Are You Prepared?

By Kathy Kuzava, GFIA President

September is National Preparedness Month and I am writing this article as Hurricane Florence is expected to head straight for the Carolinas. The grocery industry certainly plays a huge role in getting a community up and running before and after a major storm. Even if our customers have prepared ahead of bad weather, a power outage, flooding or especially an evacuation will require a trip to the grocery store after the storm has passed.

Customers expect our stores to be open for business when they come back after an evacuation. That’s why the GFIA works closely with the Georgia Emergency Management and Homeland Security Agency (GEMA/HS) when a storm hits Georgia. We work to get retailers and suppliers back into an evacuated area as quickly as possible in order to take care of their customers.

Last year I worked for several days in the State Operations Center, a Multi-Agency Coordination Center used by state, federal, local and volunteer organizations, to respond to disasters or emergencies that require a coordinated state response. It was eye opening to work with this dedicated group who handles our state’s emergencies.

GEMA/HS has established a new statewide re-entry system and certification process for those businesses seeking access to a restricted area following a Georgia evacuation (replacing the hang tags used previously). They are encouraging ALL retailers and food suppliers to apply for the re-entry passes so that you will be ready for any disasters by registering ahead of time.

No one could have been prepared for the impact that GA WIC’s peer group changes have had on Georgia’s independent retailers. I have been receiving a flood of calls and emails from our independent retailer community since the changes took effect in July. I even traveled to Washington, to meet with federal officials on behalf of our members – and was thankful to get some temporary relief. We are still working with GA WIC on the peer grouping model. Read all the details in my article, beginning on page 2.
WIC Peer Group Changes Wreak Havoc on Georgia Retailers

Georgia retailers have been frustrated with the WIC agency for many years, and this summer’s problems were so widespread that GFIA President Kathy Kuzava headed to Washington to look for answers. Kuzava visited with Secretary of Agriculture Sonny Perdue and spent time with his team of top WIC officials. She explained how many of the retailers were experiencing thousands of dollars in losses due to changes in Georgia’s peer group methodology and the bleeding need to stop. After meeting USDA in Washington, technical assistance was given to WIC officials in several areas, including how to communicate the new peer groups. A webinar was conducted, and additional information was shared through another mailing and on their website.

For those unfamiliar with the program, WIC provides nutrition education and supplemental foods to low and moderate-income women, infants and children under the age of five. The local health departments distribute vouchers for healthy foods, such as milk, cheese, eggs, cereals, peanut butter, juices, beans or peas, whole wheat breads and pastas, yogurt and iron fortified formula. Retailers (WIC calls them vendors) are vital partners in this program. Recipients use their vouchers to pay for items, and the retailers deposit the vouchers just like checks.

WIC requires vendors to keep an adequate inventory of WIC items and remain cost competitive in pricing WIC products.

How are competitive prices determined?

Georgia WIC uses vendor reported shelf prices to determine the maximum allowable price and the maximum allowable reimbursable price for each voucher, based on peer groupings. According to GA WIC, “A vendor peer group classifies vendors into groups based on common characteristics or criteria that affect food prices.”

A peer group’s maximum allowable pricing for a voucher is determined by averaging the retail price of the retailers in each peer group. There is no amount printed on the voucher that lets grocers know what the maximum allowable price is, but as long as retailers remain competitive with their peers, the vouchers should clear the bank. If a voucher is submitted for more than the maximum price for its peer group, the bank will credit the retailer a lesser amount to avoid exposing the maximum price. Yes, this is confusing!

What went wrong?

The problems began when Georgia WIC restructured the methodology in determining vendor peer groups. Up until that point, peer groups were designated by store size and type of ownership (chain or independent). On June 26th, WIC retailers received a notification letter from GA WIC informing them of a new peer realignment based on five criteria:

1. Business Economic Area (BEA)- Geographic Measure
2. Sub-Markets (metro or non-metro)- Geographic Measure
3. Type of Store (supermarket or non-supermarket)- Size Measure
4. Actual Gross Sales or Estimated Sales Revenue- Size Measure
5. Type of Ownership (chain vs. non-chain)- Size Measure

Since the letter did not include the details, nor explain which other retailers were assigned to each peer group, there was no way to know if the new peer groupings would be a problem. However, when the new pricing model went into effect on July 16th, hundreds of stores immediately knew something was VERY wrong. Vouchers were rejected, bank fees were assessed, and retailers reached out to the GFIA for assistance.

On July 19, retailers received another notification from WIC with yet another peer group listing that was scheduled to go into effect on August 3. Now retailers were more confused than ever. The new letter still did not go into enough detail to understand what was happening. Many retailers were still losing thousands of dollars in bad check fees and lost retail. Because the stores had been designated to the wrong peer group, they were being reimbursed less than they should have been. Georgia retailers were angry, frustrated and confused as to how a state agency could harm their businesses and wanted immediate relief.

Kathy Kuzava met with the GA WIC officials to try to get to the bottom of the situation. The GFIA had no idea if the second letter would resolve the issue, because there were too many unanswered questions about the new peer group structure. Kuzava brought copies of dozens of retailers along with invoices showing how they were losing money in many areas. WIC officials believed that the rejected vouchers were coming from retailers that were not filling out their price surveys in a timely manner. The GFIA knew that was not the case. Retailers had not raised their prices. The rejections were happening due to errors in the new peer group classification.

WIC officials explained that the USDA requires the state agency to use at least two criteria for establishing peer groups, one of which must be a measure of geography. They said the agency had not been in compliance with USDA’s requirements and needed to change the structure. The state had previously been receiving an exemption from this requirement. They are now using K-means clustering, a statistical method to use data without defined categories or groups to determine the peer groups.

Kuzava still felt there was something very wrong with the methodology. She explained how many of the retailers were reducing their typical retail prices in order to prevent a WIC rejection. WIC officials have assured the GFIA that they are not trying to harm retailers or make them cut their costs unfairly. They want retailers to send in their regular retail prices, so they can use this to average the prices.

GA WIC tells the GFIA that USDA does not allow cost to be a consideration in determining a peer group. Kuzava believes that cost does not need to be an issue, as long as the peer groups are determined fairly. Again, something is wrong with the new model. The GFIA has looked at the cost that all of our grocery wholesalers are charging the retailers and the grocers’ retail prices. This summer’s mass rejections were NOT the fault of retailers.

Since GA WIC would not share the peer group listing, the GFIA investigated to put together a list of peer groups. As details came into the office, it was very clear what some of the problems were. If changes were not made, many retailers would be forced to sell below cost in order to remain a WIC vendor. “Independents and major chains should not be in the same peer group,” according to Kuzava.

The GFIA asked GA WIC to go back to the prior level of pricing while WIC was investigating the situation. We also asked for a letter that retailers could use to take to their banks in an effort to have the bad check fees refunded. (Several retailers have taken their letter along with the GFIA emails to their bank and were successful in getting a refund.)

The GA WIC officials later sent out a graph with more details on the new peer groups and conducted a webinar to answer any questions. They also included a map of the Business Economic Areas (BEA). The map shows that the state is divided into two economic areas. (See map on page 4.) The map shows that a small independent retailer in rural North Georgia can be in the same peer group as a chain store doing business in Atlanta. There are countless examples of retailers who are being harmed in the current structure.

Questions continue to come into the GFIA office and we will post a list with WIC responses on our website. For now, we are grateful that Secretary Perdue’s staff stepped in and offered technical assistance with developing Georgia’s peer groups. We know that developing a peer group system is no easy task and once again pledge our commitment to work with GA WIC to find the right answer for GA’s retailers.

Georgia WIC – Retail Vendor Peer Group Details – Points of Comparison (as of 08/13/2018)

<table>
<thead>
<tr>
<th>Peer Group I</th>
<th>Peer Group K</th>
<th>Peer Group M</th>
<th>Peer Group N</th>
<th>Peer Group H</th>
<th>Peer Group I</th>
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<tr>
<td>Business Economic Area (BEA)</td>
<td>Metro, Non-Metro</td>
<td>Metro, Non-Metro</td>
<td>Metro, Non-Metro</td>
<td>Metro, Non-Metro</td>
<td>Metro, Non-Metro</td>
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<tr>
<td>Sub Area</td>
<td>Supermarket</td>
<td>Supermarket</td>
<td>Non-Supermarket</td>
<td>Supermarket</td>
<td>Supermarket</td>
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<tr>
<td>Gross Sales</td>
<td>$2,000,000 - $20,000,000</td>
<td>$2,000,000 - $17,000,000</td>
<td>$250,000 - $2,500,000</td>
<td>$700,000 - $2,500,000</td>
<td>$15,000,000 - $17,000,000</td>
</tr>
<tr>
<td>Type of Ownership</td>
<td>Chain, Non-Chain</td>
<td>Chain, Non-Chain</td>
<td>Non-Chains</td>
<td>Chain, Non-Chain</td>
<td>Chain</td>
</tr>
<tr>
<td>Total Number of Vendors:</td>
<td>1–1,300</td>
<td>1–1,300</td>
<td>1–10</td>
<td>1–4</td>
<td>4–8,000</td>
</tr>
</tbody>
</table>

Note: Georgia WIC uses Peer Group Analysis on a quarterly basis. The makeup of each Peer Group along with each Retail Vendor’s Individual Peer Group may change during this analysis. Georgia WIC will inform Retail Vendors of changes to their Peer Group prior to implementing the change.
GFIA believes there are several problems with the new peer group methodology.

1. The current method is far too complicated. The K-means clustering created the current chaos and does not allow retailers to understand if there is a problem with their peer group assignments.
2. Chain stores and independents should not be included in the same peer groups.
3. BEA 11 is too broad of an area. Metro vs non-metro areas need to be taken into consideration.
4. Publicize either the average price for each peer group, or the members of each peer group.
5. The new methodology requires that vendor peer group assignments will be conducted at least quarterly. Require test formulas BEFORE any change is made.
6. If retailer cost cannot be used as a criteria, then utilize the cost data that can be supplied by the GFIA in order to test the methodology before rolling out changes. Retailers should not be forced to sell below cost in order to keep their vouchers from bouncing!

How do Other States Determine Peer Groups?

USDA Federal Regulations mandate that every WIC state agency must use cost containment criteria in evaluating the prices charged for supplemental foods. The USDA gives each state latitude to determining the best method of developing their peer group methodology. Take a look at some of our neighboring states and the simplicity of their peer group structure.

**ALABAMA**
- Peer Group 1: Chain store with own wholesaler
- Peer Group 2: Major Independent – 5 or more cash registers
- Peer Group 3: Minor Independent – 3 to 4 cash registers
- Peer Group 4: Small – 1 to 2 cash registers

**SOUTH CAROLINA**
- Peer Group 1: Total food sales $10 million
- Peer Group 2: Total food sales $10 million – $5 million
- Peer Group 3: Total food sales < $5 million
- Peer Group 4: Government-Owned Facilities (Commissaries)

**TENNESSEE**
- Peer Group 1: Mass Merchandisers or Commissaries (Urban and Non-Urban)
- Peer Group 2: National or Regional Grocery Chains with more than 11 locations (Urban)
- Peer Group 3: National or Regional Grocery Chains with less than 11 locations (Non-Urban)
- Peer Group 4: Independent Grocer, Specialty or Convenience Store or Gas Station (Urban)
- Peer Group 5: Independent Grocer, Specialty or Convenience Store or Gas Station (Non-Urban)
- Peer Group 6: National, Regional, or Local Drug Stores

**NORTH CAROLINA**
- Peer Group I: $2,000 to $25,000 annually in WIC supplemental food sales at the store
- Peer Group II: Greater than $25,000, but not exceeding $75,000 annually in WIC supplemental food sales at the store
- Peer Group III: Greater than $75,000, but not exceeding $300,000 annually in WIC supplemental food sales at the store
- Peer Group IV: Greater than $300,000 annually in WIC supplemental food sales at the store OR Chain stores with 20 or more authorized vendors under one agreement

**Business Economic Areas (BEA)**
- BEA 11
- Non-BEA 11
Meet the Candidates

Georgians return to the polls November 6, 2018 for the general election. Read our excerpts from the candidates’ election websites to learn more about each of the individuals who are running for office. As a member of GFIA, it is important to get to know your elected leaders at the state and local levels so that we can strengthen our association’s legislative voice in protecting our industry!

Governor

There are two remaining major candidates in the governor’s race – Democrat Stacey Abrams and Republican Brian Kemp.

Brian Kemp

Over thirty years ago, Brian Kemp built his first business with a pick-up truck and a shovel. From digging ditches to starting a community bank, he’s created hundreds of jobs in construction, manufacturing, farming, and agri business for hardworking Georgians throughout our state. Brian has a proven record of fighting and winning on the issues that matter most to Georgia families. In the Senate, he fought to slash the taxes, mandates, and regulations that make it difficult for small businesses to grow and prosper. As Secretary of State, Kemp stopped radical groups from undermining Georgia’s elections, streamlined government, saved millions, and delivered better outcomes for business owners, voters, and taxpayers. Brian and Marty are the proud parents of three teenage daughters – Jarrett, Lucy and Amy Porter. The Kemps live in Athens and are active members of Emmanuel Episcopal Church.

What does President Trump say about Brian Kemp?

“Brian is tough on crime, strong on the border and illegal immigration. He loves our Military and our Vets and protects our Second Amendment.”

Stacey Abrams (D)

Stacey, the daughter of two Methodist ministers, graduated from Avondale High School in DeKalb county and went on to receive degrees from Spelman College, the LBJ School of Public Affairs at the University of Texas, and Yale Law School.

In 2010, Stacey became the first woman to lead either party in the Georgia General Assembly. As House Minority Leader, she worked across the aisle on behalf of all Georgians, stopping legislation to raise taxes on the poor and middle class and to roll back reproductive healthcare. She brokered compromises that led to progress on transportation, infrastructure, and education. Stacey has received the Friend of Labor award and the Texas Women’s Equality Award. She has received the Rachel Maddow Award for Fight for the Future.

What does former President Obama say about Stacey?

“Stacey has the record of building consensus that shows she can deliver – with good jobs, great public education, expanded Medicaid, and secure, affordable health insurance for everyone.”

Lieutenant Governor

Republican Geoff Duncan faces Democrat Sarah Riggs Amico in the Lieutenant Governor’s race.

Geoff Duncan is running for Lt. Governor to change up the status quo, not to play politics as usual. He is a former professional pitcher and trailblazing entrepreneur who has thrived in the private sector. Geoff previously took a business from his living room to a full-scale operation in a 10,000 square foot facility. He knows what it takes to meet a payroll, and he knows that bigger government is not the answer.

As a father to three boys in the public education system, Geoff has firsthand experience of both federal and state government overreach in the classroom. He believes we need to empower parents and not education bureaucrats. True school choice should start at home around the kitchen table.

Geoff believes Georgia needs business friendly leadership focused on growing businesses in our state and not the government’s bloated budget. Geoff would have churches, charities, corporations, and citizens as the front line of defense against challenges in our state, not another government program.

Sarah Riggs Amico grew up in a small rural town. From an early age, her family taught her the values that made our country great: family, faith, education, hard work, serving others, and being a good neighbor.

She attended public schools. The education she received afforded her the opportunity to attend Washington & Lee University and earn an MBA from the Harvard Business School.

As the Executive Chairperson of Jack Cooper, she has learned that long-term growth and competitiveness come from investing in people. In addition to paying for her employees’ health care, she introduced initiatives to hire veterans, established an annual Volunteer Day program, and provides paid parental leave, because she understands the dignity of work and what a good paying job, with great benefits, means to families. She wants everyone to have access to quality, affordable health care, a great public school education, and an equal opportunity to build their American Dream.

LGE Benefits:

• Membership is available to your employees and their immediate family members.
• A full suite of banking products, from savings and checking accounts to auto loans and credit cards, with convenient online access.
• Better loan and deposit rates than a typical bank.
• Ownership of LGE by its members means that every decision is made with the member’s best interest in mind.
• Deposit accounts are insured by the National Credit Union Share Insurance Fund up to $250,000.
• LGE membership is a lifetime benefit, even if the member moves or changes jobs.
• Benefits that won’t cost them a lot.

To learn more or sign up, visit LGEcumu.org/PartnerGroup or call 770-421-2590.

“The Voice of the Food Industry in Georgia”
Meet our New Board Members

Tim Brown – President, The Kroger Company’s Atlanta Division

Tim started his Kroger career as a bagger in Illinois at the age of 17. In 1981, he joined the company’s management training program. Throughout his 41-year career, he has served in leadership positions in nine of Kroger’s retail divisions. He also worked at Kroger’s corporate headquarters in Cincinnati for four years as vice president of meat, seafood and deli operations. In 1996, Tim was promoted to the role of vice president of merchandising for both the Columbus and Atlanta divisions. He then served as vice president of operations in the Mid-Atlantic division. Tim was promoted to division president for the Delta division and the Cincinnati/Dayton division in 2012. He returns now to Atlanta as Division President. Tim is responsible for 183 Kroger supermarkets in Georgia, South Carolina and Alabama that employ more than 32,000 associates.

“I am looking forward to once again serving on the board of directors for the Georgia Food Industry Association. The GFIA staff and association members are respected throughout the grocery retail industry and I am excited to be a part of this group.”

Tim served on the GFIA board from 1999 to 2010. He supports many community organizations, including Special Olympics, Susan G. Komen Race for the Cure and American Cancer Society - Real Men Wear Pink Campaign, and fund raising for pancreatic cancer research. Tim and his wife Angie live in Atlanta and have three grown children also living in the Atlanta area.

Daniel Kelly, Vice President of National Accounts, Georgia Crown Distributing Company

Dan started working in the grocery Industry in 1994 as a meat cutter with Kroger while in college at the University of Georgia. After college he started working in the alcohol industry and has not looked back, spending more than 11 years with Northeast Sales Distributing Company. Three years ago, Dan left as director of national accounts to begin his career with Georgia Crown Distributing Company.

Dan spent several years as a trustee on the Education Foundation where he says he enjoyed raising money for a great cause while building friendships with colleagues. As he begins his time on the GFIA Board of Directors, Dan feels he can bring some fresh ideas to recruitment and fund raising and looks forward to getting more involved with the GFIA Family!

Married to his soulmate Colleen for eighteen years, the couple has three wonderful children, Margaret 16, Thomas 13 and Maeve 10. In his spare time, Dan enjoys traveling and spending time with his family.

We’re on the Lookout

Would you like to be a member of one of our board committees or volunteer at events? We are always looking for fresh ideas and help from people like you! Let us help you find a place to utilize your skills while building relationships with fellow GFIA members.

Contact Kim Peterson at (770) 438-7744 to sign up.

Building a Legacy

2018 GFIA Legacy Award Winner Skip Vaughan, Pepsi Beverages Company

The GFIA presents our annual Legacy Award to honor an individual leader who has made a measurable difference in his or her community, the food industry and our association. This year, we were proud to recognize GFIA board member, Mr. Skip Vaughan, general manager and senior market director for Pepsi Beverages Company.

Skip graduated from the University of Virginia with a degree in chemical engineering. He began his career with Procter & Gamble before joining PepsiCo in 1994. After several promotions and relocations, Skip assumed his role in 2008 and has been responsible for 10 locations throughout Georgia and more than 1,000 employees. When Skip became active in the GFIA, it took very little time before he made an impact. GFIA President Kathy Kuzava says, “Skip is comfortable in the halls of the capitol, leading a board committee or donating his time to meaningful causes.”

Like so many humble leaders, Skip was totally surprised that he was chosen for GFIA’s top honor. “I was speechless that I was chosen to win this prestigious award,” says Skip. “When I think about the past winners, I’m incredibly honored and humbled to be included in this group.” Skip’s tribute was even more memorable because his son Scooter flew in from Chicago to surprise his father during the Legacy Award presentation. Two of those previous winners were quoted during the award presentation. Ron Edenfield, president of Wayfield Foods says, “I have never heard Skip say no when asked to do something. He has the unique ability to get to the heart of any discussion when we’re trying to decide how to move forward. He is a true leader.”

Verlin Reece, President of Quality Foods adds, “Skip is an excellent board member who demonstrates integrity and professionalism in every way. His decision making is always insightful and considerate. Skip is down to earth and a friend to everyone.”

Not only is Skip a role model in his professional world, he also knows how to balance his priorities with his family. Skip has been married for 31 years to Orian Southall, an attorney with Blackwell and Burke, Inc. Their son Scooter is a professional hockey player with the Las Vegas Golden Knights Organization and is currently assigned to their AHL affiliate in Chicago, the Chicago Wolves. Orian talks about her husband’s kindness and dedication to his family. “While Scooter was playing at the University of Michigan, Skip rarely missed a game and to this day his favorite hobby is watching his son play hockey.”

The GFIA is honored to work with industry leaders like Skip. To be recognized by your peers and associates is truly an honor and he is most deserving. We look forward to working alongside Skip for many more years as he continues to build his legacy in our industry. We are thankful for his time, commitment and dedication.

Congratulations to the 2018 Legacy Award Winner- Skip Vaughan!
Meet Jamie Leggiero, GFIEF Education Foundation Chairman

Jamie Leggiero joined the Education Foundation, not unlike many members, it was mainly to get more involved in the industry and build relationships. Our new chairman, Jamie Leggiero, is perfect for the role and he has a terrific board of trustees to assist him in meeting and exceeding the goals he sets. Jamie was inducted in July to begin his term as chairman.

Anyone who knows Jamie in his personal life will understand that his new role will be a piece of cake compared with raising his EIGHT children! Let’s learn more about his background.

How did you end up in the food industry?

I was hired right out of college into the management training program for Nestle Food Company. My last position brought me to Bentonville, Arkansas calling on Sam’s Club. I left the food business to spend four years leading the national retail sales division for a small writing instruments and art supply company, but missed the food industry. I was recruited to join Pepsi and have been here for 15 years. I’ve worked as a development manager, regional general manager and director of sales. I spent my first five years with Pepsi in Florida and moved to Atlanta ten years ago.

Tell us more about your beautiful family:

I have been married to my wife Kelly for 24 years. We have 8 children ... 4 boys and 4 girls, ranging from my son Jake who is 20, down to Jordan who is two years old.

I can’t imagine that a father of eight children would have any “spare” time, correct? You are right, I do not really have “spare” time since events with a large family and Pepsi keep me busy! We do like hosting friends and family at our house. Large families tend to hang out with other large families - I guess because they can tolerate the chaos! When we have a few families over it is usually like a small banquet, but fun! If I do get a chance, I like to relax hanging out at the water ... the beach or lake. I do like going to sporting events when I get the chance and prefer college football. (Some chaos! When we have a few families over it is usually like a small banquet, but fun! If I do get a chance, I like to relax hanging out at the water ... the beach or lake. I do like going to sporting events when I get the chance and prefer college football. (Some)

How do you stay grounded?

1. Faith
2. Family
3. Friends
4. Function (job)

Why did you get involved with the Education Foundation?

Why did you get involved with the Education Foundation?

How do you stay grounded?

1. Faith
2. Family
3. Friends
4. Function (job)

We are always looking for future leaders to strengthen the Foundation. In your opinion, what makes a great Trustee?

• They are not afraid to work.
• They are vocal and contribute with ideas.
• They don’t hesitate to jump in where needed to help.
• They can drop job titles and company logos to come together as one team.
• They have a sense of humor and like to have fun!

(Do these attributes describe you? If you have any interest in serving on the Foundation Board or want more information, give Jamie, the GFIA staff or any trustee a call!)
Education Foundation’s Convention Fundraisers Are a Smash Hit

Our Education Foundation trustees did a fantastic job “producing” results at this year’s fundraisers at the GFIA convention in July. With the generous support of our members and convention attendees, they raised over $117,000 for scholarships and industry education!

This year’s fundraisers were a little different – the retailer trips were auctioned off prior to convention, and Friday’s live auction items were vacation trips, sports packages, and valuable advertising space in The Shelby Report. There was a lot of excitement as bids were made, and our members are looking forward to seeing what we have available next year at our auctions!

We appreciate all of the members who donated their vacation properties, silent auction items, shopper money and their time to our fundraisers – and also the members who purchased the items, as well as those who purchased raffle tickets! Your generous support helps us to provide scholarships to deserving students and industry education to our members.

Public Super Markets Charities supports our fundraising efforts with a grant of $15,000 each year directly to the Education Foundation. This money is used exclusively to increase the amount of the Foundation scholarship awards, which are available to all GFIA members. We are very grateful for their support!

New This Year!

Everyone loved our new Wine Pull fundraiser – we sold out of wine in just over one day! We hope to expand this popular sale in 2019! If you want your wine to be included at next year’s event, give Michelle Beyer a call.

Congratulations to Foundation Trustees, Lynne Micale of Mondelēz! She won the premium bottle of wine worth over $300 (donated by Jimmy Tyner of Empire Distribution). She will no doubt enjoy it with a home cooked meal!

Congratulations to George Tolson who won the $3,000 cash raffle drawing on Saturday night.

**Thank you to all of the companies and individuals who participated in our Live Auctions**

<table>
<thead>
<tr>
<th>Auction Item</th>
<th>Donated by</th>
<th>Purchased by</th>
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</thead>
<tbody>
<tr>
<td>Dinner with Ruben Fernandez</td>
<td>The Kroger Company</td>
<td>Campbell Snacks</td>
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<td>Sappelo Island with Bettina Hall</td>
<td>The Kroger Company Walmart</td>
<td>Anheuser-Busch, Inc.</td>
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<td>Recreation For Education</td>
<td>Jamey Lesseuer, Food Depot</td>
<td>Coca-Cola Bottling Company UNITED</td>
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<tr>
<td>Full Page Ad</td>
<td>Shelby Report Southeast</td>
<td>Frank Underwood, Sunset Farm Foods</td>
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</tbody>
</table>

**Publix Super Markets Charities**

The GFIA Scholarship Program will accept applications for the 2019-20 year beginning in early January 2019. Your employees and children of your employees are eligible to apply! If you would like to fund an award please contact the GFIA office (770-438-7744) for details.

The Education Foundation awarded 99 scholarships totaling over $136,000! Each year, scholarships are awarded to deserving students employed in our industry or whose parents are employed by GFIA members (retailer, wholesaler or supplier). Funding for these awards is made possible each year through the generous donations of participating member companies and annual fundraisers such as the live and silent auctions, raffle ticket sales and the spring golf tournament. A $15,000 annual grant from Publix Super Markets Charities also provides the Foundation the ability to significantly increase the number of awards offered to our members.

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<tr>
<td>Atlanta United Suite</td>
<td>Pepsi Beverages / PepsiCo</td>
<td>State Representative</td>
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<tr>
<td>Panama City Beach condo (7 nights)</td>
<td>Ron Edenfield, Wayfield Foods</td>
<td>Vernon Kelly, General Produce</td>
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<tr>
<td>Quail Hunt for 2</td>
<td>Westervelt Lodge</td>
<td>Bridget Elliott, Fetzer Vineyards</td>
</tr>
<tr>
<td>Siesta Key (7 night stay)</td>
<td>Jeff &amp; Sandy Downing, Foothills IGA</td>
<td>Skip Vaughan, Pepsi Beverages Co.</td>
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<tr>
<td>Panama City Beach condo (4 nights)</td>
<td>West Foods</td>
<td>Tom Coogie, Reynolds Foodliner</td>
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<tr>
<td>GA/FL Game Package</td>
<td>Varlin Reece, Quality Foods</td>
<td>Scott Bennett, Interstate Total Retail Solutions</td>
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<tr>
<td>Chateau Elan Getaway (2 nights)</td>
<td>Flowers Foods</td>
<td>Clark Stephens, Quality Foods</td>
</tr>
</tbody>
</table>
Each year, the thank you notes pour in from grateful scholarship winners. Below are just a few notes of gratitude demonstrating the profound effect these awards have on member families!

Robert Boyd, parent employed by Kroger
Winner of a Kroger Piggyback Award

I am so grateful for the Georgia Food Industry Association and their generosity towards me as I work toward a degree in economics. My parents have jobs, and are currently making many sacrifices so that I can get a college education, and this gift of financial assistance eases the stress on my entire family.

Sarah Overby, Parent Employed by RBG Foods
Winner of an RBG Foods Piggy Back Scholarship

I appreciate being given this scholarship so much! It will greatly impact my ability to afford college as I get no other aid. This will support my overall success in my career and will help me complete my college aspiration without having to worry if I can finish due to financial concerns. It is very much a blessing!

Clayton Keen, Publix Super Markets, Inc.
Winner of a Publix Piggyback Scholarship

I am thankful for all of the things the GFIA and Publix has done for me. This scholarship will help give me a peace of mind going in to this summer knowing that I will have some help for next year. I am close to being done with my undergrad school and I’m so happy that I’ve been able to stick with Publix through school. I’m very thankful for my managers at Publix, including my immediate manager Justin Sandovol, who has mentored me and pushed me to do my very best. This shows me that Publix is watching out for me. No matter what little town I live in, Publix has my back!

Cade Hannah, Parent Employed by Coca Cola Bottling United
Winner of the Willard Fowler Memorial Scholarship

I would like to extend my greatest thanks to Market Grocery for allowing me to apply for the Bob Barnett Memorial Scholarship. I am thrilled to have received this scholarship, and consider it a major achievement. I have applied for numerous scholarships, but this is the only one that I have been awarded. I accept it gratefully and again I am very thankful to Market Grocery for providing me with the scholarship opportunity.

Gabriel Headley, Parent Employed by Western Union
Winner of the Ron Bishop Memorial Scholarship

Winning this scholarship means that all of the hard work, late nights studying, and weekends sacrificed were worth it. This scholarship brings great satisfaction and pride to my family and myself. I cannot wait to see how the money can expand my horizons and help me pursue my goals. Thank you very much for selecting me as the recipient of the GFIA education foundation Scholarship. This generous award will help me take the next step forward in my life.

Orinade Williamson, Wayfield Foods
Winner of a Wayfield Foods Piggyback Scholarship

Winning this award will help me out tremendously! I am a first-generation student to go to college … I am taking matters into my own hands and trying to apply for scholarships so that my family has no more debts added to their plates.

Nevada Shelton, Food Depot
Winner of a Linea Private Wealth Management Scholarship

Thank you very much for selecting me as a recipient. I am so grateful for all of the support I have received from the GFIA and Publix. I am thankful for all of the things the GFIA and Publix has done for me. This scholarship will help give me a peace of mind going in to this summer knowing that I will have some help for next year. I am close to being done with my undergrad school and I’m so happy that I’ve been able to stick with Publix through school. I’m very thankful for my managers at Publix, including my immediate manager Justin Sandovol, who has mentored me and pushed me to do my very best. This shows me that Publix is watching out for me. No matter what little town I live in, Publix has my back!

First and foremost, I would like to say thank you so much. This has deeply touched me and my family so much. When I first received this email, I cried tears of joy. This whole year I have applied and have received nothing but rejection letters. I am honored that you guys have selected me for this scholarship; this will help me out so much for college. The way that I am feeling right now cannot even be described in this letter but thank you again!

Rony Shumate, Parent Employed by Market Grocery Company
Winner of a Bob Barnett Memorial Scholarship funded by Market Grocery Co.

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Patterson, Vice President Retail for Castellini Company, Vernon Kelly, and John Adams & Craig Sapp of General Produce

For many years, General Produce has graciously donated the transportation for our convention equipment using one of their refrigerated trucks. It is a tremendous benefit to the association and our education foundation to be able to bring auction items and supplies TO and FROM convention every year. Many thanks to Bill Patterson, Vice President Retail for Castellini Company, Vernon Kelly, and John Adams & Craig Sapp of General Produce for their support of our association! And, of course, the many volunteers who load and unload in the July heat!

Thanks go to Clint Wood of Atlanta Beverage Company and Beau Bebeau of Eagle Rock Distributing for providing all of our convention signage. It is such a great benefit to have our signs printed and delivered during those busy days!

Edward A. Gure, President and CEO

Transporting all of the convention boxes, sponsor equipment, and auction items to the convention venue requires a whole lot of volunteer labor, but the most important part of the equation is the TRUCK. For many years, General Produce has graciously donated the transportation for our convention equipment using one of their refrigerated trucks. It is a tremendous benefit to the association and our education foundation to be able to bring auction items and supplies TO and FROM convention every year. Many thanks to Bill Patterson, Vice President Retail for Castellini Company, Vernon Kelly, and John Adams & Craig Sapp of General Produce for their support of our association! And, of course, the many volunteers who load and unload in the July heat!

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GFIA’s annual convention is our members’ most anticipated industry event of the year. Here’s what a few of our attendees had to say about this year’s program. Visit our website at www.GFIA.org to make plans to attend our 2019 event in Sandestin, FL from July 19-21.

Being a new company, we feel that attending the conference gave our products excellent exposure and brand visibility. We not only met folks who are in our industry and do what we do; we were also introduced to the buyers and key influencers. We look forward to attending next year!*
- Elizabeth Deno, VP Sales & Marketing, Atlanta Hard Cider (new GFIA member)

I have gained and strengthened numerous key relationships and forged partnerships with distributors, retail decision makers and other suppliers through attending the annual events at GFIA. This has resulted in a great deal of tangible success for me personally and has benefited tremendously the brands I have represented over the years.”
- Kerry Shouldeen, Regional Sales Manager, Essentia Water

What makes the GFIA convention so valuable is the quality of face to face time you get with business owners and decision makers. The first two hours of the trade show gave exhibitors valuable one on one time with retailers.
-Nathan Gravley, Account Executive, Federated Insurance

“We had a great time at the GFIA getting to know people in the industry in Georgia. It was great to see representatives from grocers large and small as well as so many others who impact this industry in our state. The family atmosphere is great and the connections we made are priceless!”
- Paula & Spencer Nix, Founders, Reformation Brewery

Lights, Camera, Baggers!

GFIA members cheer on their favorite bagger in the statewide contest

Can you imagine bagging groceries as fast as you can in front of a screaming audience of hundreds? These four courageous bagger contestants entertained the audience at our convention with their outstanding bagging speed and technique.

This year’s contestants included Marquis Alexis, Publix Super Markets, Inc.; Devin Ferrell, The Kroger Company; Lawrence Buchanan, Quality Foods; and Jett Harrison

The Kroger team was all smiles as Devin Ferrell won the top honor. He will head to the NGA Show in San Diego in February to represent Georgia at the national contest and compete for $10,000!

Grocers Give – A Family Service Project for GFIA Members

Working with Second Harvest food bank, more than 200 GFIA convention attendees gathered together to assemble 3,000 bags of food for hungry children.

GFIA board member Bob McTeir and Education Foundation trustee Dave Logue hosted Grocers Give again this year, and were instrumental in securing the donation of over $20,000 worth of food products from Merchants Distributors, Inc. and its suppliers. Many thanks to them, and everyone else who made this event possible.

We are proud to be in an industry that supports feeding people. No child should ever go hungry. The Grocers Give program allows GFIA members to have a lot of fun and do a lot of good at the same time.
Bob McTeir, President, MDI

Congratulations to Our Trade Show Booth Contest Winners

Trade show exhibitors were judged based on theme, crowd interaction and how well they showcased their product.

Vice chairman Jamey Leseueur presented our winners with their awards at Saturday night’s dinner.

Coca-Cola Bottling Company UNITED won best overall multiple booth
Kraft Heinz Company took top honors for best single booth

* "The Voice of the Food Industry in Georgia"
Anheuser-Busch, Inc. & The Georgia Wholesaler Family
Atlanta Beverage / Eagle Rock
Bimbo Bakeries USA
Campbell Snacks
Coca-Cola Bottling Company UNITED
Colorado Boxed Beef Company
Constellation Brands
E & J Gallo Winery
Empire Distributors, Inc.
Flowers Foods
Frito-Lay / PepsiCo
Georgia Crown Distributing Co.
Heineken USA
Kraft Heinz Company
MDI
Mondelez International
National Distributing Company
Northeast Sales, Inc.
Pepsi Beverages Company / PepsiCo
Piggly Wiggly Alabama Dist. Co.
PepsiCo North American Nutrition
Red Bull North America
Snow & Associates, Inc.
SUPERVALU INC.
United Distributors, Inc.
United Distributors, Inc.
Wise Foods

◊ These companies each donated $10,000 or more in sponsorship
The Voice of the Food Industry in Georgia

GFIA CONVENTION

Tasha and John West, West Foods
Jim and Margaret Warren, Associated Grocers of the South, Inc.
Emily, Cronwyn and Darrell Wiley, J & J Foods
Amy Barton & Danny Snower, Campbell Snacks
Melanie LeBlanc, Rehman-Duch, Inc.
Wade Barton, Campbell's Snacks
Wendell Keeling, Northeast Sales; Vance Rosenow, MillerCoors; Dave Black, Northeast Sales
Emily, Crevolyn and Darrell Wiley, J & J Foods
Judy Batten & Danny Dunbar, Campbell Snacks
Melanie LeBlanc, Anheuser-Busch, Inc.; Wade Barton, Campbell's Snacks
Scott Carey, Emerald Hare Wine Co.; Bettina Hall, The Kroger Co.; Dan Kelly, Georgia Crown Distributing Co.
Jim and Margaret Warren, Associated Grocers of the South, Inc.
Clint Wood, Atlanta Beverage Co.; Martin Carpenter & Kerry Shouldeen, Essentia Water
Cindy Schieder and Ed Royal, Seven Days Snapple, Southeast
Amy Osburn and Greg Osburn, Georgia Crown Distributing Co.; Tom Badenhuber & Rick Smidt, Brooklyn Brewery
Scott Carey, Emerald Hare Wine Co.; Bettina Hall, The Kroger Co.; Dan Kelly, Georgia Crown Distributing Co.
Emily, Crevolyn and Darrell Wiley, J & J Foods
Tasha and John West, West Foods
Clint Wood, Atlanta Beverage Co.; Martin Carpenter & Kerry Shouldeen, Essentia Water
Representative Tom McColl; Mike Ceggos, Sherwood Foods; Jamie McCall
Cindi and Greg Edenfield, Wayfield Foods; Albin and Dave Logue, MDI
Greg Osburn, Georgia Crown Distributing; Keith & Jennifer Albright, C&W Whitley, Dan Kelly, Georgia Crown Distributing Co.
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Representative Tom McColl; Mike Ceggos, Sherwood Foods; Jamie McCall
Jim and Margaret Warren, Associated Grocers of the South, Inc.
Erica Rakestraw and Bryan Dockery, Red Hare Brewing; Bryan Layman, Jekyll Brewing
Barbara & Ed DellaPiana, Warsteiner; David Lombard, SweetWater Brewery
Mary Reid Ray & Brother Duffy, Domino Foods
Darrell McDougald & Khloe Stutts, Nestle Waters; Tony & Stephanie Scavo, North American Breweries
Scott Lewis, Rockdale Grocery; Steve Washington and Jerry McCann, Piggly Wiggly Akhaunter Dist. Co.; Keith Milligan, JFM Corporation
AJ & Beth Governor & turtleq Merson, Natural Dist. Co.; Greg Morris, Constellation Brands
Terres and Renee Young, Food Lion; Glen and Nicole Winters, Wal-Mart
Robert Pirkle, Savannah Dist. Co.; Hollis Callaway, Montane Sparkling Spring Water; Dave Fricke, Savannah Dist. Co.; Dave Hopkins, Dirty Girl Cocktail Mixers
Lee Bowers, MDI; Larry and Cargo Golden, Ira Higdon Grocery Co.
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Thank you to all the volunteers who worked hard to make our convention a success!

A special shout out to our registration STAR, Laura Ritcey of Quality Foods, for investing many hours of her time to help registration run smoothly. Thanks also to Lou Brown, Quality Foods, and Abbie Thaxton, Sherwood Foods for pitching in extra hours to help our attendees!
“The Voice of the Food Industry in Georgia”
www.GFIA.org