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**Thanks to MNB
for this selection of
articles.**

Coinstar Looking To Give Beauty Business A High-Tech Makeover?

The *Wall Street Journal* reports that Coinstar "may try to do for makeup what its Redbox unit has done for movie DVDs. The DVD-vending and coin-counting machine maker is recruiting a vice-president-level manager to oversee a new venture in the beauty or cosmetics space." It is believed, the *Journal* reports, that "Coinstar is trying to develop partnerships in the beauty and cosmetics industry and to develop vending machines that eventually might be rolled out across the U.S."

Sansolo Speaks: "Turn Around Sometimes"

by Michael Sansolo

When it comes to management advice, Mother Nature knows what she's doing. Only most of you - like me - probably forget to ever look. Recently I got that reminder.

My wife and I recently spent a couple of days in upstate New York, hiking some of the incredible gorges around Rochester, Ithaca and Watkins Glen when we noticed something. When we hiked *up* the path next to the waterfalls, all we saw were those waterfalls. Their majesty and the incredible way they had cut the rock through time. We heard their sound above all else.

But walking back *down* the same path the picture was very different. From above, a waterfall doesn't appear to be all that much, just pools and streams of water reaching the end of rocks. Walking downhill you notice pools that follow each fall. You see the picture in an entirely new way. The exact same thing, seen differently, looks completely different.

It's a great metaphor for so much. Be honest: too often we look at the picture in only one way, forgetting that there may be another perspective that is different and equally real as ours. We could use this metaphor to talk about the political debate that raged here on *MNB* last week, but I'd rather go in a different direction.

While many of us get the chance to manage, all of us have been managed. Ask yourself how often the lessons of being managed have shaped you as a manager. Do we remember to look at the picture from the other direction, to think about how our words and actions are received, instead of how we deliver them? Or do we forget to ever turn around and see the scene from the other direction?

I spent part of this hiking trip with a college friend, who asked me pointedly about how retailers cope with the new generation of teenagers, specifically with their propensity for tattoos and piercings in various body parts. I explained that it is a challenge, but one that many retailers are learning to handle. In many ways, I said, it's not that different from when we started working decades back and the older generation looked askance at our hair and clothing styles.

Somehow we learned and I suspect the same will happen with that new group. But honestly, that's wrong and it brings me back to the waterfalls. The difference is the perspective of where we are today vs. where we were.

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I can think back on some of the best managers I had in my career. One of my first was a city editor who was nearly a foot shorter than me yet scared me. She made it clear that I needed to become more disciplined and every day she rode me hard with rules and guidelines to get me to mature. It's hard to say if all the lessons stuck, but I know that she made a difference.

She didn't talk to me about my hair or my dress. She talked to me about doing the job better and helped me understand how to behave professionally. So I trimmed my hair and dressed nicer and suddenly all the people I covered at this small daily newspaper treated me better. Interviews became easier to get. I doubt I was the only one with such a mentor and I wonder if we all do a good job of passing the lessons on today.

The waterfalls got me thinking about that, especially my career as a manager. I think I need to make a list of the best leadership traits of all the managers I ever had. And I need a list of the worst leadership traits of all the managers I ever had. The first list should dominate my style; the traits on the second list should disappear.

In short, I should manage with the style and messages that I always preferred, recognizing that my staff would probably respond best to that too. I'm probably not the only person who needs that reminder. And it's all thanks to Mother Nature getting me to look at a waterfall from two different directions. Sometimes you have to turn around.

Michael Sansolo can be reached via email at msansolo@morningnewsbeat.com. His new book, "THE BIG PICTURE: Essential Business Lessons From The Movies," co-authored with Kevin Coupe, is available [by clicking here](#).

San Francisco Could Expand Ban on Disposable Plastic Shopping Bags

The *San Francisco Chronicle* reports that the city's Board of Supervisors will take under consideration new legislation that would expand the current ban on disposable shopping bags by chain supermarkets and drugstores to all retailers, "including hardware stores, bookshops, clothing boutiques and department stores."

According to the story, "Since the San Francisco ban went into effect, an estimated 100 million plastic bags a year have been removed from the waste stream, said Mark Westlund, spokesman for the city's Department of the Environment. That means fewer plastic bags hogging up the landfill, clogging storm drains, littering city streets, jamming recycling machines and hurting marine wildlife, proponents say."

San Francisco Supervisor Ross Mirkarimi, who proposed the original law, now estimates that "broadening the law would remove tens of millions more bags from the environment."

And, the *Chronicle* writes, "Mirkarimi's proposal sets a March 1, 2011, effective date and differs from the state legislation that would ban the use of plastic bags at all food and convenience stores, and prohibit all retailers from handing out free paper bags. The state bill would impose a minimum 5-cent charge on paper bags. The California Grocers Association is not opposed.

"What concerns Mirkarimi about the state legislation is that it could prevent San Francisco and other municipalities from adopting more stringent policies. He said that shouldn't stop San Francisco from moving forward with his proposal, even if that means waging a legal battle with the state."

Study: The Rising Cost Of Eating Healthy

The *Puget Sound Business Journal* reports that a new University of Washington study suggests that the cost of healthy food is going up faster than the cost of...well, less healthy foods.

According to the story, "UW researchers said that although all food prices rose between 2004 and 2008, the price of the healthiest food has risen the fastest. They looked at retail price data for 378 food and beverage items at Seattle grocery chains including Safeway, Albertsons, and QFC.

"Nutrient-dense food costs rose by 30 percent in the four-year span while costs of less

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healthy food, including sweets, candy, soft drinks and fatty foods, rose by 16 percent during the same time, researchers said."

Simplicity Sells. For Now.

Marketing Daily reports that "simple" is becoming the catchword of the moment, both in terms of ingredients and marketing approach.

According to the story, "More than half (56%) of food/beverage product categories in the U.S. showed decreases in the average number of ingredients per product between 2008 and 2009, with an average ingredients decrease across categories of 2.4%, according to Mintel International CPG trend insight directors Lynn Dornblaser and David Jago, who detailed the simplicity trend during the recent IFT 2010 annual meeting and food expo.

"This is a response to consumers increasingly shifting their nutritional health/wellness focus toward 'natural,' 'real' and additive-free foods -- meaning those offering inherent goodness, freshness, wholesomeness and balanced nutrition, they pointed out. These days, a 'simple' message is often perceived more positively than didactic or vague 'good for you/healthy' messaging."

Vending Biz Looks For Rescue Through Innovation

The *Wall Street Journal* reports that "some of the nation's largest vending-machine operators have begun to deploy technologies, such as credit-card readers and sales-tracking devices that are standard in supermarkets but only now are showing up in machines that dispense candy bars, potato chips and soda pop."

According to the *Journal*, many in the vending machine industry have resisted this kind of modernization because they couldn't afford it; "many of the nation's four to six million machines are owned by tiny mom-and-pop operators that couldn't afford investments in new technology." But the recession was so tough on the industry that big players are doing everything they can to bring their technologies up to date, which could have the effect of dragging the smaller players along with them because they have no choice.

Report: Americans Getting Fatter

The *New York Times* writes that "Americans are continuing to get fatter and fatter, with obesity rates reaching 30 percent or more in nine states last year, as opposed to only three states in 2007, health officials reported on Tuesday.

"The increases mean that 2.4 million more people became obese from 2007 to 2009, bringing the total to 72.5 million, or 26.7 percent of the population. The numbers are part of a continuing and ominous trend ... The nine states with obesity rates of 30 percent or more are Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee and West Virginia. The highest rate, 34.4 percent, was in Mississippi."

CVS To Install Redbox DVD Rental Kiosks

Crain's Chicago Business reports that Coinstar-owned Redbox "will install its DVD-rental machines in CVS drugstores nationwide. Oak Brook-based Redbox said Thursday it will put its kiosks in 700 CVS locations by the end of the year and add several thousand more sites next year."

Redbox currently has 24,000 rental kiosks in operation, including in Walgreen, CVS's biggest rival.

In other Redbox news, *Crain's* writes, "Last week Redbox, which rents standard DVDs for \$1 a night, said it would begin offering Blu-Ray discs for \$1.50. The company estimates that Blu-Ray discs could account for about 10% of the 630 movies available in a typical kiosk.

FastNewsBeat

- The *Arizona Republic* reports that "closing arguments are set to be heard Aug. 9 on the proposed Chapter 11 bankruptcy reorganization of Arizona supermarket operator Bashas' Inc. After that, U.S. Bankruptcy Judge James Marlar could rule swiftly on the plan, which could enable the company to begin paying off the \$300 million owed to as

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many as 15,000 creditors.

"Bashas' has proposed paying its secured and unsecured creditors off in full, with installments for three years, followed by a \$155 million balloon payment. While the company's unsecured vendors support the plan, it has been opposed by its collateral-holding secured lenders, who are owed about \$200 million."

- *Forbes* reports that Target Corp.'s remodeling program to add fresh produce at its general merchandise stores and its new credit card discount are exceeding expectations, according to a key retail analyst, who wrote that "the most recently remodeled stores are experiencing strong sales lifts than older remodels since these revamped stores also have redesigned electronics, beauty and shoe departments."

- Hy-Vee yesterday said that it is acquiring two Sunshine Foods stores, in Sioux Falls, South Dakota, and one in Windom, Minnesota, and will convert them to the Hy-Vee banner. Terms of the deal were not disclosed.

Another Sunshine Foods store, also in Sioux Falls, will be closed as part of the deal. Sunshine will keep a store open in downtown Sioux Falls, and says it will focus on rural markets.

- The *Sacramento Bee* reports that "Target stores in Sacramento and elsewhere are clearing more space for groceries even as rival Wal-Mart continues its aggressive push into the food business. The renewed assault by big-box stores – coming when many consumers are trying to cut spending – intensifies competition for traditional grocers, including West Sacramento-based Raley's, the local market leader."

- Beginning August 2, Brookshire Grocery Co.-owned Super 1 Foods stores began offering a few more options with the "Super Fun Lunch" box value meals. Taking a cue from the store's NuVal Nutritional Scoring System, three lunches have been assembled to give parents a variety of nutritious items. The meals are prepared and sold in the store's deli and are built to offer a nutritional lunch based mainly on NuVal scores.

The lunches, which retail for \$2.59, are displayed next to a sign informing customers of the NuVal score of lunch components.

The NuVal system rates every food in the supermarket on a scale of 1-100 - the higher the number, the healthier the food.

The MNB Wal-Mart Watch

- Published reports say that Walmart.com is offering 97-cents flat rate shipping on all HBC orders from its site that are delivered within the continental US.

- Walmart said yesterday that it has opened its third cash-and-carry store in India, in Jalandhar in the northern Indian province of Punjab. Bharti Wal-Mart - a joint venture between Walmart and India's Bharti Enterprises Ltd.

Walmart cannot open retail stores in India on its own because of laws there that limit the operations of non-Indian companies.

Executive Suite

- Rich Donckers has been appointed president of Northern California's Mi Pueblo Food Center. From 1987 to 1993, Donckers served as Vice President of Wal-Mart Stores; more recently, he has provided consulting services to international corporations such as Wal-Mart, Fleming Companies, Blockbuster Video, Randall's Food Markets, Hudson Foods, Food Brands America, and Hussmann Corporation.

- Safeway announced that Jonathan Mayes, the Group Vice President of Government Relations and a 16-year company veteran, has been promoted to Senior Vice President of Government Relations, Public Affairs, Corporate Social Responsibility and Philanthropy.