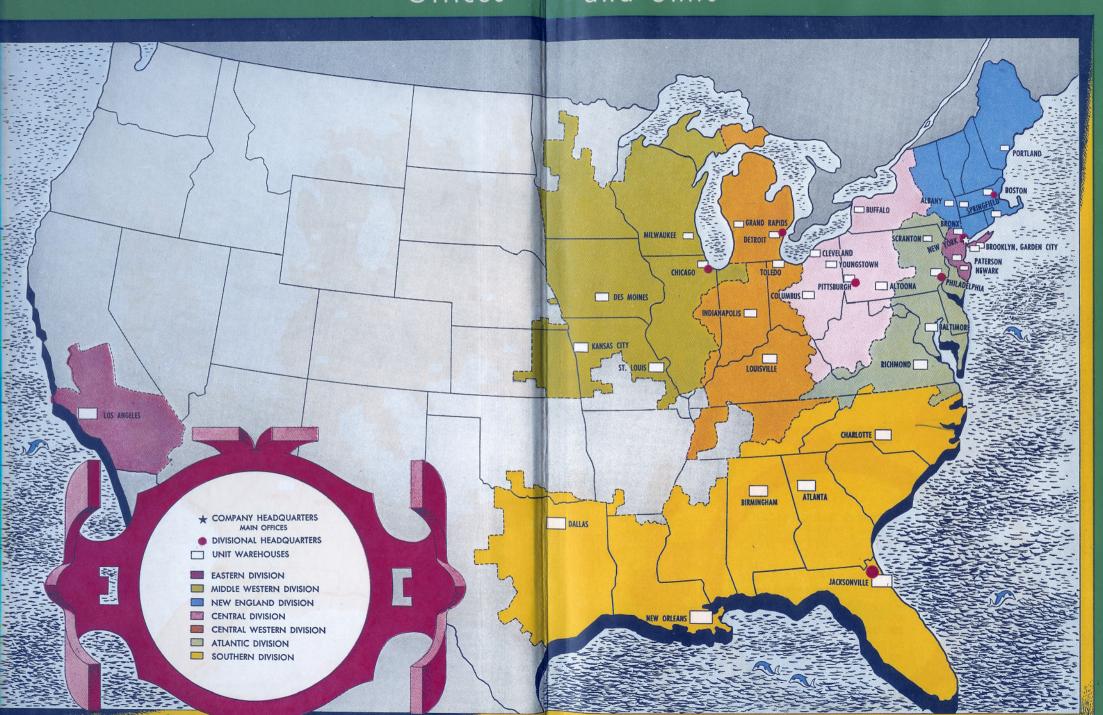
Low ... AND YOUR COMPANY

A Map of Divisional Territories Offices Showing Their Headquarters and Units



#### To Doris S. Gates

THIS BOOK is sent to you in the hope that you will find it interesting and helpful in performing your duties as the Manager of your A & P store.

The opening chapter is a discussion of the Company's business philosophies by Mr. John A. Hartford. I believe it will bring you an inspiration and a message that you will take with you through your entire career.

Other chapters deal concisely with the principal policies of the Company, its general structure and its place in the nation's economy.

This is your book. I am confident that if you use it as a pattern for your daily business life, striving carefully to follow its precepts, you will be building yourself, while opening new paths of opportunity by increasing your value to the organization of which you are a very important part.

Sincerely,

PRESIDENT of the New England Division, The Great Atlantic & Pacific Tea Company

# Low ... AND YOUR COMPANY



# Nou and Your Company

Y brother George and I have often wished that we might make frequent visits to every store of the Company and talk personally with each of our Managers. We should like to have an intimate personal contact with you at all times rather than have to resort to the written word. But it must be obvious that this is impossible.

We consider you among the most important of our fellow workers. It is our belief that the day you received the keys to your store and became its Manager, the Company, in effect, said to you, "A&P regards you as a man of exceptional ability, and one in whom it can place an important trust." For, along with the keys and the title of Manager, you were given authority and many responsibilities.

The day you became Manager you were appointed an executive of the Company in charge of one of its essential branches, you became a guardian of the Company's good will and—not the least important—you became a part of the Company's plans and hopes for the future.

Much has been written and said to you regarding your duties

as Manager. Nevertheless, this book is a good place to discuss them again.

You are the Manager of your store. And you are the Manager in every meaning of the title. You are entrusted with the ordering of merchandise; the collection of, accounting for, and paying out of cash; the maintenance of your place of business in an orderly manner; the hiring of employees, and the responsibility for them and their training; the strict observance of laws and regulations governing the sale of foods and the conduct of a retail grocery business. The only difference in duties of management between you and the man who owns and operates his own business is that you are responsible to an organization which, in turn, is equally responsible to you.

It is rare that a company has as few set rules as we have. This is because our Company's Founder, George Huntington Hartford, felt that when he expressed confidence in a man to the extent of giving him responsibilities, that man usually developed a code of personal conduct which was far more rigid than any rules the Company might devise.

What few rules we do have for the conduct of our retail business are in the nature of policies. As you know from our letters, we are insistent that our policies be followed to the very last word. Later in this book an entire chapter is devoted to restating these policies. However, I want to tell you a few things that my brother and I believe about them.

We believe that fifteen simple words explain the policies of our Company. These fifteen words state a simple code to be followed in managing your store: Always do what is honest, fair, sincere and in the best interests of our customers.

Honesty is manifest in our policy of insisting that our stores give sixteen ounces to a pound. And honesty is present in our determination to have all our goods marked and sold at correct prices.

Fairness is present in our desire to guarantee every item of merchandise we sell. Our guarantee is four generations old, and we still express it in the homely language of its origin: "If for any reason anything you purchase is not satisfactory, return it and your money will be cheerfully refunded." It is our policy to share with our customers the savings we make as a result of costreducing efficiencies. This expression of fairness has made A&P the foremost grocer in the world.

SINCERITY is exemplified in our demand that each item of merchandise sold be represented for exactly what it is. Our advertising reflects this policy. We have studiously avoided extravagant statements and exaggerated claims. Often we have been told that we are too modest, or that we have understated our position and, as a consequence, we are not as aggressive as we might be. We have been willing to risk understatement for the satisfaction of knowing that we have been sincere.

The best interests of our customers are served in many ways. Our practice of sharing with the public the savings that result from cost-reducing efficiencies is the prime example of this policy. Our advertising and public statements have often voiced our business philosophy. In them we have repeatedly said that

the primary aim of A&P is "To provide more and better foods to more people for less money." We believe that we have done just that over the years, and that in doing so, we have performed an important public service. Because the average American family has to spend better than one fourth of its income for food, I am sure you agree that in lowering a family's grocery bill, A&P performs a valuable public service.

I commend for your careful reading the chapter of this book titled "A&P and the American Way of Life." It will give you a better understanding of the way A&P fits into the American scene, and of the public service it performs.

Now let us discuss your responsibility for maintaining the good will of our Company.

Good will, simply defined, is the good opinion that people have of us. That A&P is well regarded by the great mass of the American people seems self-evident, for we serve more families than any other grocer in the world. How did we gain this patronage and good will? Quality merchandise at low prices was, of course, the first attraction. But there are scores of other things that combine to make an important contribution.

Perhaps the most important factor in good will is your attitude and the attitudes of the people who work with you.

Consider this: In your neighborhood you are the A&P. The people of your community form ideas of the Company from how you manage and conduct the business. The men and women of your community are influenced in what they think and believe about the A&P, by the way you and your associates act and

speak in matters relating to the business. Thus, if a store employee speaks brusquely and offends a customer, A&P is likely to be labeled a discourteous organization. Or if an item sold to a customer is not in the best condition, there is every chance that her dissatisfaction will end in the conviction that she cannot depend upon us for reliable merchandise.

It seems to me that good will can best be guarded and enhanced for your store and the Company through a very simple principle. It is this: If you and your clerks consider yourselves as hosts in your store, and your customers as your guests, you will have very little to worry about. This calls for no more than the simple, thoughtful consideration for your customers that you have for your friends in your own home.

We now come to a discussion of your place in the plans and hopes of the Company.

Over the years, you have heard many times that the Company is interested in building men.

When the Company was young, the Founder expressed the belief that good, capable men were the best assurance that A&P would grow and prosper. Accordingly, he devoted his life to building men. He selected them with care. He was watchful of their work, of their progress, and quick to give new responsibilities as he felt they could assume them. We have tried to follow in his footsteps. Today, we can point to practically every director and officer of this Company as one who started with us at the bottom. The Divisional Presidents came up through the ranks of the organization. Most of them began their careers

in our stores. I remember when one of them started with the Company as an office boy. He left us after a few months to join the police force. His mother led him back to us by the ear. I doubt that he has ever forgotten this incident.

Our future as a company, now as always, will depend upon how well we develop men to take over high positions.

"Promotion from the ranks" expresses our policy of advancing men. Instead of going to sources outside the Company when seeking applicants for important positions, we do everything possible to select a man from among our employees to fill a vacated or newly established executive position.

This brings us to what, perhaps, is your most important responsibility as Manager: How well you select, train and prepare the people you depend upon in your store. For after all, we must look to our Managers to step up into higher positions and we must have men ready who can capably fill their shoes. You must train each man of your staff, and when one is prepared, assist him to a better job. In building a man, you build yourself along with the Company.

We foresee many changes, many improvements and new developments in the Company in the years to come. We are planning changes that will create greater opportunities for those who are fitted to take advantage of them.

We have a genuine interest, therefore, in each of our Managers. For upon many of them will fall the great responsibilities for the Company's future. Just how well you and our other Managers are prepared to take your places on higher rungs of

the A&P ladder will determine how well A&P will serve and prosper in the years ahead.

My brother and I have been working for the Company since we were fifteen years old. My brother was a cashier in our Newark, New Jersey, store when I performed my first official act in the employ of A&P; namely, filling inkwells as a stockroom boy in the Company's Vesey Street warehouse in New York City. That was more than a half century ago. Thus we have between us more than one hundred years of service to the Company. We have grown up with the business, lived with it to the exclusion of everything else. Our one desire is to perpetuate A&P as a great public service, to have it stand forever as a monument to the integrity, perseverance and human understanding of the man who founded it, George Huntington Hartford.

President

November 1, 1944

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## Your Company's Policies

You as Manager A&P has been the leader in the food business in shortening hours, raising the level of wages, granting vacations with pay, offering free insurance and sickness payments and other employee benefits. Applicants for employment should be informed of all these employee benefits.

You, as Manager, have the authority and the responsibility for hiring, suspending, and discharging store employees.\*

Be sure, in selecting employees, that you use great care. Ours is a specialized business and only the industrious and efficient can perform satisfactorily. Your talk with an applicant should aim to learn his attitude as well as his qualifications. Once you have hired a person, watch his progress, guide him. If he shows aptitude, encourage him. Teach him more about our business. Then see that he advances in position and wages, in keeping with his progress.\*\*

You may be disappointed in your choice of an employee, but he should not be discharged or suspended until you have given his case careful thought. When you discharge a person, it should be only for good and sufficient reason, and he should know that reason. As a Company, we deem it our responsibility to explain the reason for discharging an employee, and to do so with consideration for his feelings.

Furthermore, in all cases, an employee discharged or suspended should be informed that he has the right to appeal to any other executive of the Company.

In dealing with your employees, be guided by the principles you would like others to use in dealing with you. Consult your Supervisor and your Unit Personnel Department frequently. You will find their experience and training valuable, and they will gladly assist you at all times.

It is the policy of your Company to render courteous and conscientious service.

Courteous Service

Every worker in your store is under your direction and you must be satisfied that the Company is properly represented at all times by your store personnel.

Irritating and trying circumstances sometimes arise, but competent retail employees always resist the temptations to speak sharply or carelessly to a customer.

Children who have been sent to our stores should receive special consideration. The mother has shown confidence in us by sending the child. Do not destroy that faith. See that chil-

<sup>\*</sup>At the time this book is written (November, 1944) there exist numerous government wartime regulations which affect the employment and payment of workers. Since the correct application of these regulations requires the services of a specialist, you should consult freely and frequently with your Supervisor or Personnel Department and be sure that all such regulations are fully complied with.

<sup>\*\*</sup>Wartime regulations place definite limits on salary increases. In discussing salary advances with your employees, the provisions of these regulations must be kept clearly in mind.

It is the policy of your Company to charge customers the exact retail price set by the Sales Department of your territory.

\*\*Retail Prices\*\*

dren are competently served. Be sure that their purchases are well wrapped or bagged and see that they put their change in a safe pocket or purse.

#### Our Guarantee

It is the policy of A&P to guarantee everything it sells. If a customer returns merchandise which is not satisfactory to her for any reason whatever, refund her money cheerfully, promptly and without question.

# Prices and Profits

It is the policy of your Company to sell its merchandise at the lowest prices and rate of profit, consistent with good business practice.

A&P has always followed a policy of low prices and small profits. That policy has been in effect from the time we sold our first pound of tea back in 1859.

It is sounder in the long run to take a small profit on many sales than a larger profit on a few sales. We depend for our profits on volume, on the steady patronage of many customers. Low prices and high value are the biggest factors in attracting a great number of customers and holding their patronage over a great number of years. Every development in the business has been aimed at eliminating unnecessary costs and expenses and every wasteful practice, to the end that savings may be passed on to our customers.

Our price and profit policy is founded upon the belief that in giving our customers the best possible value, we need not worry about our own success. retail price set by the Sales Department of your territory.

Your Sales Department supplies you with a record of correct prices. This record must be maintained, up to date and accurate at all times.

Every item of merchandise displayed in your store must have either a shelf or a display ticket plainly showing its correct retail price. The ticket should be so located that the price is immediately identified.

The Sales Department notifies you of all price changes. When you receive such a notice, you must enter the change in your records, advise all store personnel of the change, and see that all items affected have new price tickets showing the changed price. All price changes must become effective as of the date stated for their revision. There can be no delay. Prices should be constantly checked against your store record. If it is the practice of your territory to mark retail prices directly on merchandise, then every item must be re-marked on receipt of a price change.

In Super Markets it is vital that employees who check out customers' purchases be thoroughly familiar with correct retail prices. As Manager, you should be sure, by making regular test checks, that these members of your store staff are charging the correct prices.

It is the desire of your Company that the public receive the full advantage of the economies of our operation, and customers be assured that they are paying the correct prices at all times. Correct Weight It is the policy of your Company to give every customer sixteen ounces to the pound.

There can be no exceptions, no deviation. Honest intentions are not enough. Haste is no excuse. Every customer entering an A&P store must be able to buy with full confidence, and in the knowledge that we not only want to give her all that she is paying for, but that, in addition, we will take the time and the care to see that she receives it.

It is your solemn duty to your customers, your Company, and to your own good name to make sure beyond any possibility of error that your scales are accurate and exact. Make it a point to check all scales in your store twice a day. When packing merchandise for display in your store, see to it that full allowance is made for weights of containers and wrappers and that there is sufficient allowance to cover shrinkage, in accordance with the Tolerance Schedules provided by your Unit office.

Labor Unions

It is the policy of your Company to comply with any applicable labor-relations acts. This means that you, as Manager of your store, and all other representatives of this Company's management, must never do or say anything which might be construed as interfering with the right of an A&P employee to join or refrain from joining any labor organization.

As provided by law, your Company will bargain collectively with any labor organization which has been duly certified or recognized as the lawful representative of A&P employees in an appropriate bargaining unit or area. All such negotiations with

labor unions are handled by a Company official expressly appointed for this purpose, and you need not be concerned with them, except that, if your store is in an area covered by a union contract, you will be informed of the details and must, as a Company executive, see that they are scrupulously carried out.

Your Company is eager to maintain its reputation for fairness in all its relations with labor, believing that mutual fair dealings are for the best interests of all.

It is your Company's policy to adhere rigidly to both the letter and the spirit of laws and regulations governing its business. There are many state and municipal laws and codes governing the sale of food in retail stores. These rules have been passed by legislative bodies to protect the public.

A&P insists upon obeying the law and upon its employees being thoroughly familiar with all regulations affecting their phase of the business.

Your Sales Department keeps you constantly posted on all laws and regulations concerning the conduct of your store. It is your duty to understand them and to see that they are enforced.

It is the policy of your Company to pay the full market price to producers and manufacturers.

A&P buys its supplies direct from the sources where the best values exist, and it pays the same price paid by other buyers purchasing in the same volume and by the same streamlined methods. The low retail prices in your store are a result of economies in operation and the elimination of unnecessary

Laws and Regulations

Purchasing

profits and expenses between the producer and your store.

An outstanding example of our harmonious working relations with suppliers is in the agricultural field. The reasons for these relations are very simple. We believe that production and distribution of agricultural products are not separate activities. We believe they are closely interrelated and mutually dependent parts of the big job of feeding America. Really efficient production and distribution of food require the best efforts of both producers and distributors.

For this reason we have endeavored to build throughout the country a working relationship with farmers based on mutual confidence and helpfulness. Through this program we have worked with them to improve the quality of the produce we offer consumers; to establish uniform standards for grade and pack; to find better, less costly, less wasteful means of moving food from farm to dinner table.

All of these activities benefit not only our customers and farmers but ourselves as well. Any help which we can give the farmer helps us. We have a direct interest in agricultural prosperity because we are dependent upon farmers for the food we distribute; because they are valued customers of our retail stores; and because, as businessmen, we recognize that there can be no national prosperity without farm prosperity.

To a company with as many customers as A&P, reliable sources of supply are essential. Producers must be encouraged by fair prices if these sources are to be developed and preserved. We are acting in our own and the consumer's best interests, as

well as in the best interests of the seller, in paying prices that give to producers a satisfactory return.

A&P's buying policy is based on the belief that no business transaction benefits either party unless both parties are convinced that they have received full value.

To deserve the good will and patronage of a community a business organization must be a good citizen of that community. One of the first responsibilities of a good citizen is to do a full share in support of deserving charities.

It is the policy of the Company to do its full part in contributing to *bona fide* and worthy charitable and community enterprises. Every attempt is made to see that the funds appropriated each year for this purpose are wisely distributed in proportion to the need and worthiness of the individual enterprise and in keeping with the Company's ability to help support it.

You, as Manager of your store, should be fully conscious of the fact that the manner in which you meet and deal with solicitors for local charities and community projects has a most important bearing upon your own and the Company's relations in the community in which you live and do business, and upon local appraisal of the Company as a good citizen of your community. It should be kept in mind at all times that the people who come to you in the interests of any charity are usually sacrificing their own time and effort generously for the project, and deserve your full attention and respect.

Your first responsibility, therefore, is to receive solicitors

Donations

courteously and to do everything possible to relieve them of further effort in obtaining the Company's contribution.

In general, charity appeals fall into two classes: purely local or neighborhood appeals for relatively modest contributions; and city-wide drives of established major charities.

In the field of local appeals, the responsibility for the Company's performance rests entirely with you. In order to insure prompt and effective giving to worthy causes of this type, the Company has given you authority to make reasonable contributions to such drives without obtaining specific approval. It is your responsibility to determine the merit of the particular appeal, decide how much should be contributed by the Company, and then see that the contribution is made promptly and in good spirit. The extent of your authority to make and to determine the amount of such contributions is covered by specific instructions from your Unit office.

To prevent duplication of Company contribution to the same drive, it will be necessary for you to check with other Company Managers in your neighborhood or community.

Keep a record of all appeals so that at the beginning of each year you can anticipate the nature and extent of the normal charity requests to your store and, working with your Unit office, budget accordingly.

In the case of major charity drives in your community, it will be necessary for the Unit office to decide upon the Company's contribution. When receiving requests for donations of this type, you should adhere to the following procedure: If it is in a city or village in which the Company does not maintain an office, you should advise solicitors that their requests will be promptly referred to the Unit office and that they will receive a prompt answer.

In the latter case, you should endeavor to obtain all pertinent information with regard to the project for which the donation is requested, as well as the name and address of the person by whom you are solicited, transmitting this information, together with your recommendations, to the Unit office without delay, either by mail or through your Supervisor, according to instructions from your Unit office.

Upon being notified of the Company's decision, transmit this decision promptly and courteously to the drive officials. Notify the Unit office promptly of any question which may arise with regard to the Company's performance.

The Company recognizes that charity is a local problem and that you, as the Company's representative in your community or neighborhood, are best qualified to know the relative merit of the different charity appeals. You should assume the responsibility, therefore, of guiding the Company in the wise distribution of available funds.

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## The Organization Behind You

THE organization behind you is made up of practical grocery men who have learned their business by practical experience over many years. A&P is organized with the store as the starting point and with the entire Company set up to serve the particular needs, tastes and desires in each store's locality.

The organization behind you is there to help you serve your customers. Its Supervision, its Units, its Divisions, its National Headquarters offices are so organized as to give your customers the great benefits of a nationwide company, and at the same time to help you render a personal service which meets the conditions and customs peculiar to your neighborhood.

To the outside observer, the Company, with its many stores, warehouses, offices and departments, must appear highly complicated and utterly confusing. In reality, A&P is a very simple organization with little of the red tape and the wheels within wheels often found in so large a business.

A&P is an organization of specialists. From the store, back

through the Units and the Divisions to National Headquarters, the Company is staffed by men who have specialized in all phases of distribution.

On the map printed on the front and back inside cover pages of this book, you will see that A&P is comprised of seven Divisions. These Divisions are divided into warehouse Units. The Units in turn are divided into Supervisors' territories. The hub around which the whole organization revolves is the store, and it is in the store that the results, for which all A&P specialists strive, are finally realized.

Just as each store has a Manager, so each territory has a Supervisor, each Unit has its Unit Head, each Division its Divisional President. National Headquarters in New York has the Company Management, under the direction of George L. Hartford, Chairman of the Board of Directors, and John A. Hartford, President. From store to National Headquarters, the executives are specialists in management. It is their job to bring together and direct all of the factors of distribution in their particular territories and co-ordinate them into one smooth-running organization.

The other specialized activities in A&P fall into four broad classifications: Purchasing, Sales, Warehousing and Accounting.

To enable you to understand fully the specialized activities of your Company and their relation to one another, we offer in the following pages a very brief and cursory description of our principal organizations.

Management

Purchasing

The National Purchasing Department has supervision over the purchase of all nationally distributed products, and direction of the Field Buying Offices.

The Divisional Purchasing Department purchases goods within its own territory and directs the activities of the Unit Buyers. It works under the general guidance of National Headquarters. However, buying starts in the store. All that a Buyer can do is to accept your interpretation of what the public needs and wants, and apply his expert knowledge and experience in obtaining the best values for your customers. The Purchasing Departments in the Units, the Divisions and Headquarters are specialists in procurement who can do no more than reflect your own good judgment.

Sales

Our sales policies are formulated at National Headquarters, under the general direction of the Chairman of the Board and the President, in collaboration with the Company's Executive Committee, the Divisional Presidents and the Merchandising Committee.

In the Division, the Divisional President is the chief executive. He depends largely upon his Director of Sales for the planning and execution of all sales, merchandising and advertising efforts. In the Unit, the Sales Manager works closely with the Divisional Sales Department, and it is upon him that the Unit Head relies for adapting to local use the sales plans of the Division.

You, with the co-operation of your Supervisor, put all plans

to the test, and your results and your reports are the sole basis for future policies.

The National Director of Warehouse Operations represents Headquarters in the determination of warehousing policies and methods. These cover the handling of merchandise from the time it reaches the warehouse until it is selected and assembled for delivery to the stores. The National Warehouse Operating Department directs the forming of standard practices of receiving, storing, refrigerating, selecting and loading the goods you sell, the maintaining of warehouse equipment and the installing of efficient methods.

In general, the Warehouse Operating Department's work in National Headquarters, Divisions and Units is to see that merchandise flows through our warehouses smoothly, efficiently and in good condition.

Accounting

Warehousing

The accounting, taxes, finances and auditing policies of the Company are formulated by the Chairman of the Board and the President, and are entrusted to the Comptroller in National Headquarters, the Treasurers in the Divisions, and the Office Managers in the Units. It is the work of these executives to attend to the receipt and deposit of cash, the payment of bills and expenses, and to guard the Company's funds and property. The Comptroller works with Divisions and Units through the Headquarters Auditing Staff, and co-operates with the Divisional Treasurers in maintaining the Company's financial policies.

These are the high lights of your Company's activities as a distributor. We are an organization in which the stores are the hub, with the rest of the Company revolving around them, conducting, through Managers like yourself, a local business on a national scale. To help you to define your own Division Organization to your employees, a simple chart is printed on page 25.

#### YOUR DIVISIONAL ORGANIZATION

(See Chart, page 25)

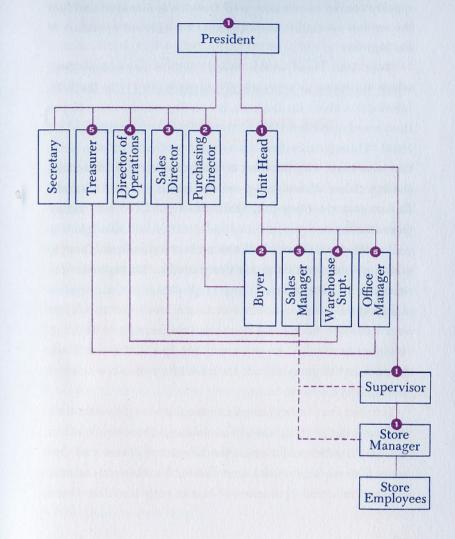
Your Divisional Organization is simple to define. In the main, it is comprised of five groups of specialists: (1) Management, (2) Purchasing, (3) Sales, (4) Warehousing and (5) Accounting (Treasurer).

The President (1) of your Division is at the head of Management and your Unit Head is responsible for this phase of specialization in your Unit.

In your Divisional Headquarters the four other specialists work directly under the Divisional President. In your Unit, these four specialists are responsible to the Unit Head. Each specialist in Divisional Headquarters works with a specialist of his own category in the Units.

Thus the Purchasing Director of the Division (2) works with the Buyers of the Units; the Divisional Sales Director (3) works with the Unit Sales Managers; the Divisional Director of Operations (4) works with the Unit Warehouse Superintendents; and the Divisional Treasurer (5) works with the Unit Office Managers.

#### YOUR DIVISIONAL ORGANIZATION



A few minutes spent reviewing the chart on page 25 will quickly convey to you how your Division is managed and how the various specialists team together for efficient operation of the business.

Your Unit Head works directly with a Supervisory Staff which functions as a branch of Management (1) in the field. Information about the business, help and guidance come to you from your Supervisor. He is your principal contact with the Unit Head. Through him flow operational methods of your store that have to do with the work of the four other specialists, Purchasing, Sales, Warehousing, and Accounting. Your Unit Sales Department, the other principal contact you have with the organization behind you, channels information and sales plans to you mainly by means of bulletins and correspondence. You, as a Manager, are in that group designated as Management (1), since you are in complete charge of all phases of the operation of your store.

# $\sim \mathbb{I} \mathbb{V} \sim$ Your Company's Products

THE answer to why A&P has its own products simply requires a restatement of your Company's business philosophy: "To provide more and better foods to more people for less money."

A&P entered into the marketing of its own products, and became proficient in procuring, processing and packing foods, because this step would result in its stores offering better value to their customers. By going direct to the sources for many products, by manufacturing scores of others, A&P eliminates from the cost of these items many expenses that must be borne by foods of comparable quality produced by manufacturers who distribute through the general retail trade. In short, these products which carry the labels of the Company are products of fine quality which arrive in your store at lower costs, and thus can be sold to your customers at lower prices.

There is a vast organization responsible for A&P products. And there are numerous laboratories, offices, factories, plants, bakeries, canneries and warehouses among the physical properties the Company owns and operates to provide the products it sells under its own brands.

At the heart of the many activities that combine to make up the organization responsible for A&P products is the Central Laboratory, a scientifically equipped test and research department manned by graduate food chemists. It is here that control of the quality of A&P brands begins. Formulas, or food recipes, are developed after exhaustive research. These are the standards to be rigidly followed in the production of an item for sale under an A&P trademark. These standards are changed only when an improvement can be made. The Central Laboratory, located at National Headquarters, in New York City, has branch laboratories in or near each of the plants, factories, canneries and bakeries. It is the responsibility of these branches to see that A&P standards of quality are carefully followed in the production of A&P brands, as well as to inspect and test finished products as they come off factory lines.

The Company's products fall into two classes: those it produces in its own factories, plants, bakeries and canneries, and those it assigns to other reputable manufacturers or packers to prepare according to rigid A&P standards. In the case of each class of product, the Central Laboratory establishes the high levels of quality, and is responsible for the constant maintenance of these standards by means of regularly scheduled scientific checks and tests.

To define for you which A&P products are manufactured by A&P and which are prepared for it by other manufacturers or packers, there follows a discussion of the two types under the names commonly employed to differentiate between them; A&P Manufactured Products and A&P-Controlled Brands.

#### **A&P MANUFACTURED PRODUCTS**

The term "A&P Manufactured Products" refers to those items which A&P makes in its own plants.

A&P Coffees—Eight O'Clock, Red Circle and Bokar—are the products of A&P Coffee Service, a division of the parent Company. One of the very first products which A&P offered to the public was coffee, and from the beginning, A&P has originated and led in the improvement of methods of protecting quality in blending and roasting, and also in distributing coffee so promptly and economically that consumers get the finest product at an exceptionally low price. As a result, A&P Coffee Service has perfected a complete system for controlling coffee quality, from the selection of the raw beans intended for its branded products, through to the actual grinding of the individual pound of coffee exactly right for the purchaser's particular method of brewing.

A&P Coffee Service begins its task by having its resident buyers and coffee experts select and purchase the beans right in the principal coffee-growing countries of South America. It ships these coffees to this country, then routes them to its nine modern A&P Roasting Plants which are strategically located throughout the territory served by A&P stores. In these roasting plants they are expertly blended, then roasted by A&P's exclusively controlled process.

You know, of course, that the A&P Coffee Service delivers

Eight O'Clock, Red Circle and Bokar Coffees bean coffee to your store, thus retaining the true, freshly roasted flavor. Then you grind it at the time of purchase exactly right for each customer's method of making. Thus those who use an A&P Coffee get coffee that has been protected by the utmost skill all the way from plantation to consumer; coffee that is truly fresh and full-flavored.

The goodness of A&P Coffees, and their popularity, is well appreciated when we remember that the three A&P brands, Eight O'Clock, Red Circle and Bokar, combine to top the sales of any other coffee retailer in the world.

Marvel Bread, Jane Parker Cakes, Rolls, Donuts Another important manufacturing operation is the A&P Bakeries. This branch of A&P's facilities for producing products of exceptional quality—at costs that net A&P customers substantial savings—consists of a network of 37 spotless bakeries spread throughout the states where our stores are located. Each of these bakeries is a model of modern equipment.

Like all manufacturing units operated by the Company, A&P Bakeries have their central research and testing laboratories devoted to finding improved methods for making our bakery products.

Many innovations of the baking art, as well as many merchandising methods, have been pioneered by A&P Bakeries. Consistently high quality and outstanding values plus a studious control of freshness, have made the output of A&P Bakeries—Marvel Enriched Bread, Jane Parker Cakes, Rolls and Donuts—national leaders in sales.

The Quaker Maid Company is a wholly owned manufacturing subsidiary of A&P. It has under its direction the operation of several manufacturing firms, each of which is a substantial business in itself. These are the Ann Page Division, The White House Milk Company, The Nakat Packing Corporation and the A&P National Fish Department.

Quaker Maid Products

The Ann Page Division, in addition to producing the foods carrying that name, manufactures Holly Carter Candies, the various lines of Warwick, Crestmont and Worthmore Candies, and many other food products. Foremost of the foods of this producing unit of A&P is the Ann Page line. These national favorites, often called the "Thrifty 33," are famed for their toprank quality at modest prices.

Ann Page Foods, Holly Carter, Warwick, Crestmont and Worthmore Candies

The factories that make Ann Page Foods and related lines are examples of the twentieth century advancement made in food production, their technical equipment being of the finest, most exacting and efficient.

One Quaker Maid factory, located in the Middle West to serve the Company's stores in that area, is at Terre Haute, Indiana. It produces a wide variety of all products of the Ann Page family. Another factory is in the heart of New York State's rich agricultural country, in Brockport, a region renowned for its excellent tomatoes. Two other factories are located in Brooklyn, New York.

In one of these are A&P's modern facilities for blending and packing teas. These two factories of the Quaker Maid Company,

Mayfair, Nectar and Our Own Teas

located close to the water's edge where liners dock with foods from foreign shores, are strategic for the processing and packing of foods which contain ingredients from lands across the sea.

White House Evaporated Milk The White House Milk Company operates two large evaporating and canning plants and eight branch plants in Wisconsin. These are numbered among the industry's finest, and their yearly output of the White House product places them high on the roll of the nation's largest producers of evaporated milk.

Cold Stream and Sunnybrook Salmon The Nakat Packing Corporation, probably the most colorful of Quaker Maid's many enterprises, is concerned with the catching and canning of salmon for A&P brands. This company's properties consist of the necessary traps, boats and other equipment with which to fish the waters of Alaska, and canneries situated in that Territory. Cold Stream and Sunnybrook are the major brands of salmon they produce.

Fresh and Frozen Fish

Another enterprise concerned with fish, but of different character, is the A&P National Fish Division, also managed by the Quaker Maid Company. Its headquarters are in Boston, adjacent to that city's fish pier, to which Atlantic fishermen drive their ships "home" with their catches. Fish from Gloucester and Cape Cod, from fishing villages in Maine and neighboring Newfoundland, are purchased, and brought to this great Atlantic port. Here the Company has the facilities for the preparation of fish for sale at retail, the equipment and skills required to prepare both fresh and frozen varieties and numerous kinds of shell-

fish. The Boston activities of the A&P National Fish Division are supplemented with smaller enterprises in other important fish ports at New York City and Baltimore, and at fishing points on the Great Lakes.

The Atlantic Commission Company, often referred to as ACCO, another wholly owned subsidiary of A&P, is charged with the important responsibility of procuring required supplies of fresh fruits and vegetables. In meeting your Company's quality standards, ACCO purchases fine produce from fields, groves and orchards of forty-five of the nation's first-rank agricultural states. Its staff of expert produce men, operating out of ninety field procurement offices, not only select and carefully inspect each crop, but in many sections they arrange for and supervise grading and packing of produce items in retail sales units in modern Company-operated warehouses. A large part of these crops so packed are marketed under ACCO's brand name, Regalo.

Through ACCO's vast facilities, its field buyers are able to follow the harvest from the South to the North, and from the West to the East, purchasing fine crops direct from growers and shippers, and then dispatching them to your store by the most direct distribution routes yet developed. This affords the utmost saving in freshness and quality, and in expense and time, closely linking the farm with the nation's dining tables.

The magazine you sell in your store, Woman's Day, is another A&P product. It is produced by Stores Publishing Company,

Fresh Fruits

and Vegetables

Woman's Day Magazine another wholly owned subsidiary of A&P, an enterprise made up of writers, editors and other specialists of the magazine publishing field. It was started in 1937 and its nearly three million copies per month circulation puts it in seventh place among all magazines published. Only Reader's Digest, Saturday Evening Post, Life, Ladies' Home Journal, Woman's Home Companion and McCall's exceed it in circulation.

More than two million of its readers—A&P customers—have written letters to Woman's Day, sent for recipe booklets, for needlework instructions. Probably hundreds of the customers of your own store have written letters telling how much they like Woman's Day. They say they like it because it shows them how to make the most of the foods that they buy from you; that it gives them practical and workable advice on furniture and decorating, on needlework, on child care and the many other jobs a woman does in her home. They say they like it because there is nothing fancy or flossy about it; that it is straightforward, honest and down to earth.

When your customers buy Woman's Day, you are giving them an outstanding value that cannot be matched anywhere and that will help make friends for you and your store.

#### A&P CONTROLLED BRANDS

The term "A&P Controlled Brands" is generally used when reference is made to products packed under trademarks which A&P controls, but which are manufactured or packaged by other firms, or when the finished product is only packaged by your Company.

The National Meat Department of A&P, with offices in Chicago, is responsible for the fresh, smoked, cured and canned meat products, sausage, lard and shortening, and canned and biscuit dog foods which bear A&P trademarks. That department contracts with reliable manufacturers to supply products in accordance with standards of quality which it establishes in collaboration with the Central Laboratories. Principal products of The National Meat Department are the famous Super-Right Meats, Sunnyfield Smoked and Pre-cooked Hams, Bacon, Dried Beef, Lard and <u>dexo</u> Hydrogenated Shortening, and Daily Canned Dog Food and Kibbled Biscuits.

Super-Right and Sunnyfield Meats and Meat Products, dexo and Daily Dog Foods

The National Butter and Cheese Department operates much the same as the National Meat Department, setting high standards for A&P products and then procuring them from reliable suppliers. To maintain its standards of quality, this department maintains modern scientific laboratories at Chicago (for butter) and at Green Bay, Wisconsin (for cheese). It operates a model Company-owned creamery for the manufacture of butter at Ida Grove, Iowa.

In addition to the functions of procurement and the supervision of packing under A&P brands, The National Butter and Cheese Department operates warehouses. There are butter

Sunnyfield Butter and Mel-O-Bit Cheese warehouses, and cheese aging and storing plants in important dairy centers of the United States, all maintained by A&P.

Sunnybrook Eggs, Pilgrim Turkeys, Sunnyfield Poultry The National Egg and Poultry Department, with headquarters in New York City and offices and thirty-three egg departments located in as many Unit warehouses throughout the country, is responsible for procuring and packing A&P's three famous brands of eggs, Sunnybrook, Crestview and Wildmere. Also, this department procures general poultry requirements as well as those two renowned favorites for quality, Pilgrim Turkeys and Sunnyfield Eviscerated Poultry.

The National Egg and Poultry Department secures eggs from the better producing sections of the country, then carefully inspects, candles and grades them to meet all federal and state specifications, and packs them in dated cartons for controlled freshness. Poultry needs are secured from selected producers and packers, and all purchases are rigidly inspected by a staff of poultry experts prior to shipments being made to stores. It is this extreme care that has earned for your Company an enviable reputation for egg and poultry quality.

While the National Meat, National Butter and Cheese, and National Egg and Poultry Departments are largely concerned with farm products which require no processing step by A&P, they function in the A&P products scheme in procuring and supervising the packing of Company-labeled foods.

The cereal products of A&P—Sunnyfield Cereals and Flours, Iona Flours and Daily Animal Feeds—are the responsibility of the A&P Buying Office located in Minneapolis, greatest wheat market of America, which entrusts the manufacture and packaging of these brands to famous makers.

Cereals, Flours

Several other popular A&P products are similarly secured. A&P, Sultana and Iona Canned Fruits and Vegetables, Queen Anne Paper Products, White Sail Cleaning Aids, and many others, are produced to A&P specifications and under the vigilant eye of the Company's Central Laboratory. These items require the services of staffs of trained buyers located almost everywhere throughout the nation.

Many Other A&P Products

# e No

# A&P and the American Way of Life

THE principal reason why the people of the United States of America are the envy of the people of every other nation in the world is that the families of this country enjoy the world's highest standard of living.

The average American family earns more, saves more, has more of the good things of life and is healthier and happier than the average family of any other country.

Americans have learned to want more of the good things of life—and have learned how to get them. We have learned the science of mass production—which means growing and manufacturing goods in such large quantities that the cost of producing them is low—and the science of mass distribution—which means getting those goods into the hands of consumers with a minimum of waste and expense.

As a nation, we want things like good homes, automobiles, radios, fine clothes and good food, and we know it is possible to have them. This very fact is what gives us the jobs that enable us to earn money to buy them. For the more goods that are grown or manufactured, the more people it takes to make and sell those goods.

As mass production and mass distribution have developed in this country, wages have increased, working hours have become shorter, people have had more to spend for the good things of life and more leisure time in which to enjoy them.

In short, this standard of living we enjoy has increased in proportion to how efficient we have become, and how well we as a people have learned to work, in order to have the time and the means for play.

To try to say which is the more important, mass production or mass distribution, would be like trying to solve the old problem of whether the hen or the egg came first. It is true, nevertheless, that industry of all kinds has been quicker to recognize and adopt techniques of producing goods economically and in large quantities, than to develop the techniques of streamlined selling.

A&P pioneered the principle of eliminating wasteful and cumbersome steps in the old-fashioned methods of bringing food from the producer to the consumer.

In fact, the first A&P store laid the foundation for streamlined distribution of food in 1859. A cargo of tea arriving directly from the Orient was moved from the ship's hold to the store and sold directly to consumers at a fraction of the prevailing retail price, because profits and expenses of several middlemen, who would otherwise have handled it, were eliminated.

While no one realized it then, mass distribution of food began in this country with that shipload of tea. Ever since, A&P has been the leader in improving methods of buying, transportA&P, a Pioneer in Mass Food Distribution ing and selling food with a view to bringing it to the American people at the lowest possible cost, while making it profitable for the farmer to grow it and for the manufacturer to process it.

In pioneering mass distribution—fostering improvements in food retailing—and setting an example for others to follow, A&P made—and is continuing to make—important contributions to an American standard of living that is the envy of the world.

The Company's Growth

Generally a business grows and prospers in proportion to the services it renders the community in which it lives.

Because the first A&P store brought good food to its customers at lower prices than others, it was a successful business. From the profits of that store it was possible to open another.

As the business expanded, it was possible to increase the economies of operation and to improve the service.

Gradually it became possible to build an organization of specialists in every phase of the work.

A man who buys nothing but fresh fruits and vegetables, and buys more of them than any other man in the world, is in a position to know more about them, and how to buy them properly, than the man who buys a little of everything.

Likewise a man who devotes all of his time to working out transportation problems is more likely to do that job better, than the man who must think of how to buy and how to sell, and to do the thousand and one other jobs the grocer has to do.

And so A&P has its special buyers, assisted by field buyers in all of the principal markets and growing areas, whose job it

is to see that the best of everything is made conveniently and economically available to those who depend upon us for the food they eat.

It has its specialists in warehouse operation, in traffic, in transportation, in manufacturing, in food testing, and in finance, each of whom is able to do a better job because that is his only job.

Because A&P performs all these tasks of distributing food, because it has all the facilities necessary for efficient food distribution, because its warehouses are so located that food can be brought direct from the sources and take the most direct route to the store, and because it has developed a great system of source-to-store direct delivery, the expenses and profits of many extra handlers are eliminated, and our prices reflect these savings.

Many of our younger store Managers may find it hard to realize that within the memory of older men in the organization, fresh fruits and vegetables in wintertime were a luxury that few could afford; fresh and canned citrus fruits were a treat only in large cities; only those living near the seashore could enjoy salt-water fish and other seafood. It was not until 1928 that people in the cities ever thought of having fresh turkeys out of season at prices the average family could afford to pay. Until then, raising turkeys to be eaten only two days of the year was a hazardous business. Now it is a profitable year-round proposition for many farmers in many states. There are many such instances that could be told.

Mass distribution and modern selling methods have not only meant that consumers spend less proportionately for food than formerly, but also that they get better food in greater variety and a more rounded and healthful diet.

# Watching Waste

We have heard it said that A&P is an "expense-conscious" organization. A better description would be that we are a "wasteconscious" organization. A&P has seldom spared expense that would contribute to the efficiency of the job the Company has to do. Actually, the Company's low price policies are made possible by cutting down waste resulting from spoilage in transit, extra handlings and other causes involving large items of cost; by the salvage of fats, bones and waste paper; and by conserving bags and wrapping materials and other seemingly small items. When an employee realizes that at the end of the year the net profit to the Company is usually little more than a cent on each dollar's worth of food we sell, it is not hard for him to understand how lack of attention to the tiniest detail can mean the difference between a profit and a loss. It is not difficult for him to see that every economy we practice is a service to those from whom we buy, and to the families to whom we sell.

#### Our Responsibility

How important and many sided our service is, in the eyes of the American people, was dramatized a few years ago when scores of leaders of all segments of our national life went to Washington to testify before a Congressional committee against the passage of a bill that, through excessive taxation, threatened the existence of chain stores in every field.

Consumer leaders told what chain-store savings mean in terms of extra food on the table for families with severely limited food budgets. Farmers told how chain stores enable them to find new markets for their products, relieve surpluses, and realize better returns for the foods they raise. Manufacturers told how the steady purchases of chain stores enable them to plan production more efficiently over the entire year, thus providing better jobs for more people and lower manufacturing costs. Economists told how chain stores add to the prosperity of communities in which they do business. Real-estate people told what the presence of a chain store in a community means in terms of enhanced property values. Labor unions testified that chain stores provide hundreds of thousands of jobs and maintain generally the highest wages and shortest hours in the retail food industry.

This wide endorsement of the chain-store system shows how A&P methods have won the confidence and respect of the public. It also illustrates how careful we must be to continue to merit this good will.

A&P's wartime policy earned the nation's admiration for its scrupulous observance of all government regulations—contributing materially to the effectiveness of food rationing, price control, waste prevention, food conservation, and to the retarding of black markets and inflation. This is one important way in which we have recognized the responsibility imposed upon us

by our leadership and by the trust which the American people have placed in us.

What does this all mean? Simply this: That A&P is the biggest retail food organization in the world, because the American people have made us big by wanting more and more of the kind of service we render; that the A&P store you manage is something a great deal more important than merely a place where food is sold. It is an integral part of the entire American production and distribution system. Your store's daily operations are of direct value and immediate benefit not only to the housewives who buy from you, but to practically every other businessman and every citizen of your community.

In the efficient operation of your A&P store, you are taking part in a continuing contribution to all the families and the businesses of your locality, and to the entire American way of life.