Harvest Box Proposal Reaps Trouble for Retailers

By Kathy Kazava, GFIA President

What would happen to Georgia’s supermarket retailers if 40-50% of their SNAP sales disappear? What would the impact be to so many of our supplier members?

When USDA Secretary Sonny Perdue made his announcement to dramatically shift SNAP delivery, grocers across the country shuddered at the thought of the impact upon their businesses. Customers receiving over $90 worth of benefits each month would receive 40-50 percent of the benefit value through an “America’s Harvest Box.” The USDA believes they would be able to deliver this food at “approximately half the retail cost.”

The box would contain 100 percent U.S. grown and produced food, and include items like “shelf-stable milk, juice, grains, ready-eat-cereals, pasta, peanut butter, beans, canned meat, poultry or fish, and canned fruits and vegetables,” according to USDA. The remaining amount of the monthly SNAP benefit would still be available to recipients via traditional EBT cards.

Every state would be allowed to determine their own distribution model - partner with retailers, ship direct to door, or via a food pantry among the possibilities. Many of GFIA’s independent grocers told me that if this proposal becomes reality, they would be out of business.

The GFIA understands that the new proposals would have a devastating effect on our members, and we went to work to get your message heard. A record number of our members headed to Washington on April 10-11th to take your message to Congress. Don’t miss the story on pages 7-9.

Our state legislators finished their legislative session on March 29th. Legislators were eager to get busy running for office during this important election year. Check out our highlights of the session on pages 4-6.

Many GFIA members took advantage of an opportunity to hear from the top candidates contending to be Georgia’s next governor. The GFIA co-sponsored NFIB’s Gubernatorial Candidate Forum April 17 in Atlanta.

As elections are heating up with next month’s primary, I encourage every GFIA member to get to know your local candidates. Politics is all about relationships, and there is no one better at relationships than those of you in the grocery industry!
GFIA Kicks Off the 2018 Session with Its Annual Legislative Reception

On Tuesday, January 23th, the Georgia Food Industry Association, along with the Georgia Association of Convenience Stores and the Georgia Beverage Association, held the Eleventh Annual Legislative Reception. Over 200 members came to meet with their legislators and talk about important issues facing our industry. Many thanks to the legislators, and to all of our members who attended the reception, helping GFIA to strengthen its voice at the state capitol.
LEGISLATIVE RECEPTION

Senator Josh McKoon; Clark Stephens, Quality Foods; Darrell Wiley, J&J Foods

Glen Wilkins, Walmart Stores; Laird Canby, Eagle Rock Dist.; Rachel Kiley, Monday Night Brewing; Greg Elliott, General Wholesale Beer Co.

Jerry Shumpert & John Rutledge, Coca-Cola Bottling Co. United; Bruce Lucia, The Kroger Company


“The Voice of the Food Industry in Georgia”
2018 Legislative Session Highlights

The Georgia General Assembly concluded the 2018 legislative session after midnight on March 29th. The highest profile issues that passed included a historic tax cut, expansion of mass transit, expansion of internet sales tax, rural internet expansion, a distracted driving limit on cell phones, increased funding for education, and the restaurant brunch bill.

GFIA’s legislative team was at the capitol every day educating legislators on the issues affecting the food industry, including a last ditch effort to pre-empt local governments from fining retailers for stolen shopping carts. (Yes, this actually happens if you live in Savannah). We appreciate the Lieutenant Governor’s office for working hard to help us with the issue and to the many senators and representatives who voted in our favor. Because there were changes on the bill, the legislation had to come back to the Senate for a final agreement. Until 11:59 p.m., we were still hopeful that our bill would pass, but unfortunately, the clock was our enemy and time ran out.

For the bills that did pass the House and Senate before time ran out, the Governor has 40 days to act on legislation. He has three options: (1) sign the bill, (2) veto the bill, or (3) do nothing, in which case it becomes law.

With several legislators running for higher office and primaries just around the corner for all legislators, everyone was ready to get on the campaign trail and begin the fund raising necessary to win an election.

**Alcohol**
The Brunch Bill passes without retailers being included; Social host bill stalled.

Changes in Senate leadership allowed the Brunch Bill to finally see the light of day. Our new Regulated Industries Chairman, Senator Frank Ginn and SB17 author Renee Unterman believed that retailers should be given parity and added off-premise retailers to the restaurant bill. Unfortunately, some in Senate leadership would not agree and the final legislation was limited to on-premise retailers. **PASSED**

HB860 would have expanded criminal responsibility and civil liability for providing or allowing individuals under 21 years of age to consume alcoholic beverages. The GFIA worked with author Emory Dunahoo to take out language that would have increased liability with new negligence standards on retailers. The bill stalled after passing subcommittee. **FAILED**

**Lottery / Gambling / Gaming**
Neither casino gambling / pari mutuel gaming or fantasy sports legislation advanced this session, but the conversation is not over! Look for a strong push after the elections.

Worried about keeping your lottery winnings quiet? Legislators passed SB31, that would allow a lottery winner of more than $250,000 to remain anonymous if they ask in writing to remain confidential. **PASSED**

**General Business/Labor**
Money order fee bill fails to gain momentum; new signs required for those retailers who sell fireworks and a variety of labor bills introduced again this session.

Do you sell money orders? A bill that would have required merchants to charge fees for customers purchasing money orders, never passed. HB66, called for a $10 fee for money orders under $500 and 2% of the transaction for larger transactions. Authorized agents would be compensated 5% of the fees. Customers could save their receipts for a tax credit on the fees paid. **FAILED**

Are you a retailer that sells fireworks? HB419 deals with the ability of local governing authorities to use noise ordinances to curb late night firework explosions. The Senate added a provision requiring retailers to have signage with specific language in its retail display area regarding warnings to consult ordinances and that fireworks can have negative reactions to pets and people suffering from PTSD. **PASSED**

The Georgia Pregnant Workers Fairness Act, mandates reasonable accommodations for pregnant workers or applicants. HB184 would require businesses to give longer or more frequent breaks, and job restructuring including light duty, unless doing so would cause undue hardship for the employer. This bill never made it out of committee. **FAILED**

HB720 would make it unlawful to discharge or discriminate against any employee covered by this chapter for inquiring about, discussing, or disclosing his or her wage rate or the wage rate of any other employee. **FAILED**

SB418 and the companion HB948 would prohibit county, municipal, and consolidated governments from banning the commercial sales of goods, products, or items regulated by the USDA, FDA or GA Dept. of Agriculture. The bill was defeated on the Senate floor 34-19. The House bill never made it out of committee. This controversial bill was brought up due to some local governments passing restrictions on pet stores from selling live animals. **FAILED**

**Taxes**
Several tax bills passed this session, including massive changes to Georgia’s tax code; online
realtors are now responsible for sales tax collection; and ad valorem tax reporting. What did not fare as well was the sales tax holiday.

HB918 reduces corporate and individual rates from 6% to 5.75% in 2019, with another reduction possible in 2020. The legislation also doubles the standard deduction in 2018. PASSED

In an effort toward parity with Georgia’s brick and mortar retailers, HB61 will require online retailers to either collect and remit state sales tax, or to provide notices to the state and purchaser that the tax is owed. Companies who deliver more than $250,000 in Georgia or have more than 200 transactions annually would be affected. PASSED

HB811 allows the Department of Revenue to contract for services in the identification of taxpayers that are non-compliant with sales and use tax. HB811 also allows the department to pay for those services on a contingency basis. PASSED

HB888 makes certain reporting changes relating to the ad valorem tax, amending the code section relating to the tangible personal property inventory exemption, and the level one and level two freeport exemptions. PASSED

HB796, the sales tax holiday, again did not pass due to lack of support by the Ways and Means Committee. Another sales tax exemption that did not pass was HB731, that would have exempted sales tax on feminine hygiene products. FAILED

Originally, SB432 would have removed many of the state’s sales tax exemptions, including the exemption on off premise food sales. The bill that eventually passed would require an annual economic analysis to be conducted by the state auditor of certain income tax credits and exemptions from sales and use taxes that would show legislators the amount that these exemptions are costing the state. PASSED

**Tobacco**

*No appetite for tobacco tax bills this session*

While considerable conversation and attempts were made to increase the tobacco tax, those efforts failed to pass. The largest increase would have come from Representative Ron Stephens, author of HB1074, which would have increased the excise tax on a pack of cigarettes from 37 cents to $1.50. Cigars would have increased from 23 to 42 percent of the wholesale cost price, and loose or smokeless tobacco would have increased from 10 to 42 percent of the wholesale cost price. FAILED

There was an attempt to reduce excise tax on “modified risk” tobacco products, but HB877 was defeated in the House 109-59. FAILED

**Pharmacy**

*Passage of expanded testing; more transparency in PBM practices. No mandate on electronic prescriptions or for retailers to check identification on cough syrup.*

The pharmacy industry was pleased when the House Rural Development Council recommended more transparency of PBM practices with the state health plan. The Department of Community Health will now report all pharmacy claims, fees and processing charges to legislators.

SB442 expands the scope of practice for pharmacists to allow them to do blood testing, as opposed to only capillary tests. The blood tests and the interpretation of the tests are a means for screening or monitoring disease and drug use. PASSED

In an effort to curb the teen abuse of some of the cough medicines, HB895 would have prohibited the sale to minors of drug products containing dextromethorphan. Penalties were to include a warning on first offense, not more than $150.00 for a second violation and not more than $250.00 for a third or subsequent violation. The GFIA worked with the author and was ready with substitute language for lower penalties and no violation if retailers conducted training for their employees and had no knowledge of the infraction. Although the bill did not make it out of committee, look for this issue to be back next year. FAILED

SB471 would have required that all Schedule II drugs be electronically prescribed, effective January 1, 2020. FAILED

**Transportation**

*Increased transit may be in the future; Vehicle fleet registration streamlined.*

A dramatic expansion in transit may be the result of the passage of HB930. The legislation would pave the way for Cobb, Fulton and Gwinnett counties, and much of the metro area, by allowing 13 counties in the region to impose a sales tax of up to 1 percent for mass transit. PASSED

Legislation passed to streamline the registration of a vehicle fleet to comply with the Department of Revenue’s new electronic registration system. Importantly, HB898 reduces the number of vehicles that constitutes a fleet from 1,000 to 100 vehicles. PASSED

**Crime/Criminal Justice**

HB890 passed, providing for an additional criminal penalty for using an emergency exit after shoplifting. PASSED

SB407, the Governor’s Criminal Justice Reform Bill, also passed - reducing the number of the poor who are jailed because of their inability to pay their bail. The bill also addresses certain misdemeanors and allows for arrest by citation to include the misdemeanor crimes of criminal trespass, shoplifting, refund fraud, and the possession of marijuana. Before the offender is released however, the officer must obtain and review the offender’s fingerprints through the National and Georgia Crime Information Centers. PASSED

HB842 allows that merchants can offer persons suspected of theft an opportunity to complete a theft education program in lieu of prosecution. This bill did not get out of committee. FAILED

**Hear the inside story on the 2018 session directly from state legislators during the legislative breakfasts at our annual convention in Orlando July 18-22.**
GFIA Members Feed Hungry Senators

Many thanks to the GFIA members who supported our legislative efforts by donating product during the legislative session. We host a hospitality room adjacent to the senate chamber, where Senators come to enjoy breakfast, coffee and snacks throughout the day. This year, we were well stocked with snacks, breakfast pastries, nuts, granola bars, cookies, crackers, popcorn, and fruit. The Senators and Lt. Governor Casey Cagle enjoyed the food that was provided by our members.

Product donations were provided by:

- Cousin Willie’s Popcorn
- Flowers Foods
- Food Lion
- Kraft Heinz Company
- The Kroger Company
- M&M Mars Candies
- Mondelez International
- Post Consumer Brands
- Publix Super Markets, Inc.
- Snyder’s-Lance, Inc.

Regulated Industries Chairman Frank Ginn [R-Danielsville] and Senator Greg Kirk [R-Americus] give high marks to M&Ms candies.

Senator Ed Harbison [D-Columbus] is a fan of Cousin Willie’s Popcorn snacks!

Senator Bill Ligon [R-Brunswick] enjoys healthy choices thanks to Publix Super Markets’ generous gift cards donation.

Freshman Senator Brian Strickland [R-McDonough] loves Late July chips, donated by Snyder’s-Lance, Inc.

GFIA Retailer Senator Burt Jones [R-Jackson] chooses Simple Green organic snacks from Kroger.

Everyone loves Cocoa Pebbles from Post Consumer Brands, especially Rules Chairman Jeff Mullis [R-Chickamauga]

Finance Chairman Chuck Hufstetler [R-Rome] is nuts for Planters NUT-ri-tion Heart Healthy Nut Mix, donated by Kraft Heinz Company.

Senator Matt Brass [R-Newnan] with his favorite cookie, Oreo, from Mondelez International.
Record Group of GFIA Members Heads to Washington to Fight Against SNAP Proposals

Over 170 retailers and wholesalers from across the country flew into Washington on April 10-11 for this year’s annual Washington Fly In. A record 18 GFIA members were included in that group! Over a fast and furious two days, our group visited 15 legislator offices! Our number one issue that we lobbied at each stop was maintaining the public-private SNAP partnership between grocery retailers and government to provide food to SNAP recipients.

As legislators debate controversial issues, such as the future of the SNAP program, we definitely gave elected leaders on both sides of the aisle examples on how changes like the Harvest Box would be devastating to the retail industry. Our visits were scheduled at the perfect time, as the Farm Bill was released only a day after we were in Washington.

A special thanks to our national partners, FMI and NGA, who make our industry’s voice heard every day on a national level. They have been working on the Farm Bill provisions for the past several months and were successful in getting many of the provisions we lobbied for into the initial version of the bill.

The industry’s top legislative priorities were included in the introduction of the Farm Bill, including preventing application, processing or interchange fees from being imposed on retailers. (There had been talk about having retailers pay an application fee to accept SNAP based on your annual SNAP sales.) The bill also has no “Harvest Box” proposal and does not impose food restrictions on SNAP customers, but be prepared for some battles on the “good food vs bad food” issue.

We also lobbied to keep a retailer’s store level SNAP sales data private, and we are encouraged that the released Farm Bill does not allow that information to be shared.

The most controversial change to the $865 billion Farm Bill imposes more stringent work requirements for 5 to 7 million out of the 42 million participants in the program. Adults between the ages of 18 and 59 who are not disabled, pregnant or caring for a child under the age of 6 would be required to either work or enroll in a training program for at least 20 hours a week. Democrats oppose the more stringent requirements.

Another way to decrease the number of participants will be the reinstitution of an asset test for recipients and to require applicants to complete application paperwork.

We will keep you informed as the debate continues.

NGA Study Exposes the Harm the Harvest Box Concept Would Pose to Food Retailers and the Economy

NGA unveiled a recent survey that examines the impact the Harvest Box proposal would have on the food retail sector. The study looks at the economic impact of the Harvest Box concepts of shifting 40 percent of SNAP benefits from the current program, which provides recipients with cash benefits distributed using electronic benefits transfer (EBT) cards, to a complex home delivery system. The results are devastating. The Harvest Box system would disrupt the 137,340 local food retailers in the country that have been serving their communities with an efficient food delivery system for decades. Were this proposal to go into effect, American food retailers would effectively lose $23.0 billion in sales. These local food retailers currently receive nearly 12.5 percent of their total food sales via SNAP EBT payments. Total job loss (direct and indirect) would total 368,493 jobs over the broader economy. The resulting loss in wages would total a staggering $19.8 billion, and economic output would decline $46.2 billion.
The retail food industry is proud to be a private partner with the federal government in the Supplemental Nutrition Assistance Program (SNAP). The following are the top retail priorities in the 2018 Farm Bill.

**Oppose New Taxes, Fees and Reporting Mandates**

Authorized retailers invest significant resources and capital to accept SNAP. We strongly oppose any additional costs to retailers, including:

- Processing Fees
- Interchange Fees
- Retailer Participation/Application Fee – fees ranging from $250 - $20,000 assessed each time a retailer is authorized or reauthorized to participate in the program.

**Protect SNAP Retailers’ Competitive Trade Secrets**

Highly sensitive store-level SNAP redemption data identifies customers and sales, and should be deemed confidential and exempt from Freedom of Information Act (FOIA) requests.

**Maintain Current Efficiencies in SNAP**

Portability and Ubiquity of SNAP – We oppose moving to a state block grant system or allowing a single state to place restrictions on SNAP purchases that would create a broken patchwork of conflicting rules and standards.

Clear Objective Eligible Food Standard – Creating a “good” versus “bad” food list will prove to be difficult to implement in-store, inconsistent nationally, and potentially open SNAP retailers to additional liabilities and greater compliance costs.

**Preserve the Successful SNAP Public-Private Partnership**

The public-private partnership of SNAP allows retailers to reach low-income and rural communities that would otherwise lack access to healthy foods. We oppose policies that would undermine this partnership, such as the “Harvest Box” proposal in the Administration’s 2019 budget request.

Ron Edenfield, President of Wayfield Foods, is a veteran to the Washington Fly-In. He believes that it’s important to go every year to establish relationship and trust with federal lawmakers. “When we have something that adversely affects our business, the legislators will listen because they already know us and our industry. I think that was never more evident than this year, and the legislators were truly interested in how the SNAP proposals would harm our business. I felt like we really made a difference.”

John Triplett, co-owner of Twin City Grocery, was a new addition to the GFIA team in Washington. “I enjoyed getting to work with both Republican and Democrat legislators to resolve issues facing our industry. I was able to better understand each side’s views on how to face these challenges.”
Thanks to our Dedicated Team!

Thanks to the following GFIA members who brought our message to Georgia’s legislators on Capitol Hill:

Don and Amy Barnette, Market Grocery Company; Clark Brunson, Twin City Grocery; Mike Coggins, Sherwood Foods; Tom Coogle, Reynolds Foodliner; Greg Crook, Crook’s Marketplace; Jeff Downing, Foothills IGA; Ron Edenfield, Wayfield Foods; Michael Gay, Foodfresh; Randy and Brenda Gentry, RBG Foods; John Triplett, Twin City Grocery; Felix Turner, The Kroger Company; John West, West Foods; Darrell Wiley, J & J Foods; and Andre White and Moses White, Wayfield Foods.

Let’s make our GFIA group even larger next year – Save the Date!

APRIL 30 - MAY 1, 2019
GFIA Members Get Up Close Look at Gubernatorial Candidates

Most voters will only get to know a candidate for office by watching the many television advertisements and hearing what the media says about the individual. The GFIA jumped at the chance to co-sponsor a gubernatorial candidate forum and luncheon on April 17 in Atlanta, where our members could meet the top candidates for Georgia’s next governor.

Top Republican candidates attending were Lieutenant Governor Casey Cagle, former state senator Hunter Hill, and Clay Tippins. Current Secretary of State Brian Kemp was unable to be there in person but sent a video message to the group. Top Democrats participating in the forum included former Minority Leader Stacey Abrams and former house member Stacey Evans.

The AJC’s Jim Galloway interviewed the candidates in what he called a “speed dating” format. Each candidate addressed topics on transportation, taxes, healthcare, workers’ compensation and workforce development.

The sponsors also honored Representative Chuck Efstration as Legislator of the Year. The National Federation of Small Business (NFIB) has a tradition of hosting this forum and this year partnered with the GFIA, along with the Georgia Association of Convenience Stores and the Ready Mixed Concrete Association.
2018 ELECTION UPDATE: THE RACE FOR GOVERNOR

2018 is a huge year for Georgia’s political landscape as we will elect a new Governor for the first time in eight years. Voters head to the polls on May 22nd to select each party’s Gubernatorial nominee for the November General Election! Make sure you are in the know- before you cast your vote.

REPUBLICAN PRIMARY CANDIDATES

**CASEY CAGLE:**
Casey Cagle has been active in Georgia politics since he was elected to the state senate in 1994 and made history in 2006 by becoming the first Republican elected to serve as Georgia’s Lt. Governor. Cagle, an entrepreneur and native of Gainesville, is known for championing charter schools. His platform includes conservative tax policies and workforce development.

**HUNTER HILL:**
Atlanta native, Hunter Hill is a veteran, Westpoint graduate and former state senator. Following two tours of duty in Iraq, Hill returned to Georgia where he ran for the state senate in 2012. During his time in state government, Hill was a leader for the school choice movement, and introduced legislation each year to eliminate the state income tax.

**BRIAN KEMP:**
Current Secretary of State and Athens native Brian Kemp is a small business owner and graduate from UGA. Kemp champions small business, government reform and supports tough policy regarding illegal immigration.

**CLAY TIPPINS:**
Gwinnett County native, Clay Tippins, is a newcomer to Georgia politics, having never served on the state level. A businessman and former Navy Seal, Tippins is an advocate for classic conservative principals such as cutting state spending and protection of second amendment rights.

**MICHAEL WILLIAMS:**
Business owner and state senator from Cumming, GA has served in the General Assembly since 2014. The Utah native, is an advocate of Fair Tax, Religious Freedom and Constitutional Carry.

DEMOCRATIC PRIMARY CANDIDATES

**STACEY ABRAMS:**
Former House Minority Leader and Mississippi native, Stacey Abrams served in the general assembly, representing the Atlanta area, since 2011. During her time in the house, she focused on issues regarding transportation, sound infrastructure and education. Equality which fosters prosperity is her vision for Georgia.

**STACEY EVANS:**
Ringgold Georgia native, Stacey Evans has served in the house since 2010 representing portions of Cobb County. Evans platform includes free tuition for technical college students and ensuring every Georgian can make a living wage. She is also focused on healthcare access and education.
CONVENTION PREVIEW

LIGHTS, CAMERA, ACTION!

WEDNESDAY, JULY 18
Registration open from
4:00 PM – 7:00 PM!
The movie magic begins Wednesday evening with the return of our exclusive Diamond Sponsor Welcome Party. Diamond sponsors, all retailers, wholesalers and our board of directors and board of trustees are invited from 6:30-8:00 PM.

THURSDAY, JULY 19
Registration open from
7:00 AM – 6:00 PM!
After 9:00 AM stop by the Mayfield Ice Cream Station, and Snack Shack on your way to check in at the GFIA registration desk.

Don’t miss the opening act of this year’s convention – the Wine Tasting and Welcome Cocktail Party at 6:30 PM. The event will feature a host of wine selections and experts to answer all of your questions.

Then, fly with us to Neverland Family Night as we enjoy a night of games, food and entertainment for the entire family! Tonight’s feature presentation is the annual Best Bagger Contest, where young hopefuls vie for a spot at NGA’s National Championship in San Diego. At the end of the evening, you may have to fight Captain Hook and his pirates to claim your winnings at the Silent Auction.

FRIDAY, JULY 20
Legislative Breakfast
7:30 AM – 9:00 AM
Enjoy a delicious hot breakfast as you listen to an update on the 2018 legislative session from some of Georgia’s top elected leaders. Get the behind the scenes story on legislation, including the upcoming elections, and issues that affect Georgia’s grocery industry.

Delivering World Class Customer Service – Lessons from the Mouse!
9:30 AM – 11:00 AM
Customers have more choices than ever, and differentiating your service is the key to attracting and retaining customers.

Based on his 20 years with Walt Disney World along with many years of consulting with organizations around the world, Dennis Snow will provide a “how-to” program for delivering outstanding customer experiences.

This program will provide you with strategic tools that can be used to raise the bar of service throughout your organization, resulting in “walk-through-fire” customer loyalty.
CONVENTION PREVIEW

LIGHTS, CAMERA, ACTION!

**eCommerce Initiatives**  
11:15 AM – 12:30 PM  
Home delivery? Curbside pickup? How is your company evolving to meet today’s demanding customers? How can you position yourself to compete against Amazon? Join our panel of experts, including retailers and vendors, who will share their insights on omni-channel retailing.  
Hear the latest on the SNAP delivery pilot and learn how Georgia regulations can impact your ability to take care of your customers.  
Afterwards, attend the **Independent Council Luncheon**, open to all independent retailers and wholesalers, or eat lunch at the **Snack Shack**.

**Grocers Give**  
9:15-10:30 AM  
Celebrate the generosity of our fine industry as we join together to prepare 3,000 bags of food for hungry children. All family members are invited to attend this event as we work with local food bank Second Harvest to make a difference for children from low-income families. Don’t miss this opportunity for the whole family to participate in a worthy cause!

**Decision Maker Exhibit Show (Retailers and Wholesalers only)**  
10:45AM-12:45 PM  
Before the trade show opens to all attendees, our exhibitors host a VIP preshow for retailers & wholesalers to sample products and get a behind the scenes look at new offerings.

**GFIA Trade Show**  
12:45 PM – 1:45 PM  
GFIA fans are in store for lots of fun at this year’s GFIA Trade Show, where they will get movie star treatment as they sample new flavors and the latest food products. More than 80 vendors will have their products and services on display. Visit each booth to win prizes, learn about new products and enjoy some family fun at this popular event!

**Chairman’s Cocktail Party, Awards Dinner & Dessert Party**  
6:45 PM – 10:00 PM  
The convention wraps up on Saturday evening as we roll out the red carpet for our gala event and awards ceremony. Celebrate our industry achievements as we recognize our convention sponsors, industry leaders, and present this year’s prestigious Legacy Award.

SATURDAY, JULY 21

**Legislative Breakfast**  
7:30 AM – 9:00 AM  
Enjoy another delicious breakfast as you listen to more elected officials bring you news from inside the gold dome. Along with hearing legislator perspectives on the issues facing our industry, we will share the results of our gubernatorial straw poll!
GFIA Members Reflect on the 2018 NGA Show

The 2018 NGA Show was another success and featured many presentations that showcased new technology innovations that are changing the retail landscape, including best practices for e-commerce. Retailers enjoyed the general session, "Digital Disruption - Understanding, Adaptation and Persistence Equals Real Growth". A panel of independent retailers discussed how they compete in this digital environment.

Although food shopping online is still a very low percentage of total food sales, many of the speakers urged retailers to quickly embrace e-commerce for their company’s survival. “Location is no longer a guarantee of success,” according to speaker Michael Sansolo. “As consumers’ food retail options continue to expand, retailers who operate under the traditional food retailing models will lose market share.” Most people are reluctant and fear change, but need to ask themselves, “How do they feel about becoming irrelevant?”

Clark Stephens, Vice President for Quality Foods, says that his takeaway is that “We have to move faster in this constantly changing environment we all face. We need to communicate with today’s consumer in a way that they want to be communicated with and offer the personalized services that they demand”.

Does this mean that brick and mortar retailers are a thing of the past? Not a chance. Speaker Steve Dillard presented the seminar “Competing with E-Commerce”. Among the many ideas presented, Dillard urged retailers to develop signature items in every fresh department. He asked the audience, “What is your signature item? Dillard also told independent retailers to take full advantage of their wholesalers’ ecommerce abilities.

Several GFIA members were impressed with exhibitors that give independent retailers the ability to compete with larger grocers. Freshop will develop a grocer’s order and pick up website. AppCard offers a tool to help retailers use data to drive marketing campaigns.

Dave Logue, Retail Counselor for MDI, said that his best takeaway was when IGA president John Ross stressed that “local and community-based merchants can succeed by emphasizing their local roots and connections, now more than ever before”.

The NGA Show also provided presentations designed to assist with attracting and retaining a first-class team of employees.

Warren Brown, Vice President, Quality Foods, brought back some great ideas from the seminar “Critical Recruiting Trends”. “We must recruit to attract millennials and that means changing what we have always done. The speaker suggested getting involved with the high schools by speaking to classes, giving tours of our work place, holding job fairs and putting our application online,” says Brown. “Apparently, millennials won’t stop to complete a long drawn out application”.

Speaker Steve Dillard asked retailers to develop signature items in every fresh department. “What is your signature item?”
Alice Kim, Executive Director of Nam Dae Mun Farmers Market, an eight-store chain in Atlanta, enjoyed Harold Lloyd’s recommendations in his session, “What is your Employee Retention Probability?” Lloyd asked the attendees to rate their operations in 10 key areas, such as their orientation process, performance reviews, store conditions and growth opportunities.

As a trustee with Georgia Food Industry Education Foundation, Vernon Kelly with General Produce, was impressed with a scholarship recipient’s presentation. He shared how receiving an NGA scholarship made a huge difference in his life and career.

Speaking of an impressive young person, the GFIA was proud of Elijah Allahdem, The Kroger Company, who represented Georgia in NGA's Best Bagger competition. Although Elijah did not make it to the finals, he was a terrific competitor!
GFIA MEMBERS WIN BIG AT ANNUAL NGA & IGA CONVENTIONS

Retailers from around the globe flocked to Las Vegas in February for the annual NGA & IGA conventions, where two GFIA member companies were recognized. Congratulations to Dill’s Food City and MDI on their many accomplishments in the grocery industry! We are grateful for their leadership in the GFIA!

GFIA member Merchants Distributors Inc. (MDI) received the coveted IGA Licensed Distribution Center of the Year President’s Cup for the second consecutive win! IGA CEO John Ross presented the award, recognizing MDI for its “true leadership and innovation in the advancement of the IGA brand in the US.”

According to IGA, throughout 2017 MDI demonstrated its commitment to IGA and its retailers with full support of IGA marketing, placing a major emphasis on signing up stores for IGA Performance Insights and meeting regularly with vendors related to program promotions. At the same time, the company was a big supporter of IGA Exclusive Brands, regularly featuring IGA products in their weekly ads and digital coupon offers, providing a private label endcap program for seasonal product sales, and supplying each of their IGA stores with a case of free product when new items are released. MDI also encouraged its existing IGA retailers to work with its Retail Development Coordinator to modernize store layout, design and décor and, over the course of 2017, recruited six additional IGAs to the brand for a total of 140 stores.

“The role of an IGA is far more than supplying food, and Merchants Distributors is a prime example of the magic that happens when a wholesaler, retailer and brand join together with the goal of putting that retailer in a position to win,” Ross said. “Merchants Distributors has a long history of dedication to the IGA brand and the retailers it serves, but more than that, they are doing the necessary and challenging work to help their retailers modernize and customize their stores and create the high-touch shopping experiences customers want.”

Founded as a small family business in Hickory, NC, MDI recently celebrated its 86th anniversary. Despite its humble beginnings, MDI has since grown to become a multimillion-dollar wholesale grocery company that employs more than seventeen hundred workers in the southeast. GFIA is fortunate to have MDI President Bob McTeir serve on its board of directors.

Dill’s Food City, founded in 1935, now boasts four locations and 150 associates across north Georgia. Currently owned and operated by third generation brothers Stan and Tracy Dilworth, Dill’s recognizes the importance of delivering value in all forms. Great customer service, competitive pricing, unique offerings and special events benefiting the communities they serve keep customers coming back!

Thanks to The Shelby Report of the Southeast for contributing to this article.
MARK YOUR 2018 CALENDAR FOR THESE EXCITING GFIA EVENTS

Details are at www.GFIA.org/events

July 18-22, 2018
GFIA Annual Convention
OMNI ChampionsGate Orlando, FL

October 17, 2018
Fall Golf Tournament
Chateau Elan, Braselton, GA

IT'S TRUE! GEORGIA LOVES DEW

GEORGIA LOVES DEW®
MEMBER SPOTLIGHT

NEW GFIA MEMBERS

Associate Members
Durty Gurl Cocktail Mixers
ECRS
Kottke Trucking, Inc.
Martin’s Potato Rolls
Moneytree ATM
Morty Pride Meats, Inc.
Original New York Seltzer
Plain.Stated, LLC
Premier Cleaning, Inc.

RW3 Technologies
S.E. Meats, Inc.
Simply 7 Snacks
Singh360

Retail Members
Supermercado Jalisco
Supermercado Talpa
The Market, Winder, GA

We give you Variety!

Take a moment to learn more about the wide variety of brands offered by Flowers Foods

“The Voice of the Food Industry in Georgia”
GFIA MEMBERS SUPPORT INDUSTRY STUDENTS WITH $141,500 IN SCHOLARSHIP FUNDING

Since 1996, the Georgia Food Industry Education Foundation has provided scholarship funding to deserving students in our industry. We are proud to announce that GFIA member companies have stepped up to offer a record $141,500 in scholarship awards for the 2018-2019 program. This year, competition was fierce as almost 400 applicants submitted their credentials for review. Our third-party administrator is now reviewing the applications, and winners will be announced in May.

Huge thanks go to the member companies listed below that recognize the impact and value of providing quality education to our students.

**Piggyback Award Donors**

Piggyback awards are available only to the sponsoring member’s employees.

- Dill’s Food City, Inc.
- Food Lion LLC
- Foothills IGA Market
- Ira Higdon Grocery Company
- J & J Foods, Inc.
- The Kroger Company
- Market Grocery Company
- Milko, Inc.
- Pepsi Beverages Company
- Publix Super Markets, Inc.
- Quality Foods, Inc.
- RBG Foods
- Reynolds Foodliner, Inc.
- Wayfield Foods, Inc.

**Sponsored Award Donors**

Sponsored awards are available to employees of all GFIA member companies who meet the established award criteria.

- Anheuser-Busch, Inc. & The GA Wholesaler Family
- Blue Bell Creameries
- Coca-Cola Refreshments
- Heineken USA
- Linea Private Wealth Management
- Pepsi Beverages Company
- Western Union North America

Visit the GFIA website for a complete listing of available scholarships

SCHOLARSHIPS FUNDED BY THE FOUNDATION

In addition to the above awards, the Foundation funds almost forty scholarships each year, worth $74,500. These awards are also made possible by a generous $15,000 grant from Publix Super Markets Charities. Foundation awards are available to employees of all GFIA member companies who meet the established award criteria.

Scholarships are a great employer benefit – let us help you set up a program for your employees. The Foundation will administer the entire program FREE of cost to you! Contact the GFIA office for details.

SUPPORT OUR CONVENTION FUNDRAISERS -

Help us to provide scholarships to industry students by supporting our Silent Auction and Raffle at the GFIA convention in July.

**How Can You Help?**

Donate Items to Sell - Donate Cash - Purchase Silent Auction Items - Purchase Raffle Tickets
GFIA Members Brave the Weather at Our “Not Spring Yet” Tournament

This year’s Education Foundation Spring Golf Tournament sure didn’t feel like spring as over 275 golfers and volunteers huddled together in the clubhouse before heading out to a cold and windy day of golf and networking at Mirror Lake Golf Club in Villa Rica, Georgia.

The networking opportunities were phenomenal at the event, because everyone was inside the building before and after the golfing! Our members and trustees showed true GFIA spirit as they worked together to make the day a great success for everyone in attendance. We even had a player land a hole-in-one at the Publix Beat the Retailer hole with Bob Pendleton!

It turned out to be an exciting and fun day. We appreciate our Education Foundation trustees, the sponsors, retailers, golfers and volunteers whose dedication raised over $77,000 to support industry education and scholarships.
Special Thanks Go To Our Event Sponsors for Making the Spring Golf Tournament a Success!

Grand Sponsor

Bimbo Bakeries USA

Ball Sponsor

Boodle Bag Sponsor

Gold Sponsors

Anheuser-Busch, Inc. & The GA Wholesaler Family
Blue Bell Creameries
Borden Dairy Company
Coca-Cola Bottling Co. United
Core Nutrition, LLC
D.G. Yuengling & Son, Inc.
Deep River Snacks
Dr Pepper
E & J Gallo Winery
Eagle Rock Distributing Company
5 Hour Energy
Federated Insurance
Flowers Foods
Fox Bros. Bar-B-Q
Frito-Lay/PepsiCo
General Produce, LLC.
Great Lakes Cheese Co.
Heineken USA
J & L Ventures, LLC
Kellogg’s
LGE Community Credit Union
Matador Distributing / Red Bull
MillerCoors
Milo’s Tea Company
Mission Foods
Mitchell Grocery Corporation
Mondelez International

Silver Sponsor

Abita Brewing Company
High Brew Coffee
Community Coffee Company, LLC

Bronze Sponsors

Icelandic Glacial Water
mike’s hard lemonade
Nestle Waters North America
Original New York Seltzer
Wise Foods

Mulberry Farms
Nickey Gregory Company
Pepperidge Farm
Piggly Wiggly Alabama Dist. Co.
Savannah Distributing Co.
Sierra Nevada Brewing Co.
SUPERVALU INC.
SweetWater Brewery
Talking Rain Beverage Co.
Tree House Private Brands
UTZ Quality Foods