, branch system, personnel and security functions. Prior to joining National Bank of Rochester, he was audit supervisor at Northern States Bancorporation, parent company of National Bank of Rochester.

TIMOTHY W. HART of West Bloomfield has joined Yaffe Stone August, Inc. of Southfield as a vice president and account supervisor. Hart has been assigned to the account of Manufacturers National Corp. and its subsidiary banks. He will also be involved with development of new business, and other YSA advertising accounts.

ROBERT TRATE of West Bloomfield was promoted to assistant vice president by Dearborn Bank and Trust.

Snack time! It's potentially big business

By SUSAN TAUBER

For some workers in an office or factory, a tray filled to the brim with snacks represents the devil in disguise. For others, it's a blessing at coffee-break time.

For the companies that supply them, however, the boxes mean big business. Supplying corrugated cardboard boxes filled with tempting candy bars, potato chips, chocolate mints, gum, raisins, nuts, cookies, and cheese and crackers is a trend that has changed the food supply business in a few short years.

Prior to the introduction of the boxes, workers often relied on vending machines to get snacks.

The boxes provide nibbles all the time.

Before the trend began, Robco, Inc. of Troy, a company that's more than 10 years old, supplied coffee to businesses. It began supplying snacks when coffee prices began rising a few years ago.

"Snacks were just something extra to offer the customer then," said manager Mike Blank. "Now it's a money-making project for us."

In the last three years, about 25 companies attempted to make it in the snack-box business, he said. There aren't many left.

Two of the survivors are Box-O-Snax in Wayne and Starvin' Marvin Coffee

and Snacks in Detroit. Both, as well as Robco, supply customers in Oakland County.

BOX-O-SNAX began offering snack boxes three years ago. The firm also sells coffee now. Starvin' Marvin, also three years old, began with both coffee and snack boxes.

Snacks are a cheaper investment than coffee, give a better cash flow and provide leads for potential coffee customers, all motives for pushing trays filled with wrapped edibles, explained Blank, of Avon Township.

"Since getting into snacks, we've gone national," he said. "Our 22 new businesses started out supplying snack boxes instead of coffee."

Robco, whose name will soon change to Nationwide Gourmets, has businesses in states from Colorado to Florida to New York.

Twenty-five cents is the standard price for each snack item. People pay according to the honor system, dropping money into the box each time they take something.

There are problems with people not paying for their snacks.

Some companies handle this by placing a sign on a box, stating if the cash is short the following week the box will be removed.

Others have their drivers talk to people in the building, trying to politely en-

courage them to pay what they owe.

"If the staff people aren't honest enough to pay 25 cents for what they take out of the box, that's something an employer may want to know. It may indicate something," said Blank.

"WE'RE GEARED for a 20 percent shortage on the average, depending on how much money the tray itself brought in. But when I was a driver for awhile, I was surprised at how conscientious most people were," he added.

Freshness is an important factor to the success of the snack box. Drivers change boxes on a rotation basis, from once a week to every 10 days, depending on the supplier.

Each company checks the food when it comes back. Starvin' Marvin, owned by Betty and Monty Ochs, has 50 employees, including eight drivers. In addition to the snack boxes, Box-O-Snax has pastries and juice at 30 cents each on request.

Robco has three drivers for its 1,000 boxes in the marketplace. Competition in the snack tray busi-

ness is intense, the three business representatives agreed. There are no contracts signed with customers and each depends on new clients for increased profits.

Each attracts new clients in similar ways.

ROBSCO RELIES on leaving a tray at a business on a trial basis, after obtaining permission from a person in charge. Seldom is a tray removed, according to Blank.

Box-O-Snax leaves a tray only after explaining the operation to the person in charge.

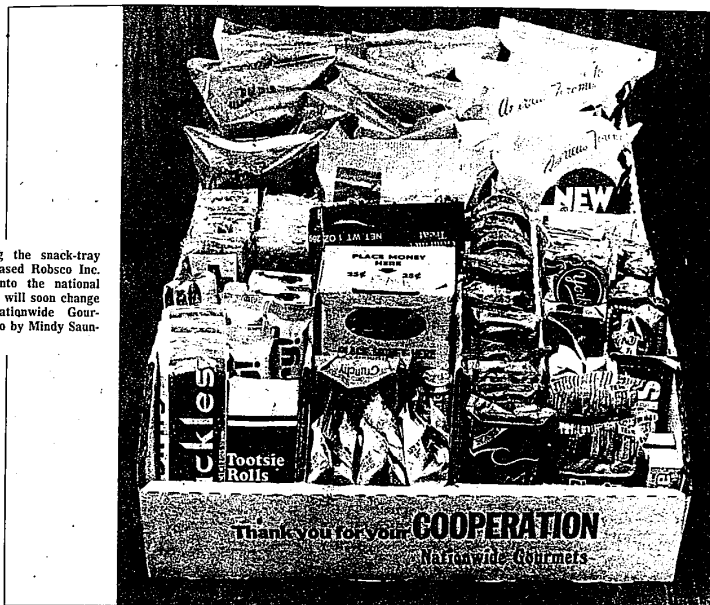
Starvin' Marvin relies on salespeople to sell the idea of having a snack box at the business.

"My salespeople are never encouraged to sell the idea of the snack tray by leaving it on a trial basis," said the representative, who asked for anonymity. "They are told to promote themselves first as representatives of the company, then the product will sell."

Location of the box of snacks is important as well. Placing the box in a strategic location is the responsibility of the drivers who change the snack trays.

It doesn't help business to have a box that's "out of sight—out of mind."

Instead, drivers are reminded to place the trays where the 30 or more items are easily seen and accessible to the most employees.



Red ink is alien to the earnings of drug store expansion leader

Color Perry Drug Stores red.

Red permeates Perry Drug Stores' (from its red-coated pharmacists and red-lettered company logo, to the red-eyebrow window shades in the corporate office's employee lunchroom).

Red ink, if anything, is alien to everything at Perry Drug Stores' is turning up red. But that's a far cry from the truth when it comes to the 58-store chain's bottom line.

Witness Perry's 1978 results, which comprised new highs for the company.

Verus 1977, Perry's 1978 sales were up 28 percent to \$89.2 million, with after-tax earnings escalating 23 percent to \$2.1 million.

Want some more statistics to chew on?

Perry Drug Stores' average sales per store in 1978 climbed to a record \$1.7 million, or about 10 percent more than the previous year.

Also in 1978, the chain's sales per square foot of selling space shot up to \$221, or about 47 percent greater than the industry average of \$150.

Compared to other drug store chains such as Revco, Walgreen, Gray Drug,

Jack Eckerd and Rite Aid, Perry Drug Stores leads the field in average sales growth over five years (through 1978).

SINCE 1974, PERRY has racked up an average sales increase of approximately 31.1 percent. Its 1978 sales figure of \$89.2 million is more than double 1974 sales of \$37 million.

All this is testimonial to a local business that had made good.

Since Jack A. Robinson opened the first Perry Drug Store on Pontiac's Perry Street in 1957, the operation has swelled to 58 sites serving 43 Michigan communities.

Perry's selling space has grown from the initial 2,800 square feet of the Perry Street store to a 1978 chainwide level of about 455,000 square feet.

The chain has added 40 of its 58 stores since 1973.

According to Robinson, the first Perry store was across the street from a cemetery. "We were not back then very well united into the importance of demographics for choosing store locations," he said.

Regardless of its inauspicious surroundings, the Perry Street store, has since been expanded four times to its present 8,000 square feet.

Picking profitable store locations, said Robinson, is one of Perry Drug's fortes.

"NO DRUG CHAIN in America has a better real estate department than Perry," Robinson noted. "In 22 years of business, we've never had to close a store."

"Actually all our stores are in neighborhood shopping centers, usually adjacent to a heavy traffic supermarket. To be right for Perry, a new store location must offer ample parking, easy access to our store and a surrounding population of at least 25,000," said Robinson.

The typical Perry Drug store averages about 9,000 square feet and maintains an average inventory of about 20,000 stockkeeping units.

As part of a strategy to "expand the drug store shopping experience," Perry operates 19 Auto-Home Center stores, each containing up to 15,000 square feet of selling space.

Auto-Home Center stores feature complete lines of auto parts, hardware, sporting goods, party shops, photo-electronics, records, pets and pet supplies. In addition, these stores have expanded drug departments.

According to Robinson, at least one of every two Perry units slated for future opening will be Auto-Home Center stores.

Perry currently operates one store in Birmingham, one unit in Farmington Hills, one in Southfield, two in Troy, and two in Rochester.

ITS PROFITABLE PAST has caused Perry Drug to plan bullishly for the future.

In 1979 Perry, said Robinson, plans to open seven to 10 additional stores and remodel and enlarge seven existing units.

Statistically, the chain will have over 500,000 square feet of selling space by the end of 1978, said Robinson. The company, he added, is expected to top the \$100 million sales mark by the end of the 1979 fiscal year.

Looking ahead, Robinson said that Perry's goal is to have 100 stores operating in Michigan by the end of 1983. Also in 1983 he expects the chain's sales to swell to at least \$190 million.

To accommodate the anticipated growth, Perry Drug recently opened a 230,000-square-foot distribution center in Waterford Township.