



CONNECTIONS

3rd Annual Spring Breakfast

We had a record attendance for our third annual Spring Breakfast Meeting on April 21. Over 50 members and guests signed up for the event at the Empress Banquets in Addison, IL.

After everyone had a chance to say hello to old friends, we enjoyed a hot breakfast buffet. This was followed by our guest speaker, Larry Wahlstrom, President of Jewel-Osco, who gave us an update on the business.



Larry Wahlstrom addressing our Members

Larry began his career as an Osco associate in Green Bay, Wisconsin. He rose through the ranks to become Vice President of the Eastern Region, spending 11 years in New England. Since then his career has taken him across the country. Larry was Vice President of Marketing for the drug stores working out of Scottsdale. He was then President of the Florida Division of Albertsons. Larry was then asked to work on the acquisition of Shaw's, and was responsible for the integration of Shaw's into the company. This assignment brought him back to Boston for 8 months. Last November Larry was asked to become President of Jewel-Osco.

Larry and his wife Mary Gail are currently living in Woodridge, but will be moving to Naperville in the near future.

For those members unable to join us, following is a recap of Larry's presentation:

Albertsons

Albertsons now has over 2,500 stores in 37 states, with sales over \$40 billion. As we all know, competition is fierce in the food store business. In 1996, chain food stores had 61% of what's defined as the food store business. Some estimates have that going down to 44% in 2006, and to 34% by 2011. The big gainers in share have been the Super stores such as Wal-Mart, Target, and Costco.

In 2004, Albertsons bought Bristol Farms, an 11 store fresh market chain in California that is similar to Whole Foods. They are also putting more emphasis on the Super Saver stores, which is a price proposition. This provides needed flexibility in meeting specific market's needs.

Tests are under way to incorporate new offerings within the current stores. Wild Harvest is a natural foods department that is being tested, and Shop the World is a test department that features foods from around the world.

Dual branding has been an emphasis for several years and will continue to be expanded. There are currently over 500 combos in Albertsons and that number will grow dramatically. Stores will have the Albertsons/Jewel/Acme or Shaw's name plus the Osco or Sav-on name, whichever is appropriate for the area.

There are over 1,900 pharmacies in the company. New pharmacy systems are being developed and tested that will be state of the art. A new pharmacy design called Renaissance is being tested and has produced excellent sales increases.

Major investments are being made in technology. As an example, the store directors carry a PDA (wireless) that enables them to review email, work lists, etc. at any time.

Recap of Larry Wahlstrom's presentation cont'd ...

The Six Sigma program is a first in retailing. It enables the company to study variances in performance and find solutions. This has been used in many applications from reducing the number of pallets going to the wrong stores, to reworking the bread-making process to reduce stales. Major efforts are also being made to reduce shrink.

Drugstores

Competition is also heating up in the pharmacy/drug store business. It's estimated that by 2012 mail order sales will represent almost a third of the business, and Third Party will constitute 90% of the market. However, traditional drugstores are currently holding their own.

In Albertsons, drug store earnings are improving and becoming an important part of the company. Freestanding drug stores will continue to be built, but most of the new growth will be in the California market.

The Central Region drug stores under Gary Hunstiger had another excellent year.

Jewel-Osco

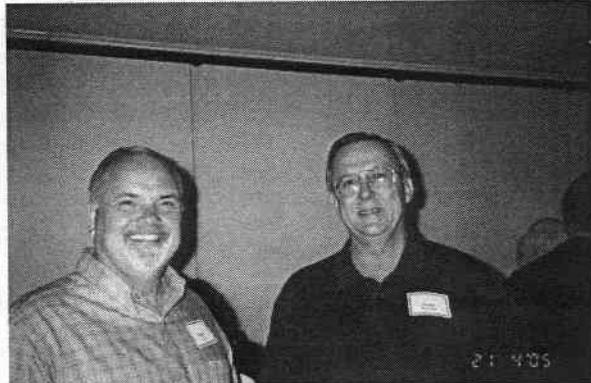
There are presently 273 stores in the Jewel-Osco Division. This includes 189 combos and 70 freestanding drug stores. Without divulging specific numbers, it is clear that the Jewel-Osco Division contributes a major share of total company earnings.

Jewel continues to hold a 40+% market share in Chicago. The second-leading food chain has lost considerable market share in the last 5 years. Most of that share has gone to the Super Centers such as Wal-Mart, Target and Costco.

That competition has led to increased emphasis on making sure we are priced competitively. Osco continues to hold a strong share of the drug store market in Chicagoland. However, Walgreens and CVS are adding many stores and increasing their market share. Work continues to be done on making sure the combo customer fully understands the availability of a pharmacy in the store.

In closing, Larry thanked the Alumni Club members for the company they helped to build and the values we lived by, many of which are still in place.

Look who attended the Spring Breakfast!!!



Terry Zaio, Jerry Hildebrandt



Marguerite Narsutis, Arlene Klus



Larry Anderson, Sharon Gaffor

More photos on Page 3!



Darlene Mann and daughter, Carol McClure



Lillian McGill, June Hunt, Jean Crowder



Voted the Youngest Looking Alumni at the Breakfast, Len Thielen and Chuck Gundlach



Virginia Chavez and Betty Maslauskas



Jo and Al Dale



Donna Lorentzen, Vicki Pasalich

Check pages 8 and 12 for more photos!!

SAVE THE DATE!!!

Oktoberfest... The Event of the Year...October 6th

Save the date of October 6th! We will be having our Second Annual Oktoberfest Party. Over 70 members and guests attended last year's very successful outing.

We have carefully reviewed the input from members on how to make this year's event even more enjoyable. Here are some of the highlights we know so far.

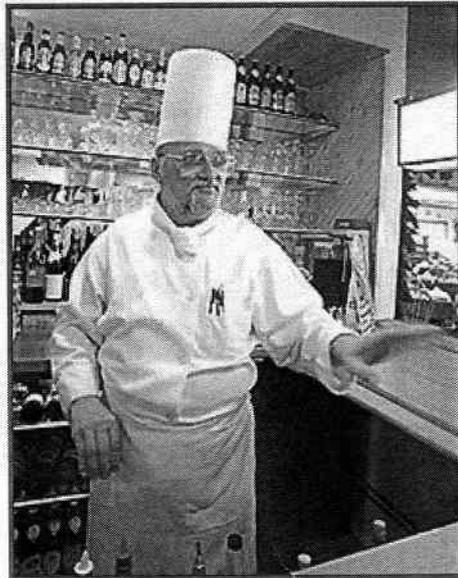
New Restaurant-Even Better Food!

This year, we will be at the Schnitzel Platz located in Glendale Heights. Roger Carpenter and Len Thielen have checked out this restaurant and say we will be very happy with the food. If you don't believe them, we've included some comments from a recent review by CBS 2 in Chicago.

GLENDALE HEIGHTS, III. (CBS 2) *Your taste buds don't have to travel to Germany for the authentic flavors of German cuisine. There's a place in west suburban Glendale Heights that serves up everything from potato pancakes to pork schnitzel.*

"Every American you talk to, they think of Germany as beer, cuckoo clocks and schnitzel," says Wolfgang Beyer, chef and owner of Schnitzel Platz. Schnitzel is pork loin, veal or chicken breast that's typically been pounded with a mallet, seasoned and breaded, then pan-fried to order. Executed by Chef Wolfgang Beyer, it's lighter and a tad more sophisticated than you'd expect. The pork schnitzel with sautéed tomatoes, onions and melted cheese was especially pleasing.

It's all homemade here, and that's what I enjoy," says guest critic Catherine Czernek. "They take their time, and they do it the way you want," she says. "It's not too greasy. It's light on the stomach. It's got good flavoring to it, and that's what I enjoy."



Chef Wolfgang Beyer

Overall, we say "wunderbar" to Schnitzel Platz's cuisine. Its beer garden atmosphere is rustic and entertaining.

"Everybody's in here. It's like a big old party – everybody is eating, drinking, singing, having fun," Catherine says. "It's a great time not to be missed."

Entertainment

After dinner, we will have entertainment by the Bob Beilfuss Tryolean Duo with Bob on accordion and Hank Mitchell on bass and trumpet. They are a very lively and entertaining duo that will have you leaping in your lederhosen.

The Cost??? Only \$25 per person for great food, entertainment, and drinks, and the opportunity to visit with old friends.

Why don't you plan now to join us October 6th and experience it yourself????

More details and reservation form will appear in the August issue of **CONNECTIONS**.



IN MEMORIAM

We recently learned of the passing of members, Magnus "Jake" Jacobsen and Joyce Hilden.

Tom Jacobsen, Jake's son, wrote ... "Our father passed away at the age of 90. His last birthday was April 1st. He has lived a wonderful life and was married to our mother for over 50 years and later remarried to a family friend for 5 years, both who predeceased him."

A memorial service was held at the Ahlgren Funeral Home in Schaumburg, IL on Wednesday, May 18, 2005

Jake recently wrote **CONNECTIONS** saying what a wonderful group he worked with; Joe Saul, Carl Stanley, Pete Schliesmann, Martha Hardt. His son, Tom, wanted to thank Osco/Sav-on associates for his dad's friendships.

John Fields remembers that "Jake" worked in the supply area for Osco. He picked up Bill Jacob's father at O'Hare once and when "Jake" was asked about the big consolidation Osco was going through (it was when the Country and City Osco's merged) he replied that the biggest problem was getting all the supplies organized. A more faithful and honest person you would be hard pressed to find.



Dick and Joyce Hilden in the backyard of their Vail, Colorado home, September 14, 1998.



Where are they now? ? ?

We encourage members to give us news on their activities in retirement or in their post "Osco/Sav-on" careers. Our members are anxious to hear what others are doing. Use the return sheet included or email us at oscosavonalumni@albertsons.com. Thanks to everyone who contributed to this issue.

Lu Burch Kuhlmann and Roger Kuhlmann write ... Roger and I haven't added the word 'retirement' to our vocabulary yet, but we're sure looking forward to the day when that happens!

When Roger left Jewel, he formed his own business as a professional roof consultant – a field that picked up perfectly on skills honed at Osco and Jewel's construction/maintenance departments.

When I left Osco, I spent a number of years with Sathers, Inc. in sales management, opening their first satellite office here in the Chicago market. Initially, I handled major corporate accounts around the country until my work evolved into the sales and marketing of private label brands for national retail and wholesale entities. Several of the larger programs are still in use today (one with another national drug chain – who shall remain nameless! ☺)

In 1998, Roger sold his interest in the original firm he founded and we joined forces professionally. Interstate Roof Systems Consultants, Inc. is headquartered here in the Chicago area. Our firm handles visual evaluations, infrared moisture scans, preventive maintenance program development, capital expenditure budgeting and replacement planning, new construction design, specification development, quality compliance and due diligence inspections (if you've read this much, surely you're bored by now!), and roofing database management programs for clients all over the US. Currently, we're in the process of designing an interactive web site, connected to a roofing management database which will allow clients with multiple properties to access their warranty, etc. information on-line with password access.

Although most of our work takes us to job sites outside of the state of Illinois, Roger's encyclopedic mind relative to all things 'Jewel-Osco' has enabled us to count Albertsons and Jewel-Osco as among our larger clients. Annually, we evaluate the roofing on between 50-60 stores. For a number of years, we've also been involved in some construction phase of nearly all of the new Jewel-Osco stores and fuel centers in this and many other Midwestern markets.

Over the last 20 years, Roger's traveled to numerous regional shopping centers where he says there are constant 'Osco' reminders on old roof top AC units. "Osco Drug" is stenciled on a bunch in Bowling Green KY, Grand Junction CO, Rapid City SD, and Bismarck ND (he never did find Ron Haas) to name a few. And, he's run up against the likes of Bill Lewis, Ken Walker, and lots of other alumni in the skies!

We're both active in our churches and other community board activities. We have 4 children, 6 grandchildren and are looking forward to the day when we can spend some time with them! We're also anxious to get to a warmer climate. We'd love to hear from old friends who have already made the move! E-mail us at rkuhlmann@irscinc.com or lburch@irscinc.com.

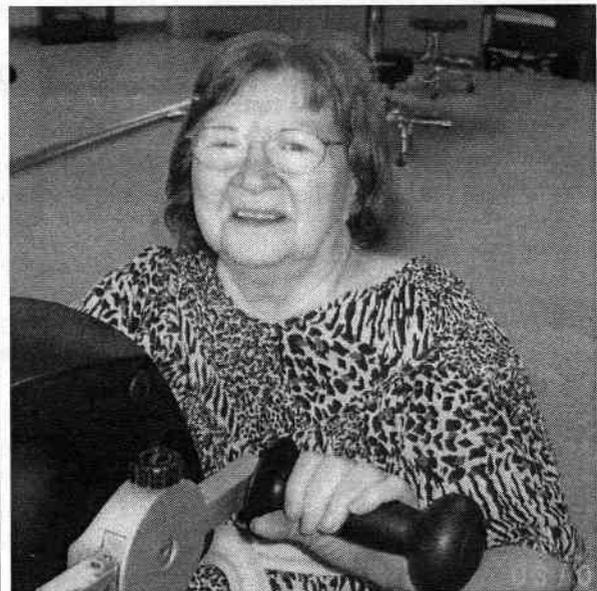
Mike Pfafflin took the time to write us ... My wife, Linda, who was the manager of Scan Administration and more recently was on the SWIFT team, was recruited away from Albertsons after 27 years by none other than, Robert Redford last fall! She's now the Ticketing Systems Administrator for the Sundance Institute. She started a project to scan tickets at the 2005 Sundance Film Festival and will have all tickets scanned at the door for the 2006 Film Fest. She's extremely happy with her new job and gets to hang out with people like Kevin Costner, Matt Damon, Pierce Brosnan and Keanu Reeves. Her new email is Linda_pfafflin@sundance.org. (Way to go Linda!)

You may remember Mike was an Osco store manager from 1976 to 1997 followed by a position as category manager 1997-2002 in Oakbrook, Salt Lake and Scottsdale.

Betty Ballew-Allen's niece, Judy Foster, sent us the following news on her aunt:

I'm Betty's niece and I'm writing this for Aunt Betty. We always enjoy the pictures in the newsletters. The photo I've enclosed is a picture of Aunt Betty taken in March in the exercise room at Aspen Meadows. She was given the "Most Cheerful Person" award because of her positive attitude and always having a smile and a "thank you" for everyone. For the past 4-1/2 years Betty has lived at Aspen Meadows in Billings, Montana, near her niece. They enjoy going to lunch, drives in the country and some concerts. Unfortunately, in November Betty fell and cracked her femur.

Alumni members may remember that Betty started with Osco in August of 1941 in Rockford, IL for \$13.50 a week (yes, a week!). Later she moved to the Merchandise Mart in Chicago working for Messrs. Stratton, George and Hilden. She married Craig Allen in 1981. Betty wrote that she had the privilege of working with many of Osco's founders.



Good luck with rehab, Betty!

Larry Anderson, former American Stores General Counsel, wrote us recently that he has returned to Illinois to accept a position with Walgreens Health Initiatives, the PBM owned by Walgreens, in January 2004. Larry says it's great to be back in Illinois but misses all the terrific folks at Osco and Sav-on!

CONNECTIONS is happy to have Diane Heatter involved in the quarterly publication. Diane has many contacts with folks that are still in the workforce, both at Osco and other companies. We're looking forward to hearing news about old friends we worked with. Here's Diane's report for this issue:

Michele (Qualtier) Caccitolo (worked at 3030 and then at 1818 in Merchandising for Jim Mullin and Dennis Graninger) is expecting her second child in the fall of this year. Michelle and her husband Mike, who is an Elmhurst fireman, also have a toddler named Mia. The Caccitolo's currently reside in Lombard.

Laura Danial has been promoted to Regional Execution Manager in the General Merchandise Department at Jewel. Laura started her career with Osco in 1989 at 3030 in Expense Payables. She moved to 1818 as a replenishment buyer and then Private Label Marketing. Laura became a replenishment buyer for Osco when the company moved to Salt Lake City. She returned to the Chicago area as a management trainee a couple of years later and has been an AM, OM and Store Director for the Midwest Division.

Darlene Piasecki was a Cosmetician for Osco before coming into the 1818 office and handling a variety of administrative positions in pricing and liquor. She then worked at Melrose Park in the liquor department.

"I am working at Cub Foods in Oak Brook since September. I had been hired in the pricing dept supporting Wisconsin stores for the ad activity. However, I have recently been promoted to Item Maintenance Coordinator for all Illinois and Wisconsin stores supporting Liquor pricing.

I thoroughly enjoy the responsibility as it is not much different in theory from what I had at Jewel. Only the technology is different.

Mike Koestler is the director of General Merchandise at Cub and I see him daily as I work for the director of pricing. Cub Food is like old Osco used to be; small, intimate and caring. I'm so glad I came out of retirement and took the position offered."

Gerald Gonyo dropped us a quick note: Once leaving the company he worked for 2 years as a consultant, but doesn't have the time now as grandkids and hobbies keeps him busy. He's been living in Arizona the last 6 years and enjoys keeping in touch with all alumni.

New Alumni Club member, **Karen Matejka**, writes about "Life After American (Osco) Drug Stores, Inc." ... Following my departure from Jewel-Osco in 1998, I attended McCormick College in Elmhurst, IL and graduated in May of 2000 as a certified paralegal.

In August of 2000, I started my employment as a paralegal with Lienguard, Inc., a national lien filing service, in the capacity of Account Executive. I continued at Lienguard, Inc. as an Account Executive until November of 2002 when I was promoted to Director of Operations for the corporation.

In November 2003 I was again promoted, this time to the position of Executive Vice President of Lienguard, Inc. I remain the Vice President of the company and continue to expand my experiences, both legally and professionally.

On a personal note, my husband and I are moving to Naperville in June, 2005, and we are looking forward to our new home.



**Don't Forget to mail in
your 2005
membership dues!**



Welcome New Members!!! 😊

We'd like to take this opportunity to welcome the following new members to the Osco/Sav-on Alumni Club:

Karen Matejka
Vicki Pasalich

If you know of any former associates who might be interested in joining, please have them contact one of the Directors or send an email to oscosavonalumni@albertsons.com. We have also included an application form with this issue which may be mailed.



DIRECTORY UPDATE

Please note the following changes in our Membership Directory:

Henry Gust – 6846 Zurich Court, Tinley Park IL 60477

Jay Jensen – 8253 Holmard Place, Indianapolis, IN 46259

Patricia Kasper – 13102 Topflite Court, Hudson, FL 34669

Terry Maloy – 6363 196th Street, Albia, IA 52531

Karen Matejka - 1540 Swallow Street, Naperville, IL 60565

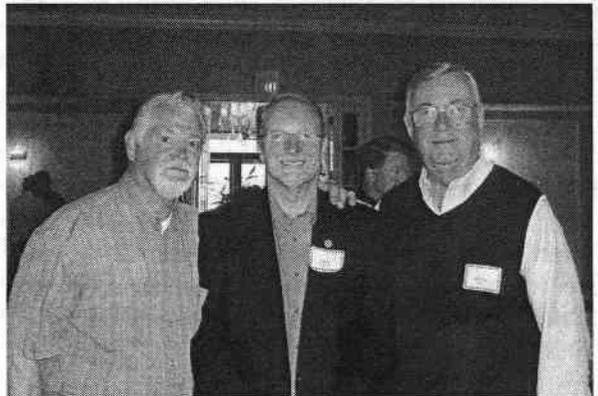
Mary Palmisano – Email: MaryP1195@sbcglobal.net

Vicki Pasalich – 3690C Minnesota Avenue, Great Lakes, IL 60088. Email: vickipasalich@comcast.net

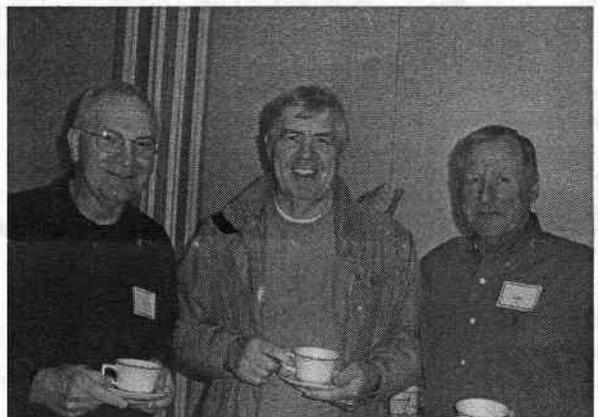
Lee Sennett – 6636 South Oak Circle, Littleton, CO 80127

Dennis Zimmerman – 1559 Mahogany Drive, Allen, TX 75002

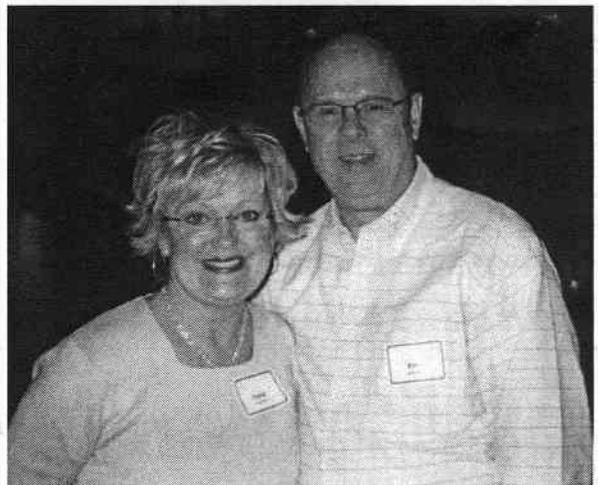
More Spring Breakfast photos ...



Joe Buron, Larry Wahlstrom, Ron Green



John Fields, Regis Sylvester, Don Lohr



Diane & Ken Heatter

More photos on Page 12!

OSCO/SAV-ON ALUMNI CLUB

Send us your "one-liners"!

Let *Connections* know what you've been doing!

Last Name:

First Name:

Brief Work History with *Oscos/Sav-on*:

WE NEED YOUR PHOTOS!

We'd be absolutely thrilled to receive a photo to run with your "news". (Photos will be returned upon request.)

Give us one line (or as much as you like) on your new job, new position, volunteer work, your vacation, a family update, or anything else you want to share!

My "news" for the alumni newsletter, *Connections*:

MAIL THIS FORM TO:

Oscos/Sav-on Alumni Club
P. O. Box 331
Franklin Park, IL 60131

OR EMAIL US AT:

oscosavonalumni@aol.com

Take a walk down Memory Lane back to the '70's

(Photos provided by Stan Carlson and PEOPLE April 10, 1970)

1970:

- ❖ Four students slain at Kent State protesting incursion into Cambodia.
- ❖ Median Household income: \$8,734
- ❖ First class stamp: \$0.06
- ❖ The Beatles break up
- ❖ Monday Night Football debuts
- ❖ Movies: Airport, Five Easy Pieces, Love Story, Patton
- ❖ Gasoline \$0.35



*Betty Ballew, George Hilden, Linda Carfagnini,
Byron Luke*



*Myrna Downing, Carol Gerali, Barb Boucher
Linda Oelkers, Claudia Mundy, June Staliman*



*New Store Merchandising: Ellen Sullivan,
Audrey Bennett, Karin Oswald, Arlyn White*



*Advertising/Accounting: (seated) Dorothy Carey, Carl Blockhus,
Carolyn Rohrman; (standing) Martha Hardt, Rose Ross, Jean
Cieslok, Virginia Nawracaj, Julia Shaeffer, Linda Nolan, Kathy
Aramburu*

OSCO/SAV-ON ALUMNI CLUB

Application

We invite you to become a member of the Osco/Sav-on Alumni Club. Retirees and Former Employees with seven (7) years of full or part-time service who left the company in good standing are eligible to join. Please complete the membership application and send it with your check for \$25 to Osco/Sav-on Alumni Club, P. O. Box 331, Franklin Park, IL 60131. The \$25 represents a one-time application fee of \$10 and \$15 dues for one calendar year, i.e. January-December. You will be billed in January of each subsequent year for your annual dues.

NAME: _____

SPOUSE'S NAME: _____

PERMANENT ADDRESS:

STREET: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE NUMBER: _____ EMAIL ADDRESS: _____

SEASON OF RESIDENCE: (If you live in another location part of the year, list months you reside at your permanent address.)

_____ I reside at my permanent address all year.

_____ I reside at my permanent address from _____ to _____.

SECONDARY ADDRESS:

STREET: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE NUMBER: _____

Retired from: _____ Date: _____

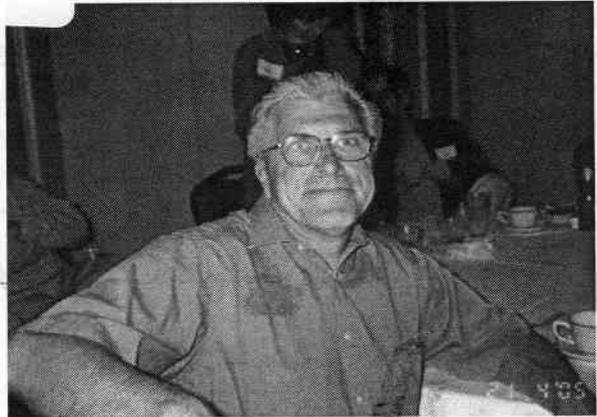
Signature: _____ Date: _____

OSCO/SAV-ON ALUMNI CLUB
P. O. Box 331
Franklin Park, IL 60131
847-706-9134 Attn: Sharon Cartwright
oscosalumni@albertsons.com

And just a few more ...



John & Shirley Fuglestad



Larry Bejnarowicz

*Editor & Publisher: Sharon Cartwright
Contributing Reporters: Stan Carlson,
Diane Heatter*

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