

ALEX LEE INK

a magazine for alex lee employees



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A

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GOT A STORY OR PICTURE IDEA FOR **INK**?

Whether it's an interesting angle on your job, an illuminating look at what your department does, a profile of an interesting co-worker, or something else you think *INK* readers would appreciate, we'd like to hear about it. Please contact the *INK* journalist for your company and share your ideas.

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A MESSAGE FROM BOYD

BOYD L. GEORGE, CHAIRMAN OF ALEX LEE, INC.



“CONFIDENCE THAT WE CAN PROVIDE OUR CUSTOMERS AN OUTSTANDING EXPERIENCE IS A KEY INGREDIENT TO OUR ULTIMATE SUCCESS.”

ON SATURDAY, APRIL 11, 2009, a 47 year old spinster walked on stage to audition for the British television show Britain’s Got Talent. She was a very homely woman and was met with a wave of skepticism. It would be safe to say that there was only one person in the auditorium who thought Susan Boyle deserved an audition. The judges were doubtful and dismissive. Then she began to sing. As they say, the rest is history. Not only did Susan Boyle win the opportunity to compete, she won the contest, became an international celebrity, and has since recorded over seven best-selling albums. All of this because she believed that she could.

THE ECONOMIC STRUCTURE OF THE GROCERY INDUSTRY is one of very low margin on a high volume of sales. Success is predicated on increasing sales. In other words, it is difficult to make a profit if you do not increase sales. There are many reasons that are often given for not increasing sales: We do not offer a compelling experience for our customers or guests. We have too much competition. Our prices are not the best. We need a better ad. We cannot provide the best service to our guests and customers.

THE REASON THAT IS RARELY DISCUSSED is that we do not believe we can increase sales under current circumstances. If Susan Boyle did not believe that she could sing, then she would never have applied to enter the talent contest. If we do not believe that we can provide better service and experience to our guests, then we will find it difficult to provide that experience. Confidence that we can provide our customers an outstanding experience is a key ingredient to our ultimate success.

I WOULD ASK THAT EACH OF OUR EMPLOYEES AND HOSTS come to work each day convinced that he or she can provide the ultimate in customer service. Each day, try to provide exceptional service to one customer or guest. Make them believe there is no better place to shop. Each day try to create a new advocate for your service. Believe that your efforts can improve the sales of our company and they will!

ALI



A MESSAGE FROM BRIAN

BRIAN GEORGE, PRESIDENT & CEO OF ALEX LEE, INC.

HAPPY NEW (FISCAL) YEAR!

WE HAVE JUST FINISHED fiscal year 2017 and are looking forward to a successful 2018. This past year, we have faced lots of new retail grocery competition. Many new stores have opened in our markets in addition to the continued growth of online grocery sales. I am pleased that by focusing on our strategies, we have been able to compete in this tough environment. We continue to invest in the business to drive future growth.

IN FISCAL 2017, we finished a second perishable warehouse expansion at MDI, which has allowed us to expand variety and to grow our storage business. We opened three new Lowes Foods stores in new markets with our original concepts that resonate with our guests. We invested in e-commerce, expanding digital shopping services for our independents and growing our Lowes Foods to Go. We acquired Souto Foods, allowing us to move faster in the expansion of our Ethnic sales. We also completed the transition to our new financial system, restructured our information technology group, and introduced initiatives to increase employee engagement.

ACCOMPLISHING OUR GOALS FOR 2018 will require the entire team working together. Our key goals for MDI and Lowes Foods are as follows:

LOWES FOODS

- Grow topline sales by continuing to focus on the needs of our guests
- Improve operational efficiency
- Develop and Grow Culture
- Accelerate Market Share in E-Commerce

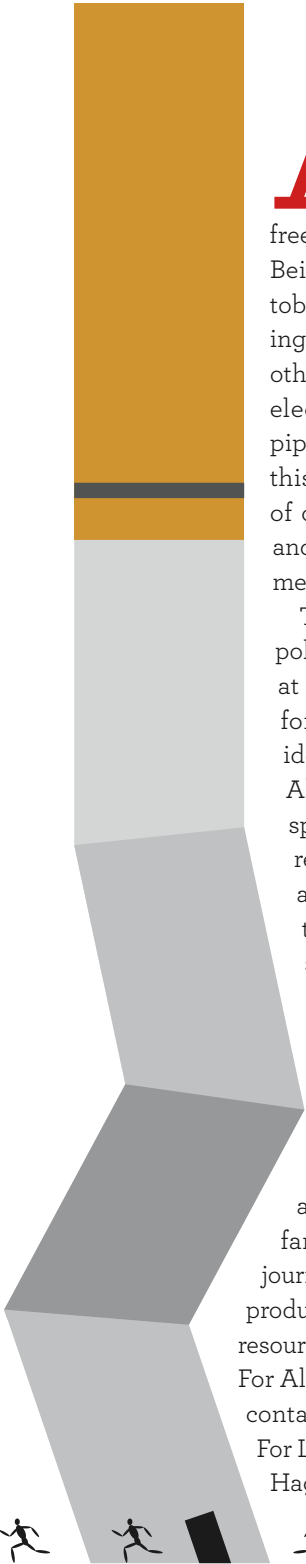
MDI

- Grow Topline Sales by supporting our independents
- Grow Ethnic sales
- Grow Services that can increase independent store sales

WE HAVE TO CONTINUE TO FIGHT FOR SALES and focus on our goals. I am excited about the new capabilities we are adding and the progress we are making on our strategic initiatives.

THE GROCERY BUSINESS IS CHANGING — AND FAST. Fortunately, we are moving quickly ourselves, to serve our guests and customers in new and exciting ways. I know that we will find ways to win in this very challenging environment, by focusing on meeting the ever-changing needs of our guests and customers.

TOBACCO CESSATION PROGRAMS & POLICY



Alex Lee will make a change to its tobacco free policy effective January 1, 2018. This change includes becoming 100% tobacco-free on all leased and owned properties. Being 100% tobacco free means that all tobacco and nicotine products — including smokeless tobacco and electronic or other nicotine delivery devices, such as electronic cigarettes, cigars, hookahs, pipes, etc. — are prohibited. In making this change, Alex Lee joins thousands of other businesses in North Carolina and nationwide that have taken similar measures.

To continue the dialogue around this policy change, we administered a survey at the beginning of August and asked for your personal opinions, creative ideas, and assistance in this endeavor. Altogether, we received over 300 responses to the survey. Based on survey results, we implemented an employee action team of volunteers from across the enterprise to further the discussion and help propel us toward our goal of a 100% nicotine-free campus. As we move closer to our deadline, we will continue to rollout additional information around the scope and implementation of this policy.

Below are several free resources available to employees, hosts, their families, and friends to aid them in a journey to quit using tobacco and nicotine products. For more information about these resources, please contact your Health Coach. For Alex Lee Corporate and MDI locations, contact Sharon O'Renck at 980.404.1423. For Lowes Foods locations, contact Sandra Hagen at 336.430.6461.

NICOTINE REPLACEMENT THERAPY THROUGH AETNA INSURANCE:

- One-to-one coaching sessions with a Health Coach in person or over the phone to assist in setting a quit date, goals, and how to deal with cravings.
- Eight weeks supply of your choice of nicotine patches, gum, or lozenges, delivered to your address at no cost to you.
- If you use chewing tobacco, have heart conditions or other medical conditions, you may need your primary care physician's permission to use the nicotine replacement therapy products. Your health coach will discuss this with you during your coaching session.
- Access to counseling through the Aetna Employee Assistance program is available for additional support during your tobacco cessation journey.

NICOTINE REPLACEMENT THERAPY WITH NO INSURANCE:

- If you do not have insurance there are programs through the state of North Carolina within your county that offer a free eight-week supply of nicotine patches, gum, or lozenges. Call 1.800.QUIT.NOW
- Access to counseling is also available through 1.800.QUIT.NOW
- Access to counseling through Aetna Employee Assistance program is available to the un-insured as well for additional support during your tobacco cessation journey.

— *Sharon O'Renck, Alex Lee Health Coach,*
and *Stacey Hussey, Contributors*



PRICE CHECK!

When you know what something should cost, you won't overpay. That's true for healthcare too. So, check pricing on Healthcare Bluebook* when scheduling a medical test or procedure to ensure you're getting a Fair Price.



You can even earn rewards for choosing Fair Price providers. Getting paid to save? Now that's a good deal.

\$50 Reward

Go Green to Get Green

You are eligible to earn a reward for this service by using a Bluebook Fair Price provider. [LEARN MORE](#)

*Healthcare Bluebook is only available to participants in the Aetna Medical Plan.



Start Saving Today:
healthcarebluebook.com/cc/alexlee
 Support Number: 800-341-0504

Download the app: App Store Google play

Company Codes: ALEE, MDI, LOWES

WELCOME TO YOUR 2018 ALEX LEE OPEN ENROLLMENT



WHAT

» Annual Enrollment is your chance to review your current benefit plan choices, make plan changes and add or drop dependents.

WHO

» All Full-time Alex Lee employees.

WHEN

» October 8 – November 15, 2017.
 » Benefit changes will be effective on January 1, 2018

WHY

» You must enroll in a medical, dental and/or vision plan during Open Enrollment to have benefits effective January 1, 2018.
 » Your current medical, dental and/or vision coverages will not rollover.

NEW BENEFIT Alex Lee is offering two new benefit options in 2018. Accident Insurance and Critical Illness benefits pay you money that you can use to cover personal expenses, bills and out-of-pocket costs if you get hurt or sick. Look for more information on the NEW Critical Illness and Accident Insurance benefits by visiting the employee portal.

2018 WELLNESS PROGRAM REMINDER YOU & YOUR COVERED SPOUSE MUST COMPLETE BOTH A QUEST METABOLIC SCREENING & ANNUAL WELLNESS EXAM

TO AVOID PAYING **UP TO 30% MORE** FOR YOUR 2018 MEDICAL PLAN

- » Both activities must be completed by **NOV. 15, 2017**
- » While completing your 2018 enrollment, the medical section will display whether or not you have completed your wellness activities.
- » If you have questions on wellness completions please contact Aetna Concierge **800-776-0360**.



ATTENTION PART-TIME EMPLOYEES: Please visit the employee portal for specific information about your 2018 benefits offerings.

TO DO!

METABOLIC SCREENING & PHYSICAL REMINDER



Avoid paying up to 30% more on your 2018 medical insurance premiums! You and your covered spouse must complete a Metabolic Screening & Physical by **November 15**. If you missed the on-site metabolic screening events, don't worry! Go to <https://my.questforhealth.com> to schedule a metabolic screening appointment at a Quest Patient Service Center. Or you can complete the metabolic screening at your physician's office. If you opt for the physician's office, just download a Physician Results Form at <https://my.questforhealth.com> and take it to your physician to complete. **To be eligible for consideration, the metabolic screening must take place before November 15.** Also, Aetna covers one wellness physical at 100% with no copay per calendar year. You don't necessarily have to wait a full 12 months to see your doctor for preventive care; just make sure the most recent well visit occurred during a previous calendar year. If you do not have a physician, you can use the DocFind feature on Aetna Navigator at www.aetna.com to find a doctor in your area. If you do not have a physician and you work at MDI, you may choose to complete your physical onsite at the Frye Mobile Unit. For Frye Mobile Unit appointments, please call 855.200.3793 if you have not had blood work done yet, or call 828.315.7016 if you have already had blood work done. Contact Kristine White, Aetna Wellness Consultant, at 828.244.7616 if you have questions.



HEART IN THE PARK

On Saturday, June 10, the American Heart Association held its first Heart Healthy Family Fun Day in Catawba County. Various activities included cooking demos, free health screenings, and interactive fitness classes. Lowes Foods, MDI, and Aetna attended with tasty fruit samples and other giveaways. During this event, Alex Lee sponsored and promoted the Family Health Challenge, in which participants tracked through social media their nutritional choices while shopping, intake of non-sugary drinks, choices of low sodium snacks, and physical activity. The winner received a Fitbit and \$200 Lowes Foods gift card.

— *Robin Saunders, Contributor*



I.T. TRANSITIONS

INFORMATION TECHNOLOGY (IT) IS ALWAYS CHANGING, AND IN THE CASE OF ALEX LEE, SO IS OUR PHYSICAL ENVIRONMENT (IT WILL BE MOVING TO A NEWLY RENOVATED SPACE) ALONG WITH SOME OF OUR ROLES WITHIN THE COMPANY. REGARDING IT SECURITY AND RISK, JULIE BREWSTER WILL BE MOVING INTO AN MDI IT BUSINESS LIAISON ROLE, BUT WILL CONTINUE TO ASSIST WITH SECURITY OVER THE NEXT SEVERAL MONTHS WHILE I TRANSITION FROM INTERNAL AUDIT TO INFORMATION SECURITY AND RISK. ▼ ONE OF THE FIRST TOPICS DISCUSSED WHEN WE STARTED THE TRANSITION PLAN WAS EDUCATION. BECAUSE IT SECURITY IS SO DYNAMIC, WE'VE GOT TO ALWAYS EDUCATE OURSELVES ABOUT CYBERSECURITY RISKS IF WE'RE GOING TO PROTECT OURSELVES FROM CYBER-ATTACKERS — BOTH AT THE OFFICE

and at home. A recent study estimates cybercrime damages to cost the world \$6 trillion by 2021. There's no way one "cyber-sheriff" can effectively manage cybersecurity in an organization; all employees, regardless of their jobs, play a critical role in keeping us all safe! ▼ Alex Lee INK is just one of many tools we'll be using to help better educate everyone for effective cybersecurity strategies. By the time you read this article, we'll be approaching the holidays — a time when consumer-financial scams tend to pop up more often. From fake charities and contest alerts, to fraudulent travel packages, the holiday scams are in high gear. As I write this, the North Carolina Attorney General's Office is trying to alert consumers to the donation scams associated with Hurricane Harvey. One simple step to avoid all of these types of scams is simply to avoid giving money or personal information to anyone who contacts you. If you want to support a charity, contact them! And remember, most government agencies (like the IRS) don't contact you by phone!

DON'T GET "SNOWED" BY THESE POPULAR HOLIDAY SCAMS:

- Bogus websites offering that perfect, hard-to-find gift at an unbelievable price. Don't trust a site or store that you don't know.

- Charity-related holiday scams that tug on your heartstrings. Again, giving is a good thing, but you need to be the one to make the contact.
- Unexpected fake purchase invoices in your e-mail box that want you to click on something (phishing scams try to trick you into clicking on a link and/or entering personal information). Bottom line: Don't give out personal information unless you initiated the contact, know the organization, and are using a secure website (beginning with "https://").

The North Carolina Department of Justice (www.ncdoj.gov) offers some great advice to help you avoid being a victim of cybercrime — and we'll be doing our best at Alex Lee to educate and protect you here and at home. Have a happy and safe holiday season!

Thank you for all you do to keep our systems safe and secure. To submit requests for IS Security topics you would like to see covered contact **Todd.Wright@alexlee.com**. Please report any security incidents to the Alex Lee Help Desk at extension 54466 or by email to helpdesk@alexlee.com.



A MESSAGE FROM BOB

BOB McTEIR, PRESIDENT OF MDI

HOPE FOR THE BEST, PLAN FOR THE WORST

Hope for the best, plan for the worst! It never ceases to amaze me the amount of expertise, professionalism, dedication, passion, and just pure heart our employees show when the potential for disruption is looming large. The best outcome for us is for natural disaster to not happen, but it's inevitable and the odds are in favor based on where our stores are located that we will be affected.

That's why we plan ahead the best we can and then react with a fierce intensity to take care of our customers and their communities to the highest degree possible. This can't be done without a large portion of our business working as one and communicating an ever-changing plan. Coordination between Lowes Foods staff, MDI field staff, customers, Corporate Alex Lee, warehousing, transportation, state agencies, and our manufacturer community during a constant changing situation is an all-consuming task — a task we are well prepared to accomplish. But the best laid plans will always have a twist or turn that is impossible to predict, and our reaction is what makes us a great company. We can plan, and we do plan extensively, but it's how we react when those plans go sideways (like some hurricanes do) that cause the cream to rise to the top. Here is just a short list of some of the opportunities and outcomes that happened during storm Irma:

- At one point we had 17 stores without power right after the storm.
- All stores in Jacksonville, FL, were closed Saturday, September 9, except for our independent operator Rob Rowe's stores.
- Rob Rowe said he had water and groceries at the most critical times and praised MDI for going above and beyond keeping him in business! Rob Rowe made the comment that we kept him in business better than the chain stores in Florida.
- Quality Foods had a small fire on Tuesday night when the power came back on and the sprinklers flooded the store. **Mike Ray, Dave Logue, and Shorty Surlis** were there to assist Serv Pro in getting the store dried out and discarding affected product so they could open a day later.
- We worked with Carlie C's and sent 35 loads of water.
- We ran 170 extra trips last week to help stores stay in business on critical items and serve their communities better than any of their competition.

- We shipped 336,000 cases of water or 7,200,000 bottles of water to our customers last week.
- We sold 24,000 packs of batteries and 6,800 flashlights.
- We used drivers from different companies such as Bernhardt Furniture here in Hickory. Paul and his staff worked tirelessly to get drivers under loads.
- Thanks go to the whole Trans Team: **Paul Miller, Marcus Taylor, Terry Dennie, Jim Messer, Tracy Whisnant, Chris Elliott, Henry Bruce, Christina Hardin**, and the countless drivers that worked long hours and endured unbelievable traffic conditions.
- Our Routing Teams were able to juggle countless poll time changes, only sending certain commodities with a constant change in delivery times, and did it all with the professionalism that coincides with the Alex Lee Values!
- **Joe Ryan** and his team worked on coordinating backhauls to keep us rolling.
- **Don Garvey** and his team, **Mike Harris, Kenny Yun, Tracy Turner** and **Randall Heien** worked on extra staffing and really did a great job of keeping the morale up!
- The QRT team had a meeting twice a day to coordinate and communicate with all involved.
- **Barry Bounds** and the buying staff needed to coordinate massive amounts of extra product on key relief items all while monitoring hurricane hit areas that would not be able to supply everyday items.
- **Jay Stoy** and his team needed to keep our equipment on the road to service our customers and also had to make sure we stayed supplied with the fuel needed to run the business.

Every line above is a story worth sharing all by itself. We were even supplying product to Houston to support the FEMA efforts there while preparing for Irma here. I have only given you a small taste of what happens before, during, and after a storm. The best storm is the one that doesn't happen, but we will continue to hope for the best and plan for the worst! I would like to thank the entire organization for their efforts, many of which I have not even mentioned. *A special shout out to **Lee Bowers** and the Southern sales team who were the tip of the spear in executing and coordinating our plan all the while taking care of the their own families who live in the affected areas.* We are a great company because of our people. Thank you for everything that you do.



DON'T START YOUR ENGINES! DUKE ENERGY PROJECT TACKLES TRUCK IDLING

MDI to host truck electrification facility in Caldwell County, NC. Project to lower air emissions and save 31,000 gallons of fuel a year.

A total of 36 electric power outlets will help trucks at the Merchant Distributors, LLC (MDI) distribution center in Hickory cut costs and lower air emissions as part of a Duke Energy \$320,000 electrification project.

Instead of running engines to keep cargo cold, transport refrigeration units (TRUs) at MDI will be able to plug into power outlets at the facility. The practice will help lower exhaust emissions and is cheaper than the practice of running the TRUs on diesel fuel. Shorepower Technologies will install the power outlets.

"Most trucks can use electricity to keep cargo cold when not driving," said Melisa Johns, Duke Energy's vice president, business development. "This project will make that technology available to trucks at MDI's facility, providing cost savings and an environmental benefit to the local community."

According to the U.S. Environmental Protection Agency, long-duration truck idling results in more than one billion

gallons of wasted fuel and eleven million tons of carbon dioxide emissions each year. On average, an hour of idling uses a gallon of fuel.

"MDI has invested in yard management software that will help maximize the use of the new power outlets," said **Brent Vaughan**, MDI's director of facility engineering. "This capability enables us to keep product cold using electricity, which is estimated to reduce fuel consumption by up to 31,000 gallons per year. In addition to fuel savings and reduced emissions, this project will also reduce noise and air pollution for our team and neighbors." Construction is currently underway at the Hickory installation. The project should be operational by this fall.

"Shorepower is proud to be a part of this project with Duke Energy and MDI," said Jeff Kim, president of Shorepower Technologies. "MDI is a world-class facility with the latest energy-saving technologies. This project will further its efficiency goals and help reduce its carbon footprint."

Shorepower Technologies designs, builds, installs, and operates electrified parking spaces at truck stops, rest areas, travel plazas, warehouses, truck depots, terminals, shopping malls, businesses and other types of parking areas. Since 2004, Shorepower has electrified over 2,000 parking spaces throughout North America including 62 truck stops in 30 states.

This is Duke Energy's second project in North Carolina using electricity to power trucks instead of idling engines. In May, the company announced a 24-unit project at Big Boy's Truck Stop in the Johnston County town of Kenly. IdleAir is handling that installation. It should be operational in August. The Duke Energy programs are part of a 2015 settlement with the U.S. Environmental Protection Agency and environmental groups. Duke Energy is a Fortune 125 company traded on the New York Stock Exchange.

— **Randy Wheelless**, Duke Energy, Contributor

INTERN SPOTLIGHT

MARKIE JAMES

MDI Evolve's Design & Creative Intern Wins Big

Congratulations to MDI's Design and Creative Intern, **Markie James**, for winning the national title in a t-shirt design competition held by SkillsUSA. SkillsUSA is a technical and occupational organization that helps prepare students by testing their skills in their chosen field of study.

Markie's journey began as a class project at Catawba Valley Community College (CVCC), where she is currently a graphic arts student. Her design was chosen by the dean of CVCC to compete at the state level competition in Greensboro, NC. With a first place win at state, she was off to Louisville, KY, to compete against design students from across the nation. With over 16,000 students competing in 100 skill areas, Markie was shocked when she was awarded the gold medal in the Post-Secondary T-shirt Design Competition.

"This has been an eye opening experience," Markie said. "I was just hoping to place really. This opportunity has been pretty awesome, and I feel more confident [in my work] since I have been able to test out my skills."

Markie's creative design not only captured the essence of North Carolina from a Charlotte skyline to a Cape Hatteras lighthouse, but stunned the judges with its unique glow-in-the-dark feature.

"I utilized a glow-in-the-dark design within my artwork to capture the mystery of the Brown Mountain Lights and *Queen Anne's Revenge*, the pirate Black Beard's ship," Markie said. "Utilizing a glow-in-the-dark design yields one shirt with two different looks, depending upon the time of day the shirt is worn."

Markie described other elements that helped her take home the top prize: "My design features architecture from the Piedmont and coastal regions of our state. The mountain silhouette showcases the Blue Ridge Mountains and includes twelve glow-in-the-dark lights. The inclusion of twelve glowing lights doubles as a nod to the Brown Mountain Lights and the fact that we were the twelfth state to ratify the U.S.



Constitution. My design is inspired by the Art Deco and Art Nouveau movements of the late 19th and early 20th centuries. The t-shirt frame has thirteen circles included to represent our place as one of the first thirteen colonies."

Markie joined MDI's Advertising Group as an intern in June. Married with a six-year-old son, she was born and raised in North Carolina and plans to remain in the Burke County area once she graduates from CVCC. When asked about her experience at MDI, Markie only had positive comments: "It's been amazing working here!" she said. "The encouragement and support I've received from my co-workers — I absolutely love it!"

"We have big ambitions at MDI with our portfolio of Evolve services, and marketing is a significant part of that," said **Tom Hutchison**, Director of Services at MDI. "Finding people like Markie, with extraordinary creative talent, is critical to our success in moving forward. Great things can come from humble beginnings. We hope to see that with Evolve, and we already see it with Markie and a fantastic CVCC program and staff that continue to turn out first-class talent."

— **Stacey Hussey**, Contributor

1981

1982

1983

1984

Morning Fresh
margarine

Morning Fresh

MDI Private Brands Spotlight



Most customers easily recognize national brands. Some products are even recognized by the brand name rather than the product itself, for example, Kleenex. Private brands are less recognized because they often look different. However, private brands are dedicated to developing their products to be equivalent to or better than the national brands. The labels themselves are designed as quality images to optimize

customer satisfaction and maximize profits. The strength of a private brand in part is its exclusivity. Customers recognize they can only obtain their favorite products from a certain store, one they know and trust.

At Merchants Distributors we recognize many brands and labels, including one of our very own. Years ago, MDI's own Allen Bolick, Director of Marketing, began the creation of our very own label that is



now one of the most popular names in our market today. You know that brand as Morning Fresh. The Morning Fresh logo has evolved to change with the culture of the products and to showcase the origination of our goods. In 1983, the first Morning Fresh product to appear on the shelves was a solid block margarine. It carried the MDI shield in the upper left-hand corner. Now, 34 years later, the same name is used on 256 items throughout the warehouse. The original design was inspired by the first thing a farmer would see in the morning, a vibrant sunrise. The design was kept at four colors because it was cheaper and easier to produce. Since that original

design, it has undergone several reiterations as the strength of the label has grown.

Most know Morning Fresh today by the sunrise-over-the-field logo. In 2005, **Bob McTeir**, now President of MDI, helped create that new design. The new look was seen as simple and clean. Morning Fresh has gained so much popularity over the years, it is often mistakenly confused for a national brand.



Morning Fresh does have a strong reach nationwide. Longs Drugs, for example, is a chain of around 40

1986

1987

1988

1989

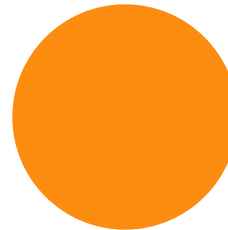
Merico
refrigerated dough

Milkco
milk

Morning Fresh
chips/snacks

Morning Fresh
loaf bread

James Austin
bleach,
fabric softener



Schreiber
cheese
Morning Fresh
frozen veg/potato
Morning Fresh
cultures (yogurt,
cottage cheese, etc.)



stores headquartered in Walnut Creek, CA. Longs selected the Morning Fresh brand to represent all of the

cheeses in their stores and have found it quite successful. Now **Kristof Duna**, Director of Private Brands, is

working to grow the brand even further.

Other labels have also originated here. Before Morning Fresh, there was the brand MDI, carried on various popular grocery items like soda. Lee's Pride was also created. Based on Lee George, one of the original owners, the Lee's Pride logo was placed on potatoes that were bagged in the warehouse from bulk loads delivered to the dock. Hostess, a popular line of canned meats, was purchased years ago and still remains part of the MDI portfolio to this day.

Mia Davis, daughter of retired Vice Chairman Gerald Davis, has been a part of MDI since her childhood. She was raised to believe in the importance of preserving the brands. Mia is now a Private Label Category Analyst with Reese Group and has become our local historian, not only in

keeping records of all that has transpired but also the accompanying anecdotes. She continues to support MDI by maintaining all of our certifications for the Morning Fresh label.

Private brands are the bread and butter of the retailers' world (and the Morning Fresh logo has been on both). Morning Fresh and Morning Fresh Farms are home here at MDI. Merchants Distributors has always been about its people, its family. Morning Fresh is the label created by our own people and continues to feed many families today.

— **Jason Yount**, Contributor

FAST FACTS ABOUT FIRE

MDI SAFETY

with **JOE PFEIFER**

HOME FIRES

- Half of home fire deaths result from fires reported between 11:00 p.m. and 7:00 a.m. Only one in five home fires were reported during these hours.
- One-quarter of home fire deaths were caused by fires that started in the bedroom. Another quarter resulted from fires in the living room, family room, or den.
- Three out of five home fire deaths happen from fires in homes with no smoke alarms or no working smoke alarms.
- In 2015, U.S. fire departments responded to an estimated 365,500 home structure fires. These fires caused 2,560 deaths, 11,075 civilian injuries, and \$7 billion in direct damage.
- On average, seven people die in U.S. home fires per day.
- Cooking equipment is the leading cause of home fire injuries, followed by heating equipment.
- Smoking materials are the leading cause of home fire deaths.
- Most fatal fires kill one or two people.
- Between 2010 and 2014, roughly one of every 338 households reported a home fire per year.

ESCAPE PLANNING

- According to a NFPA (National Fire Protection Association) survey, only one-third of Americans have both developed and practiced a home fire escape plan.
- Almost three-quarters of Americans do have an escape plan; however, less than half ever practiced it.
- One-third of survey respondents who made an estimate thought they would have at least six minutes before a fire in their home would become life threatening. The time available is often less. Only 8% said their first thought on hearing a smoke alarm would be to get out!

SMOKE ALARMS

- Three out of five home fire deaths between 2010 and 2014 were caused by fires in homes with no smoke alarms or no working smoke alarms.
- Working smoke alarms cut the risk of dying in reported home fires in half.
- In fires considered large enough to activate the smoke alarm, hardwired alarms operated 94% of the time, while battery powered alarms operated 80% of the time.

- When smoke alarms fail to operate, it is usually because batteries are missing, disconnected, or dead.
- An ionization smoke alarm is generally more responsive to flaming fires and a photoelectric smoke alarm is generally more responsive to smoldering fires. For the best protection, or where extra time is needed to awaken or assist others, both types of alarms, or combination ionization and photoelectric alarms are recommended.

COOKING

- U.S. fire departments responded to an estimated annual average of 166,100 home cooking-related fires between 2010 and 2014 resulting in 480 civilian deaths, 5,540 civilian injuries, and \$1.1 billion in direct damage.
- Two of every five (43%) home fires started in the kitchen. Unattended cooking was a factor in one-third of reported home cooking fires.
- Two-thirds of home cooking fires started with ignition of food or other cooking materials.
- Ranges accounted for three of every five (62%) home cooking fire incidents. Ovens accounted for 13%.
- Children under five face a higher risk of non-fire burns associated with cooking and hot food and drinks than of being hurt in a cooking fire.
- Children under five accounted for 30% of the 4,300 microwave oven scald burns seen in hospital emergency rooms during 2014.
- Clothing was the item first ignited in less than 1% of home cooking fires, but these incidents accounted for 18% of the cooking fire deaths.
- More than half injured in home fires involving cooking equipment were hurt while attempting to fight the fire themselves.
- Frying is the leading activity associated with cooking fires.

HEATING

- The leading factor contributing to heating equipment fires was failure to clean. This usually involved creosote build-up in chimneys.
- Portable or fixed space heaters, including wood stoves, were involved in two of every five (40%) of home heating fires and accounted for 84% of the home heating deaths.
- Over half (56%) of home heating fire deaths resulted from fires caused by heating equipment too close to things that can burn, such as upholstered furniture, clothing, mattresses, or bedding.
- In most years, heating equipment is the second leading cause of home fires, fire deaths, and fire injuries.

Reproduced from NFPA's Fire Prevention Week website, www.firepreventionweek.org. © 2017 NFPA.

MDI BY THE NUMBERS

##

Finance Department

In a year's time, our Accounts Payable department pays roughly 100,000 invoices, either by check or by electronic transfer, just a little under 2,000 per week.

International/Commercial Accounts

MDI currently ships to 305 international customers. This includes dry, refrigerated and frozen items that are shipped on 20' by 40' by 45' containers. MDI ships product through eight U.S. ports (Charleston, SC, Savannah, GA, Miami, FL, Fort Lauderdale, FL, Wilmington, NC, Houston, TX, Portland, OR, and Newark, NJ). The longest travel time our products take to reach an international customer is 55 days. The customer is Jarr's in Papua New Guinea (just above Australia). The shortest travel time our products take to reach an international customer is 4 days. The customer is BGA Distributors in Bermuda.

American Cancer Society Relay For Life

A Team Event to Fight Cancer

The **AMERICAN CANCER SOCIETY'S RELAY FOR LIFE** event took place in Catawba County on June 2. This movement is to help raise funds to support the fight against all types of cancer. The evening was filled with music, numerous walks, and a special lighting of dedicated luminaries. MDI participated for the first time with a group of 13 employees and family members. These individuals gave away gifts to survivors and sold t-shirts to raise money for those battling cancer. During the event, one of our own, **Jessica Wofford**, led the group in a fun 30 minute Zumba activity.

— *Robin Saunders, Contributor*





CUSTOMER PROFILE

SOUTO FOODS

Souto Foods Listed as One of the Fastest Growing Private Companies in the United States



MDI SPRING SPORTS TEAMS

MDI sponsored a company softball and soccer team this past spring by providing uniforms and covering league fees. There were 22 players on the MDI softball team including a mix of employees from the office, transportation, and warehouse. It included both hourly and salaried employees as well as members of management. Although not everyone was available to play each game, there were always enough members to field the team. **Brent Vaughan** and **Gary Baker** coached the softball team during their 14 games.

There were 14 players on the MDI soccer team, consisting mostly of warehouse employees. Coached by **Marcos Romero**, the soccer team played every Saturday. They even made it to the semi-finals in the end-of-season tournament. Congratulations to the players and coaches on both teams for a successful first season!

— *Stacey Hussey, Contributor*

For the third time, Souto Foods, LLC, has made the 2017 *Inc.* 500 list of the fastest-growing private companies in America. In a message from *Inc.* magazine editor Eric Schurenberg, he states, “Out of the nearly seven million private companies moving the economy forward every day, only a tiny fraction have demonstrated such remarkably consistent high growth. Your repeat *Inc.* 500 honors truly put you in rarefied company.”

Souto Foods was acquired by Alex Lee, Inc., in April 2017. Under the leadership of **Sebastian Souto**, they will continue to grow rapidly with the support of the Alex Lee family. Congratulations to Sebastian and the Souto Foods team!

— *Kimberly George, Contributor*

CHANGE IN THE MDI FINANCE DEPARTMENT



Heraclitus of Ephesus, an ancient Greek philosopher, is reputed to have said, “The only thing that is constant is change.” That sentiment is probably shared by a lot of personnel here at MDI, as we constantly deal with change in our jobs. These changes may be new software, new hardware, new procedures, new rules, or new human resource guidelines, just to name a few. The one common denominator is that whenever changes are implemented, the goal is always to succeed, meet the need for the change, and improve company results. Over the past two years the finance department at MDI has dealt with some significant changes in some of the key systems we use to accomplish our daily tasks. In the fall of 2015 we implemented, along with the other Alex Lee companies, a new general ledger accounting system. This change, as is so often the case, contained its share of transition pain and disruption. Over time, as the finance team became more comfortable and proficient in the use of the new software, gains in company-wide accounting transactions, asset transfers, and reporting consolidation began to be achieved. The change came with hard work and difficulty, but the benefits have already begun to be experienced. This past January the finance team again dealt with some significant change as the accounts payable and accounts receivable (AR) systems were upgraded to new software systems that are fully integrated with the general ledger software introduced in 2015. Once again, implementation came with a lot of long hours, hard work, and transition pain. As the year has progressed, however, the team has become more comfortable with the software, and gains in efficiencies in certain areas of processing have begun. For perspective on these recent changes, we talked to MDI retiree Patty Kirsch, who spent her entire 40-year career at MDI in the accounts receivable section of the finance department. We asked Patty to tell us about some of the changes she experienced in her 40 years with MDI. Patty started in 1971 as a clerk in accounts receivable and gradually advanced

to become the lead accountant over all of accounts receivable. Patty shared with us how in the 1970s there was no electronic or microfilm storage of documents. Customer invoices were stored as hard copies in boxes in a storeroom. When a credit was issued to a customer, the accounts receivable personnel had to go find the hard copy of the invoice and manually notate the credit on the invoice. Later, in the 1980s, documents began to be stored on microfilm. If an invoice, credit, or payment record needed to be looked up for any reason,

the person trying to find it would have to first search the microfilm cases for the appropriate invoice or credit range, locate the microfilm cassette, and then view the microfilm until the document was found. In the late 1990s, electronic scanning of documents was introduced, which led to our current electronic document retrieval system that we use today. Patty shared that in the early years of her career the clerks could not enter anything into the actual accounts receivable system, a mainframe system at that time, written in the COBOL



programming language, which was prevalent in the 1960s and 1970s. Any documents that needed to be entered into the AR system had to be sent to the keypunching department to be entered manually. Later, interfaces were written that enabled clerks to enter data directly into the AR system. Now, with the upgrade, called Fusion, to the AR module in the new Oracle software, data can be fed directly to the AR system from existing mainframe programs or imported by AR staff using an Excel spreadsheet. The only thing constant is change, and we are sure this will continue to be the case for MDI’s finance department and for the company as a whole in the coming years. As our recent experiences in the finance department illustrate, and Patty Kirsch’s over her long career, change almost always leads to improvement and a better working environment.

— **Rick Smith**, Contributor



Just\$ave Community Event in Robbins, North Carolina

When we think about our business, our success is usually defined by sales and profits. To achieve our success, we invest in the same tools as many competitors, such as ads, promotional events, digital, discounting, marketing, etc. With the competitive landscape becoming more and more of a challenge, to maintain a sustainable success, you have to do more than just the status quo.

In the small rural towns where Just\$ave operates, industry and farming have diminished, growth is stagnant, the economy is sometimes a challenge, but there are a few things that still stand out in these small towns. Heritage, a neighborly culture, and being an integral part of the community is most times more important than hot ads, promotional gimmicks, or marketing.

At Just\$ave, we feel it is very important to be the face of the community from a business involvement perspective. We recently had an event in Robbins, NC, where the store manager, **Daniel Frazier**, and his store team held a community car show on July 22, 2017, to create an environment of fun and fellowship. Daniel reached out to community leaders to understand the type of event that would get the community excited. In his search for a theme, he found out there was a large group of “old” car buffs in the Robbins community. So Daniel along with **Melanie Harris**, his assistant manager, reached out to businesses and vendors in the town and got



everyone involved to put on a car show in the parking lot of the Just\$ave in Robbins.

There were local radio stations, food stations, games, kiddie train rides, the Oscar Meyer Weiner mobile, and many other facets to entertain and engage the community. All proceeds generated by the event were donated to a great cause, local charities.

Over 60 classic and antique cars entered the show, and trophies were given out for the best in show. The store team received many kudos from the community leaders for putting on the event and getting the community together in fun and fellowship. Sometimes you have to look beyond the tangible promotional marketing we all do and just get back to the basics of being a good neighbor.

— **Allen Reavis**, Contributor



A MESSAGE FROM TIM

TIM LOWE, PRESIDENT OF LOWES FOODS

Inspiring Guests

At Lowes Foods, we often talk about our mission: We bring Community back to the table. We invite our guests to gather around our Community Table for stories and inspiration, and we turn our thoughts to each family's table at home. During this time of year, when families are settling back into fall routines, we're reminded of how important it is for families to eat together. Did you know that gathering around the table can provide a lifetime of positive benefits? Studies have shown that eating a family dinner together two to five times per week can lead to better grades in school, less stress, and lower rates of obesity and depression.

One of the driving forces behind the creation of each of our Originals was for Lowes Foods to help families and friends get back to the table and eat together. Pick & Prep saves our guests time in the kitchen and helps them serve a healthy meal full of fruits and vegetables. Chicken Kitchen offers family dinners ready to go.

Some of our latest innovations are making it even easier. This fall we will roll out Ready.Set.Supper, our new meal-kit program that includes pre-measured ingredients for an easy-to-prepare, gourmet meal. We've added pre-cooked ribs and pulled pork to our Smokehouse assortment in all stores. Pick & Prep now offers family-style salads and spiral-cut veggie noodles. While we are busy innovating and

looking to the future, we are also preserving some old-fashioned values.

I urge each of you to always have in mind a meal suggestion that you can share to inspire our guests. Have you tried Pick & Prep mango salsa on top of tilapia? Or Chicken Kitchen rotisserie chicken added to a salad? These were both ideas that hosts shared with me in my visits to our stores and that we've enjoyed at home around our table. Your idea might be exactly the inspiration a guest needs.

Talk About Bringing Community Back to the Table!

Check this out! Lowes Foods in Simpsonville, SC, was named Progressive Grocer Store of the Month in August. Every single host in the company should be proud of all the work that went into creating our truly differentiated shopping experience.





LOWES FOODS SWINGS FOR THE FENCES WITH WILMINGTON SHARKS BASEBALL SPONSORSHIP

We embarked this summer on a successful partnership with the Wilmington Sharks baseball team. The Sharks are part of the Coastal Plain League. The CPL features 14 teams playing in North Carolina, South Carolina, and Virginia, and it gives college players the chance to refine their skills with the use of wooden bats.

We participated in each home game for “Thirsty Thursday” and sold Sausage Works sausages on pretzel rolls. The first week we got rained out. The second week we got going for about an hour — rained out again. But after that — wow! We sold out by the fifth inning and then the fourth inning. We upped our quantity of sausages, and by the last game we were selling out by top of the third! *Home run for Lowes Foods!*

We had a great time sharing stories

with guests about Sausage Works and all the varieties available, pretzel rolls baked in our bakery, and our support for the local home team. Our local Sausage Works Professors report fans coming into the store, telling how they enjoyed the sausages at the game, and wanting to buy some to take home. *Out of the park! Whoohooo!*

Alexandra Evans, Outreach Ambassador of Division 5, headed up the sponsorship. Some of the great hosts who joined us include **Mandy Ross** of Store #186, **Cindy Dudek** of #237,

Rich Walter of #198, **L. J. Herring** of #198, and **Denece Woody** of #237.

Our newest Shark’s fan, Kellan Evans (Alexandra’s grandson), caught a foul ball, and consequently Lowes Foods is now committed to a sponsorship “forever,” says Kellan.

— **Alexandra Evans**, Contributor





BAG CHILDHOOD HUNGER

BAG CHILDHOOD HUNGER is a program to alleviate childhood hunger during the summer months. For many kids, the meals they received during school hours are the only meals they receive all day. During the month of June when you go into a Lowes Foods, there are bags pre-filled with product that you can pick up and purchase. We have teamed up with our friends at Feeding America to identify what we should put in the bags and which local food bank or agency will receive the products we are gathering. These items are highlighted as being critical, and they go to help the one out of four kids in the Carolinas who are living in poverty and at risk of hunger. This year Lowes Foods was able to raise 519,655 pounds worth of food, which is a 35% increase over the previous year! More importantly, this equals over 440,000 meals that we were able to provide to the local food banks and children right here in the Carolinas.

— *Stewart Gregory, Contributor*



GRAND OPENINGS

Summer 2017

KERNERSVILLE #264 & LEXINGTON #268





Y'ALL AWARD WINNERS



ASHLEY BOLIN

Ashley went from part-time cashier a few months back to full-time bakery clerk/cake decorator and immediately took the reins and has done a phenomenal job. Ashley is always willing to do whatever it takes to make sure the job is complete. She is always going out of her way to help her fellow coworkers and comes in positive every day. Whether she is baking, decorating cakes, or closing down the department for the day, she takes her job seriously and always has a smile on her face. I truly believe she will go far in her career. Ashley has already proved it with the way she carries herself and the leadership she shows within her department.

— **Brian Jared**, Store #171, Lewisville

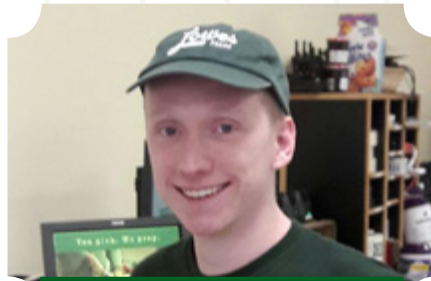


JESUS MORA

Jesus came to us four months ago, and he has been outstanding. He has overtaken the top cashier spot when it comes to selling our push items. No one on our

front end sells more than Jesus. He also had a 100 on the last mystery shop.

— **Brian Loye**, Store #206, Winston-Salem



MICHAEL LAMB

Michael goes above and beyond all the time. He works in LFTG. One day we had a power outage until 6:00 pm, and Michael stayed that evening to make sure all the guests who had ordered got their groceries.

— **David Ashley**, Store #149, Winston-Salem



SUTTON CAVALCHIRE

Sutton comes from a grocery family; her father, **Chris**, is a store manager at #239 in Wake Forest, and he grew up working in the industry. Sutton graduated as salutatorian and will be attending UNC Honors College in the fall. Chris wanted Sutton to gain some valuable work experience before she entered college. Sutton wanted to work some place close

to home, with a fun environment, for an employer that would accommodate the busy schedule of a young adult attending school. Chris told Sutton he had just the job for her, right here at Lowes Foods. She interviewed and was hired at store #218 in Raleigh as a cashier. She works part-time and really enjoys the atmosphere of her Lowes Foods. She plans on continuing her employment through college, working on breaks and holidays, because she knows our company values education and helps our young hosts gain valuable work experience.

— **Greg Rockwell**, Division 4 Director



BRIAN MELGOZA

Bryan has always done an outstanding job on our front porch and has worked his way up from cashier to office clerk. Recently, he was able to help in a special way when a family visited our store, but did not speak English. He was able to translate throughout the course of their shopping experience and truly made their visit feel a little more at “home.”

— **Thomas W. Lehman**, Store #205, Bermuda Run



TAYLORS FARMERS MARKET PARTNERSHIP

Store #263 has been partnering this summer with the Taylors Farmers Market, located in the small community of Taylors, SC, just a few minutes from the Greer store. The market is located in a large, formerly-abandoned mill, which is being revitalized and now contains a coffee shop, newly opened brewery, event space, yoga studio, and many artist studios.

The weekly market attracts a wide range of folks who are big supporters of local, which is a perfect demographic for us to connect with. The weekly Thursday evening market consists of vendors selling local foods and other goods, live music, food trucks, and a nonprofit tent, as well as spots for sponsors like ourselves to tell our story.

Jessie Lowery, the (fabulous) Community Table Manager at #263, has been attending the market once a month since May to promote Lowes Foods to market-goers. She takes the Lowes Foods branded tent and a table, sets up, and essentially brings the Community Table to the community. During the market, Jessie creates and offers samples of a recipe from the current month's calendar. She has made Strawberry Salsa, Blueberry Chicken Salad, and Peach Salsa. She speaks with market-goers about not only shopping for ingredients from our stores and promoting the local farmers we work with, but she also encourages them to buy straight from the market since the recipes are seasonal. This fosters a great sense of community.

In addition to giving out samples, Jessie hands out recipe cards, Community Table calendars, and Fresh Rewards cards. She also has the chance to talk about special events happening in the store, such as cooking classes, Tap Takeovers, live music in the Beer Den, and our Cart 2 Class program.

The partnership with the Taylors Farmers Market has been a wonderful way to reach potential new shoppers who may not realize how much Lowes Foods supports local farmers and producers. It's also been a great way to show our true commitment to growing community in meaningful ways.

Southern Pines Celebrates Anniversary

Store #261 recently celebrated its one year anniversary with a huge birthday party! The store was quite abuzz as the Southern Pines community enjoyed a multitude of samples from local vendors, farmers, breweries, and vineyards. Families met with a warm welcome of balloons and Scrumptiouslyumptiously Delicious Cake from the Cakery. A special thanks to **Alanna Young**, the Store Manager, and **Robin Ferrante**, the Community Table Manager, for planning such a fun event for our guests. Way to grow community, Southern Pines!

— **Alicia Cowne**, Contributor

— **Kate Townsend**, Contributor



ABOUT *the* FARM

Leonard Orchards, in Cana, Virginia

What sets Alex Lee, MDI, and Lowes Foods apart from the rest is that supporting local isn't just a fad to us. We don't support local because it's "cool" at the moment; we've always supported local. Many of our grower relationships started years ago, some even decades back. **Dick McKellogg** and **Chuck Alexander** first started buying delicious peaches from Bob Leonard of Leonard Orchards in 2011. This relationship has grown over the years and created a following with our guests. Guests have come to expect these peaches each season and have learned the Bob Leonard name.

In the mid-1800s, Valentine Leonard moved from Lexington, NC, to Cana, VA, to begin planting peach and apple trees. Valentine would tend and watch his orchard grow and then haul apples and peaches to Winston-Salem, NC, by a horse-drawn wagon. He would sell his fruit to markets and merchants, and this was all the beginning of Leonard Orchards.

As time passed, sons of each generation continued to plant fruit trees and carry on the family tradition. There came to

be several Leonard Orchards scattered throughout Carroll County, VA, because of all the different ancestors. Joe Leonard, Bob's grandfather, and Joe Leonard, Jr., Bob's father, began planting the orchards in its present location, in Cana, in the 1920s. Joe Jr. also ran a produce market in Greensboro, NC.

Currently, there is only one set of Leonards still growing peaches and apples as Leonard Orchards, carrying on the namesake and tradition of their grandparents. Bob Leonard is the fifth generation, and his son Brad Leonard the sixth, to grow peaches and apples on the same land as generations before. Hopefully there will be a seventh generation with Dakota Leonard's growing interest and helping hand on the farm.

Leonard Orchards grows over 25 different peach varieties, 50 acres of peaches, and 50 acres of apples on the orchard today. The earliest variety is available starting early July, and the last variety starts around the first of September. Each basket of peaches is hand-picked at the ideal perfect time for each variety's delicious flavor. The peaches are hand-graded into three different grades of basket. The first grade goes directly to Lowes Foods stores, delivered weekly on the Leonard



Orchards's delivery truck by Bob Leonard himself! The second and third grades are sold at other outlets, and daily they have customers picking up peaches directly from the farm.

You would think farmers get the winter off, but this is simply not true. In the winter months Leonard Orchards is busy hand-trimming every peach tree. As spring arrives, they continue to care for the orchard to ensure the trees remain healthy, from keeping the orchards mowed to hand-thinning each tree so they will produce the best fruit possible. As the

peaches begin to ripen, harvest is a very busy time in the orchard. Each year is different as they never know what to expect from the weather from early spring with the delicate flower bloom until completion of the harvest. The weather affects the size and flavor of each peach. Hot summers make the peaches a sweet delicious fruit, and ample amounts of rain make the peaches juicier!

— *Krista Morgan, Contributor*



WHAT'S NEW *at* LOWES FOODS?



PRIVATE BRAND BROWN BAG

From lunch box favorites to tailgating must-haves and everything in between, we continue to innovate and expand our private brand offerings. When you see our brown bag in store you know you're getting all of the good stuff and none of the junk, that is, no artificial flavors, no artificial preservatives, no artificial sweeteners, no artificial colors, no MSG, no high fructose corn syrup, and no hydrogenated oils. New favorites include cheese straws crafted with real cheese. We offer them in Cheddar, Jalapeno Cheddar, and Asiago Cheddar flavors. We also have Trail Mix named after popular North and South Carolina landmarks. Our trail mix may cause increased energy and focus! Here are some of the varieties we carry:

- After School Trail Mix: *Jones Gap Falls, SC*
- Brain Food Trail Mix: *Grindstone Trail, Pilot Mountain, NC*
- Cayenne Crunch Trail Mix: *Fire Tower Trail, Paris Mountain, SC*
- Gourmet Blend Trail Mix: *Carrick Creek Trail, Table Rock, SC*
- Heart Smart Blend Trail Mix: *Old Mitchell Trail, Mt. Mitchell, NC*
- Hot Honey Crunch Trail Mix: *Bee Tree Tail, Pettigrew State Park, NC*
- Probiotic Berry Blend Trail Mix: *Loblolly Trail, Umstead State Park, NC*
- Seaside Surf Mix Trail Mix: *Maritime Forest Trail, Hunting Island Park, SC*



“MAKE IT A COMBO” AT SAMMY’S

We will be offering a Sandwich, Chip & Soda (20oz Coke Product) for an additional \$2 with any Deli Sandwich. Also in the Deli, we have new Asparagus and Prosciutto flavored Quiche. These will add an elegant look and flavor to our already popular quiche variety.



FRESH FUDGE

How about our fresh fudge? Made from an authentic recipe using real cream and real butter. Look for our seasonal flavors that will be added throughout the year! Our everyday flavors

include Chocolate Fudge, Chocolate Walnut Fudge, Peanut Butter Chocolate Fudge, Peanut Butter Fudge, Cookies & Cream Fudge, and Rocky Road Fudge.



BONSAI TREES

Now available in Floral are our Bonsai Trees. These Bonsai are grown in Florida by Eve's Garden. Eve's is a family-owned business that has been growing Bonsai since 1979 at their 55-acre facility. We have added three sizes of bonsai 6", 8", and 12" and will reorder every four to six weeks as needed. The 6" Bonsai Trees are 4-6 years old, in recycled natural bamboo fiber pots. The 8" Bonsai are 5-7 years old, in ceramic containers, and then our 12" Bonsai are 9-12 years old, in ceramic containers, as well.



INTRODUCING THE GRASS FED MEAT PROGRAM

Lowes Foods has carried a limited selection of grass fed products. However, as grass fed becomes more mainstream we

have brought in more and more grass fed options. Our selections are 80% grass fed grind, 93% grass fed grind, 10/\$10 grass fed patties, grass fed ribeye steaks, grass fed strip steaks, grass fed chuck roast, grass fed tenderloin steaks. Grass fed beef is free range with less total fat than grain fed beef, and it naturally contains more iron, zinc, and vitamin B. It also contains more conjugated linoleic acid, a type of fat that's thought to reduce heart disease and cancer risks.



PICK & PREP STEAMABLE VEGETABLES

Another addition to our fabulous Pick & Prep line-up is Pick & Prep Steamable Vegetables! We just launched these in our new Lexington, SC, stores and are planning to debut them across most Lowes Foods stores this fall – same great cut fresh daily vegetables in a microwavable bag, eight vegetable items or medleys offered, and easy preparation at home with amazing results.

— *Anida Kleege, Contributor*

YEARS OF SERVICE



Eddie Minton
55 YEARS, MDI
Director IGA



Charles Hicks
40 YEARS, MDI
Driver



Michael Long
40 YEARS, LFS
Corporate



Ricky Miller
40 YEARS, MDI
Sorter Strapper



Teresa Turner
40 YEARS, MDI
Buyer Admin Assist.



James Freeman
35 YEARS, MDI
Whse. Supervisor



William Jarvis
35 YEARS, MDI
Driver



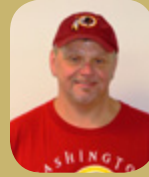
Della Griffie
35 YEARS, MDI
Admin. Asst. President



Veda Marlowe
35 YEARS, MDI
Cust. Service Rep.



Keith Royal
35 YEARS, LFS
Store #164



Marion Stiles
35 YEARS, MDI
Lift Operator



Mark Spoon
35 YEARS, LFS
Corporate



David Alexander
30 YEARS, MDI
Produce Buyer



Alan Davis
30 YEARS, LFS
Store #160



Peggy Hughes
30 YEARS, ALI
Receptionist



Ken Quick
30 YEARS, LFS
Store #155



Andy Wharton
30 YEARS, MDI
Deli/Bakery Merchandiser



Greg Cheek
25 YEARS, MDI
Damage Reclaim



Jonathan Cook
25 YEARS, MDI
Inventory Control



Virginia Johnson
25 YEARS, LFS
Store #222



John McLean
25 YEARS, ALI
Support Analyst II



Franklin Miller
25 YEARS, LFS
Store #137



Michael Moran
25 YEARS, ALI
Dir Retail Automation Service

ALI

Toye Sigmon, 20 YEARS, *Admin. Asst. to VP*

MDI

Alvin Biggerstaff, 20 YEARS, *Driver*

Timothy Church, 20 YEARS, *Lift Operator*

Doron Cook, 20 YEARS, *Inventory Control Analyst*

Jeffrey Daniels, 20 YEARS, *Driver*

Henry Ferguson, 20 YEARS, *Driver*

William Johnson, 20 YEARS, *Driver*

Odie Kurtz, 20 YEARS, *Driver*

Charles Walker, 20 YEARS, *Driver*

Terrance Whiteside, 20 YEARS, *Driver*

James Beach, Jr., 15 YEARS, *Utility Whse.*

Christopher Edwards, 15 YEARS, *Checker*

Adam Lowe, 15 YEARS, *Receiver*

Joshua Wall, 15 YEARS, *Selector*

LFS

Steven Brightwell, Sr., 20 YEARS, *Store #230*

Tammy Everhart, 20 YEARS, *Store #224*

Daniel Harrell, 20 YEARS, *Store #451*

Sheila Hewlett, 20 YEARS, *Store #198*

David Hill, 20 YEARS, *Store #441*

Alton Kearney, 20 YEARS, *Store #224*

Lisa Kidd, 20 YEARS, *Store #430*

David Lockamy, 20 YEARS, Store #185
Lesia Mekita, 20 YEARS, Store #155
John Thomas, 20 YEARS, Store #157
James Watson, 20 YEARS, Store #435
Deanna Ziblay, 20 YEARS, Store #157
Anita Augenti, 15 YEARS, Store #185
Brandon Atkins, 15 YEARS, Store #160
Lorrie Bondi, 15 YEARS, Store #190
Joyce Cheek, 15 YEARS, Store #185
Marvin Cooper, 15 YEARS, Store #155
Cal Durant, 15 YEARS, Store #155
Brian Evans, 15 YEARS, Store #239
Regina Fields, 15 YEARS, Store #227
Ronald Harris, 15 YEARS, Store #185
Laura Hutchison, 15 YEARS, Store #184
Renata McLaughlin, 15 YEARS, Corporate
Kathy Mikeals, 15 YEARS, Store #216
Bobby Minor, 15 YEARS, Store #161
Patsy Nichols, 15 YEARS, Store #250
Charita Northington, 15 YEARS, Store #181
Jeffrey Paul, 15 YEARS, Store #441
Julie Pete, 15 YEARS, Store #185
Scott Prince, 15 YEARS, Store #175
Kristen Rowe, 15 YEARS, Store #60
Wanda Shermer, 15 YEARS, Store #161
John Silvia, 15 YEARS, Corporate
Robin Stokes, 15 YEARS, Store #245
Barbara Wallace, 15 YEARS, Store #169
Mark Weaver, 20 YEARS, Store #227
Tina West, 15 YEARS, Store #151
Beverly Whitaker, 15 YEARS, Store #205
Daniel Wittman, 15 YEARS, Store #191
Jackie Woods, 15 YEARS, Store #185

PROMOTIONS

ALI

Angela Annas, Sr Applic Prog/Analy-Corp Apps
to Project Leader-Corp Apps

MDI

Joseph Atwood, Produce Merchandiser (North)
to Retail Counselor (North)

James Boyer, Retail Counselor (North)
to Mgr New Business Development

Roger Bowers, Mgr New Business Development
to Regional Sales Director (South)

Melissa Rasmussen, Category Manager I
to Business Mgr, Private Brands

LFS

Christopher Cavalchire, Store Manager (Large)
to Store Director

Alicia Cowne, Community Table Manager
to Community Outreach Coordinator

LaTonya Harris, IT Business Analyst
to Project Leader

Julie Jessmon, Category Manager II (Bakery)
to Sr Category Manager, Bakery

Sherrie Johnson, Fresh Co-Manager
to Store Manager (Large)

Rebecca Kinlaw, Store Manager (Large)
to Store Director

Brian Loye, Store Manager (Large)
to Store Director

Delaney McDonald, Guest Service Leader PT
to Staff Accountant

Kari Morrison, Guest Service Mgr Level IV
to Regional Trainer

Faith Naff, Center Store Co-Manager
to Workforce Management Analyst

Jason Perdue, Fresh Co-Manager
to Store Manager (Large)

Kristopher Randolph, Grocery Manager Level IV
to Center Store Co-Manager

John Silvia, Produce Manager Level IV
to Center Store Co-Manager

Anita Smithwick, Director of Brand Development
to Sr Dir Deli/Bakery & Food Serv

Jonathan Spivey, Guest Service Mgr Level V
to Center Store Co-Manager

Bryan Stoetzer, Grocery Manager Level V
to Center Store Co-Manager

Jeffrey Weimann, Fresh Co-Manager
to Store Manager (Medium)

RETIREMENTS

Jerrold Proffitt, MDI, 35 yrs

Roger Henderson, ALI, 32 yrs

Tony Vanhorn, MDI, 26 yrs

Wiley Neighbors, LFS, 19 yrs

Paige Pierson, MDI, 18 yrs

Connie Shell, LFS, 16 yrs

Patricia Haire, LFS, 13 yrs

Richard Heslin, LFS, 11 yrs

Barbara Hagadorn, LFS, 10 yrs

Kenneth Brown, MDI, 9 yrs

THANKS

to everyone at Alex Lee who pulled together to support our customers and guests during the recent hurricanes. Whether helping prepare for the storm or assisting with recovery, what you do every day makes a difference in peoples' lives. We often take for granted that food and water will be on the shelf, but as we have seen, during a storm, it takes a lot of work to make sure that those basic needs are available. Thank you for all you do to serve our communities.

"I just want to thank your team for helping us get Winder and Commerce up from the storm and fire. Please know if not for **Dave Logue, Shorty Surles, Mike Ray** and his team, and the MDI traffic department, we could not have gotten back up and serving our customers in such a timely manner. Thanks for being a great business partner!"

— **WARREN BROWN**, VP of Operations at Quality Foods

"As you all know we were under a hurricane threat last week and Lowes Foods was busy with frantic guests filling their carts with water, beer, wine, dry goods, and even more water. What you may not know is that Walmart cancelled their online shopping via email for all of their guests who placed orders on Thursday, Friday, and Saturday. On Thursday, we began to see some familiar guest names. We saw some guests who have not shopped with us for several months place orders. Two of those guests were a mother and her adult daughter, both of whom mentioned their disappointment with Walmart's impersonal approach to cancelling their orders via email. I am happy to say I received another order from one of these shoppers this week. Our personal shopping team offers our guests the peace of mind that comes with shopping with a dependable grocery store that cares about every guest."

— **SHANNON KISH**, Lowes Foods Monkey Junction Personal Shopper