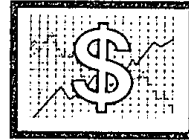


Business

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(F1C)



"Some consumers loyal to Great Scott, when the flag goes down, they may go somewhere else."

-Jerry McVety
Consultant

Opportunity beckons

Grocers eye customers

Owners of independent food markets, trade associations and a consultant in the industry are split on what impact the acquisition of Great Scott supermarkets by Kroger will have on independents.

Some speculated that a portion of Great Scott's customers, who account for an 8-percent Detroit area market share, could take a closer look at independents, especially if those stores are convenient to the home or work place.

Others, citing the neighborhood niche carved by many independents, projected little or no gain in their customer base.

Still others suggested that as fewer big players get in the game and competition heats up, independents will have to work hard to keep the customers they now have.

"As long as independents have competitive prices and good service, they may do better," said Jerry McVety, a West Bloomfield consultant in the hospitality industry.

"SOME CONSUMERS loyal to Great Scott, when the flag goes down, they may go somewhere else," he said.

Bob Coleman, owner of Bob's of Canton, and William Welch, an owner of five Hollywood Markets including one in Troy, believe the merger presents opportunities for their businesses.

"They (large chains) can't give the service I do," Coleman said. "Kroger is known for slow checkout. Three things I dwell on — cleanliness,

friendliness, quality and price. Quality and price are one."

"The perception was Great Scott was high (prices), Kroger, too," said Welch. "That should leave room for me."

"I would hope to think that someone left out in the dark... would get Hollywood Market a shot," Welch said. "That could conceivably happen."

JERRY ZAJDEL, owner of Your Better Market in Redford, isn't as optimistic as Coleman or Welch.

"I don't think there will be any change," he said. "They'll stay right there, unless they close the store."

Linda Gohler, president of the Michigan Grocers Association, doesn't expect that independents will reap a windfall as a result of the Kroger/Great Scott marriage.

"I'm not sure a merger or buyout impacts on smaller stores," she said. "Most independents really create a niche for themselves. You get into different neighborhoods, and retailers are accepted and become part of the community."

Gohler sees more competition among the three large remaining chains, A&P/Farmer Jack, Meijer and Kroger/Great Scott, than between them and the independents.

"THE INDUSTRY is very competitive... and operates on a 1-percent profit margin," she said.

Ryan Mathews, editor of Grocery Marketing, envisions two possible outcomes with recent local developments.

"Kroger would absorb Great Scott units and go through merge and purge locations... if they have two stores close to each other," Mathews said. "Typically, independents can do well in these situations with niche marketing."

"The worst case scenario is Kroger has made a firm commitment to the Detroit market, will keep the majority of stores, open new units and get very aggressive marketing," Mathews expects Kroger to come out fighting.

"Convenience is a key to independents' survival," said McVety. Edward Deeb, president of the Michigan Food and Beverage Association, mentioned a couple of other factors.

"INDEPENDENTS ARE a little more flexible," he said. "Smaller operators usually offer some kind of unique service you can't get at chain stores."

"Independents usually don't have buying power or cash flow. They have to find ways to compete. Usually they compete very well in fresh meats and fresh produce."

"Independents are in an excellent position to compete if they get aggressive themselves," Mathews said. "They have to become more responsive to the market, maybe more specialized merchandising. People are willing to shop if you can provide them access to unique products and services."

Stepped-up advertising may be in the independents' future — especially in their immediate environs — not only to attract new customers, but to retain the old, Deeb said.

Robotics conference coming

By Gerald Frawley
staff writer

And some people thought all the Detroit area has to offer was the automobile.

The largest robotics show and conference in North America is coming to the Motor City June 5-7 at Cobo Hall with three days of seminars and nearly 200 manufacturers and service suppliers.

Jeff Bernstein, spokesman for the Robotics Industry Association (RIA), which is located in Ann Arbor, said Michigan has strived for years to become more than just an automotive-dependent state and the growing robotics manufacturing is evidence of that.

"This is an important issue — one of the things Michigan has wanted to do is to attract high-tech businesses and the fact that we're here is a reflection that (to some degree) the state has succeeded."

"That's one of the reasons we're (holding the show and conference) here," he said. Another, paradoxically, is that the largest customers of robotics manufacturers and service providers is still the automotive industry.

Unlike the North American Auto show, the Robotics & Visions Automation conference show is more of a marketing than entertainment event, he said. The show is being cosponsored by the RIA, the National Service Robot Association,

the Automated Imaging Association, and the Engineering Society of Detroit.

THERE MAY be some things of interest to the general public, but for the most part the exhibits and presentations are geared to the corporate executives, engineers, research and development people and plant managers who will use the products.

Sales of robotic grew steadily from their introduction almost three decades ago until 1985, when sales fell sharply. After a two year slump, sales have grown consistently and industry watchers heralded the booming years as an incredible comeback.

Advertising buyer finds success attainable here

By Gerald Frawley
staff writer

Media buying in a male-dominated automobile area like southeastern Michigan can be tough — especially for a home town woman.

Karen Ritchie, senior vice president, director of media services at McCann-Erickson Detroit in Troy, is the exception to the rule. Ritchie was chosen as the advertising woman of the year by the Women's Advertising Club of Detroit because she has made great strides in an advertising market, which even as late as the 1970s, was dominated by the automotive companies and men.

Not bad for a young Mount Clemens woman who was encouraged to leave southeast Michigan to pursue a media career in a city more friendly to women, Ritchie said. "I've done a lot of things in my life, and later, I'll probably do more, but right now I'm having a lot of fun doing what I'm doing."

Her ascent to the top of her field as a local person may be a significant factor in her being chosen advertising woman of the year.

"I'm not the first woman media director, nor am I the first one on a big automotive account, but I may be the first woman to make it this far in her own town."

"I think there's some of that in it," Ritchie continued. "My appointment may be considered a victory for the home town woman."

Regardless, it is a personal victory in which she takes great pride, she said.

RITCHIE BEGAN her media career in 1975 at Campbell Ewald as a secretary and literally worked 70 hours a week until her supervisor noted her devotion and made her a media buyer.

Ritchie continued to take on added responsibilities with the firm until 1980, when Ritchie was promoted to media supervisor, which culminated in her taking part in the introductions of the 1982 Camaro and Celebrity automobiles.

Later that year, Ritchie moved to the firm Batten Barton Durstine & Osborne Inc. in Southfield, as vice president, media director, Dodge cars and trucks. While there, she was involved with the launch of the Dodge Caravan.

Ritchie returned to Campbell-Ewald (now Linas-Campbell-Ewald) in 1984 as senior vice president, manager, media planning for Chevrolet passenger cars and trucks. She was promoted to group media director in 1988.

In 1989, she joined McCann-Erickson Detroit as senior vice president, director of media services.



Karen Ritchie
Woman of the Year

where she supervises a staff servicing the accounts of General Motors, Buick Motor Division, GMC Truck, as well as Champion Spark Plug and Kelsey-Hayes.

"In many ways, we're the nuts and bolts of the agency. Once the ad is correct you have to get it to the people so it will be seen. We're like the wheels on a car — it can be beautiful, but it won't go without wheels."

"What I do is buy time and place — I guess it sounds real cosmic," Ritchie said. Essentially, her job is to efficiently frame a product or message in a place and time so it is brought to the desired audience.

A DIRECTOR of media services can be both a creative and administrative position, Ritchie said.

"One thing we're always struggling with is that we're trying to make it a science, but it's really an art," she said.

"You try to buy by the numbers, but how do you know what's hot? How do you know what the public will accept? Unless you have an intuitive sense, you're going to fail."

Intuition, she said she has found, can be taught, but it can also be drummed out of a person in the wrong environment. "What we're really talking about is popular culture." Media buyers are, more than anything else, students of popular culture, she said.

"Which means I work in everything from television to matchbook covers," he said.

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dairy mart

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<p>SAVE 60% HORMEL SPICED LUNCHEON MEAT \$1.99 1 LB. PETER'S BEST ROAST BEEF \$3.99 LB.</p>	<p>PREMIUM DELI SWISS CHEESE \$3.29 1 LB. HOFFMAN SWISS RYE \$2.99 LB.</p>	<p>ASSORTED NESTLE CANDY BARS 3/99¢</p>	<p>FROZ FRUIT YOGURT BAR 79¢ EACH</p>
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