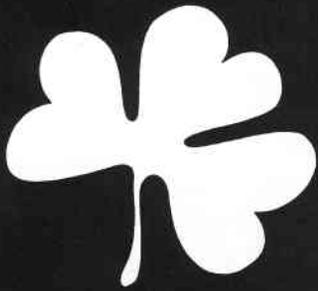
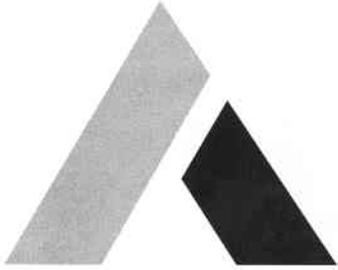


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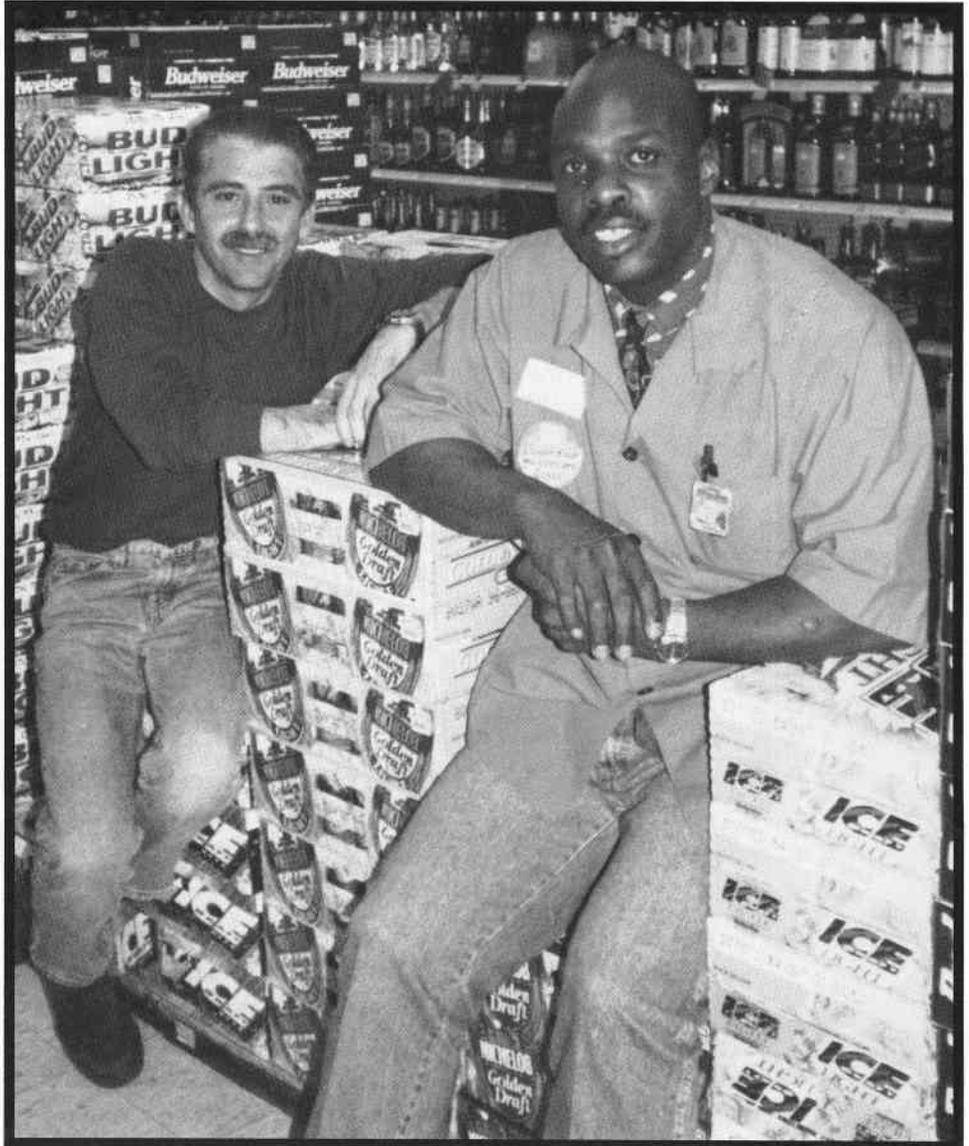
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Don Nappe and Gordon Joyner #875 Bail Out After their Liquor Wall Collapses

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Changing Times - People on the Move



Carol Newgard has accepted the position of sales and marketing coordinator for Crest Photo Burbank, CA. Carol most recently held the position of sales and marketing coordinator at that location.

Alejandra Del Valle has been named photo coordinator at Crest Photo in Burbank, CA. Alejandra most recently served as photo coordinator at that location.



Barb Hunt has been named maintenance specialist. Barb most recently served as senior telecommunications specialist.

Bryan Shirliff has accepted the position of manager of space management at 1818 Oak Brook, IL. Bryan most recently served on the Delta Team in Salt Lake City, UT.



Jim McGillen has been named regional photo manager for Crest Photo in Elgin, IL. Jim most recently served as market manager at #36 Oswego, IL.



Dean Taghaboni has accepted the position of new store set-up coordinator in Oak Brook, IL. Dean most recently served as operation manager at #2179 Kansas City, MO.



Tom Rousonelos has



been named regional pharmacy manager for the Central Region. Tom began as an undistributed pharmacist at #866 Joliet, IL and then became pharmacy manager at #521 Chicago. He also served as pharmacy manager at #603 Bolingbrook and #9 Naperville. Tom then entered the management trainee program and became a trainee and then an assistant manager at #645 Chicago. He was later promoted to operating manager at #89 Lisle and most recently served as operating manager at #21 Naperville. All locations are in Illinois.

Stan Slyter is the new market manager at #768 Indianapolis, IN. Stan began as a part-time clerk at #2129 Omaha, NE. He then became



warehouse manager at #2201 Omaha and also served as assistant manager at that location. Stan was then promoted to operating manager at #2068 Omaha. He also held that position at #444 Cedar Falls, IA, #2139 Quincy, IL, and #2212 South Hampton, MS before becoming general manager at #2145 Memphis, TN. He also served as general manager at #2146 Memphis, #2142 Memphis, #874 Muncie, IN, and most recently at #768 Indianapolis, IN.

Bob Warner is the new general manager at #2350 Phoenix, AZ. Bob started at #2023 Phoenix and then #2248 Glendale, where he was a warehouse manager. He then became an



assistant manager at #2025 Phoenix and most recently served as an operating manager at #2302 Mesa. All locations are in Arizona.

Margie Sikorski is the new general manager at #3802 Lakewood, CA. Margie began as a management trainee at #3169 Fountain Valley. She later served as an assistant manager at #3067 Newport Beach and then #3227 Huntington Beach. Margie was then promoted to operating manager at #3377 Huntington Beach and most recently served at #3309 Stanton. All locations are in California.



Henry Angel is the new general manager at #3817 Sylmar, CA. Henry started as a clerk at #3209 Santa Monica and then became an assistant manager at #3023 Los Angeles and later at #3061 Los Angeles before being promoted to an operating manager at #3008 Inglewood. He also served as operating manager at #3099 Los Angeles and most recently at #3026 Los Angeles. All locations are in California.

New Manager Development Program Manual

By now, your store should have received the Manager Development Program Manual. This manual should be kept in the store. It replaces the Phase Manuals (II, III, and IV) which can be destroyed.

The program is designed to guide management associates' experiences and prepare them for the responsibilities of the next level of management and eventually that of the general manager position. It is a result of input from several general managers and content experts. Thanks to all

who contributed in making this new program more user friendly.

When new management trainees start with ADS, they will receive a copy of this manual from the Education Center. The trainees will utilize this manual as they progress from a trainee up to a general manager.

If your store has not received this manual, please call the Education Center at (708) 572-5165.



Changing Times - People on the Move, continued

Jim Musselman is the



new general manager at #2323 Phoenix, AZ. Jim started at #3406 as a warehouse manager in Bakersfield, CA, which previously served as one of our store/warehouse locations. He also held the positions of assistant manager and operating manager at that location. Jim also served as operating manager at #3407, #2305 Glendale, AZ, #2021 Mesa, AZ, #2019 Mesa, #2020 Glendale, #2244 Scottsdale, AZ and most recently at #2023 in Phoenix, AZ.

Jim O'Connell is the new general manager at #2357 Phoenix, AZ. Jim began as an assistant manager at #2023 Phoenix and later became an operating manager at #2067 Mesa. He also served as op-



erating manager at #2310 Scottsdale and #2018 Mesa. Jim most recently served as NAO trainer.

Debra Wesch is the new general manager at #847 Springfield, IL. Debra started as a clerk at #847 Springfield and then



became a supervisor at #417 Charleston, IL. She then became a management trainee at #866 Joliet, IL. She later served as assistant manager at #479 Dyer, IN and #888 Aurora, IL. Debra was then promoted to operating manager at #886 Romeoville, IL. She then served as an ISS coordinator at OBDC in Oak Brook, IL and then returned to #603 Bolingbrook, IL as an operating manager and later transferred to #2304 Mesa, AZ. Debra most recently served as operating manager at #2253 Apache Junction, AZ.

Ben Cardenas is the new general manager at #3853 Orange, CA. Ben began as a supervisor at #3239 El Monte and then served as assistant manager at #3091 Huntington Beach and #3295 La Jolla. He was then promoted to operating manager at #3413 Fullerton. Ben also served as operating manager at #3303 Anaheim and most recently at #3143 Placentia. All locations are in California.

Mark Butzer is the new general manager at #3860 Lawndale, CA. Mark started as an assistant manager at #3039 Garden Grove and also held that position at #3091 Huntington Beach, #3169 Fountain Valley and #3418 Seal Beach. He was then promoted to operating manager at #3418 Seal Beach. Mark also served as an operating manager at #3119 Cerritos, #3299 Manhattan Beach, and #3053 Torrance. All locations are in California.



ASK DAVE

American Drug Stores' associates have their questions answered by Dave Maher

Q: "How can a part-time clerk like me move up to be a letter-answering columnist like yourself?" *Anonymous, #318 Fenway, MA*

A: "I started in the business as a part-time clerk while attending pharmacy school at the Univ. of Iowa. I don't consider myself to be a letter-answering columnist. Our purpose in creating "Ask Dave" was to give associates, like yourself, an outlet to ask questions about the business and also to voice opinions. There are people from every area of the business that help in answering the questions that are submitted every week. I encourage everyone to send in any questions, comments, or suggestions you have and we, as always, will do our best to answer them."

Q: "Why are we printing People on non-recyclable paper? We are being asked to cut costs wherever possible; isn't the glossy stock used for People more expensive than non-glossy recyclable paper?" *Barbara Hayes, Oak Brook Data Center, IL*

A: Per the Editor - PEOPLE magazine has been recyclable since March, 1994. The recycle symbol has appeared on the lower left hand corner on the back page ever since. Upon taking over this position in February, 1994, changing to a recyclable paper stock was one of the first changes made. The printer agreed to give us the recyclable glossy paper we currently use at the same price as the non-recyclable glossy paper used previously. I wanted to remain with the glossy paper so that PEOPLE would not absorb

as much soda or coffee on the breakroom tables and remain readable longer. **Recycle!**

Q: "Why are some Oscos union and others are not? Are the pay scales, benefits, and job descriptions the same? Can you transfer and keep your same pay rate and seniority when you transfer from union to non-union?" #9 *Naperville, IL*

A: The reason certain stores are represented by a Union and others are not, is simply based on history. At one point in time, the employees decided by majority vote, under certain legal requirements, that they wished to be represented by the Union. In certain areas, the legal decision included an entire region; in other areas, representation is at a store-by-store basis. Generally, one cannot transfer between union and non-union stores.

The pay rates and seniority dates in union stores are negotiated; in non-union stores, they are set by determining market rates and appropriate practices in the industry.

ATTENTION:

As Dave Maher makes the transition to his new role as Chief Operating Officer of American Stores Company, he has asked Dick Davis to take over his duties on the Ask Dave column. People would like to thank Dave for his contributions to the column this past year. Congratulations Dave and good luck in your new role with American Stores.

People magazine would like to welcome Dick to his additional role as a letter-answering columnist. We look forward to his input on the "ASK DICK DAVIS" column.



(Pictured above) Dave (right) officially hands over the questions for the "Ask Dave" column to Dick Davis.

Do you have any questions about the business for Dick Davis? If you do, jot them down and watch for future issues of PEOPLE magazine for the answer. Return your questions via backdoor mail to PEOPLE, 1818 Oak Brook. Be sure to include your name and location so we can send you the response to your question.

Q: _____

Name: _____ **Location:** _____

Internal Communications Specialists

You have just received a program and you find some things to be confusing or missing. Maybe there is a missing MSI number and you need to know that number.



Karel Craine

What do you do? You call the Merchandising Department at 1818 Oak Brook, IL and talk to an Internal Communications Specialist.

An Internal Communications Specialist (ICS) is a merchandising support staff member that is responsible for all internal communications from the stores and office facilities. There is an ICS for each merchandising shop - Jennifer Demchuck



Jennifer Demchuck

and Jill Grollo - Beauty Care Shop, Marion Sullivan - Consumables Shop, Rose Gaston Healthcare Shop, and Karel Craine - Sundry/Seasonal Shop.

The Internal Communications Specialist receives all phone calls and E-mail messages from the stores and acts as a liaison between them and the category manager by handling all shop communications to and from these areas. This way, the category managers aren't overwhelmed with calls from the stores, many of which are repeat questions or concerns. The Internal Communications Specialist will then answer your question(s) or concerns. If by chance they do not know the solution to your situation, they will find it for you and return your call as soon as possible. In addition to responding to your

call, they will then follow up on these issues by communicating them to the person responsible for resolving them.

The implementation of these Internal Communications Specialists was brought about a year ago in order to improve efficiencies of the shop and improve response time to the stores. The stores now have one number to call for each shop and there is no longer any guesswork as to which buyer to direct the call. It has greatly streamlined the workflow in the merchandising area by allowing the category managers to concentrate on their main tasks. The accuracy and timeliness of the ICS is absolutely essential to the store associates and the category managers in their shop.

The ICS have been gratefully accepted by the store associates. The stores now know that they have a person to rely on to get accurate and concise information on a timely basis and the category managers are confident that their ICS is taking care of any problems that the stores are having right away as well as alerting them to any problems that they need to reconcile.

So next time you have a question about your program or have a question for the category managers, don't hesitate to call Marion, Karel, Jennifer, Rose and Jill. They are more than happy to help you with your questions and concerns with fast and friendly service.



Rose Gaston



Jill Grollo



Marion Sullivan

APRIL BROADCAST SCHEDULE: (Times shown are Central Standard - CST)

- April 3 - Merchandising Update - 3:00 PM
- April 10 - Regional Management Update - East - 3:00 PM, West - 3:30 PM
- April 17 - Pharmacy Report - 3:00 PM
- April 24 - Regional Management Update - East - 3:00 PM, West - 3:30 PM

*Details of the weekly broadcast schedule (content, guests, length) can be easily referenced at any time in E-mail by following these steps;

STORE VERSION EMAIL: Select 'W' (View another) from the Emc2 overview menu. Input 'DH.ADSN' for the ID to view. Scroll and select 'Q' (Query) to obtain program details.

OFFICE VERSION EMAIL: Click on 'View' at Emc2 calendar menu. Type in 'DH.ADSN' for the ID to view. Click on the program to review and click on 'Query'.



Nominees Open for 1995 ASC President's Medallion Awards

- Loss prevention manager for Sav-on Drug, Dan Horowitz, takes immediate action to assess the damage to the stores in his region despite his own personal losses following the Los Angeles earthquake....
- A Lucky store manager helps reduce crime and vandalism near his store by establishing a police storefront in the shopping center where his store is located....
- A Jewel store manager and his security team collectively protect their store from potential rioters following the 1993 Chicago Bulls victory....

Last year these accomplishments were recognized with the President's Medallion Award, given annually to associates whose actions exemplify American Stores Company traditions and principles of dedicated service and commitment to customers and the community.

The nomination period for the 1995 President's Medallion Award Program is now open.



Three American Stores Company associates will receive the Medallion. Each of these three winners will receive a \$2,500 cash award, a medallion, a permanent medallion display for their store or work location, and an all-expense paid trip to the Company's annual meeting of shareholders in June.

Certificates of Recognition will be given to the top 20 finalists, along with a \$500 cash award.

NEW THIS YEAR: Three store teams will also receive the President's Medallion. These store teams will be recognized at a special

celebration party held in their honor at a location of their choice within their District. Each store will also receive a medallion, and a permanent medallion display for their store location.

HOW TO ENTER A NOMINATION -

All associates of the company are eligible to enter. You may nominate yourself, your store team, or any deserving associate.

Nomination forms are available at all work locations - just look for the large President's Medallion display poster.

HERE'S HOW TO ENTER:

1. Select the correct nomination form. There is one form for an individual nomination, and another for a store team nomination.

2. Read the entire nomination form to understand what information is needed. The form also explains the judging criteria, and the rules of the competition.

3. Fill out the form, answering each of the five required questions. Keep

the judging criteria in mind as you answer each question. Carefully follow the directions about length and attachments permitted.

4. Focus on one act of service, project, or program. Nominees who demonstrate exceptional initiative and leadership, and who have overcome unusual problems or challenges to perform an act of service for American Stores Company will be given the highest consideration.

5. Send your nomination form to:

*American Stores Company
President's Medallion
c/o American Stores Company
Public Relations Department
709 East South Temple
Salt Lake City, UT 84102*

Nominations must be postmarked by April 15, 1995

Nominations will be judged by The Better Business Bureau, an independent non-profit public service agency established to promote sound business practices. Winners will be selected and notified by May 15, 1995.

ADS Acquires the Clark Drug Chain in Southern CA

This past February, American Drug Stores purchased the Clark Drug Chain located in the Los Angeles market. The chain consisted of 17 stores and one lot location (the store was destroyed by fire during the 1992 LA riots and has not yet been reconstructed). American Drug Stores is always looking to acquire new stores and locations in strong market areas, especially in a market area where we are already a strong presence. Therefore, this acquisition is part of the continued expansion of the Sav-on division.

There are several benefits to purchasing an existing successful chain rather than building new stores. One such benefit is that the stores are already running smoothly and have a strong and loyal customer

base. The Clark Stores will be an exceptionally easy transition to a Sav-on format because they were founded by a former Sav-on general manager and shareholder, Mr. Alton D. Clark in 1959. Mr. Clark



helped to pioneer the large retail format that became the standard for Sav-on Drugs. He used the Sav-on stores as a prototype for building his own stores. The only major changes these stores will undergo are some signing and technology updates. For now, the Clark Drugstores will be run as a separate district.

When we acquired the new stores, we also hired most of the associates that

currently worked at those locations, many of which are long-term associates, as well as some of the operations managers who worked in the Clark corporate office. Doug Wiley and Mike Hiendell were

former operations managers for Clark and are now working for American Drug Stores and are helping the former Clark associates make the

transition to Sav-on. We welcome them all to the American Drug Stores team.

The Clark Drug associates are making the transition very nicely. According to Doug Wiley, Los Angeles Region Vice President John Terry and his associates have done a wonderful job in making the associates from Clark feel comfortable and welcome.

The Pharmacy Team at #15 Celebrate their 1,000,000 Customer!

When Tina Williams of Melrose Park approached the pharmacy at Osco Drug #15 Franklin Park, IL, she was greeted with balloons, alarms, and cheers from the Osco associates. Tina became their "one millionth" new pharmacy customer at 3:22 PM on Monday, February 6.

To thank Tina for her business, the store presented her with a \$100 Osco Gift Certificate and a basket of private label products. "This is a milestone in our twenty years of serving the community," said General Manager Jack Marengo.



Technician Mary Rehbock and Pharmacist Dennis Robison hold the one millionth prescription.



One millionth Customer Tina Williams receives a basket of Osco private label products from Pharmacy Manager Dennis Robison.

Customer Satisfaction - Our #1 Goal for 1995

Liquor Wall Collapses!

On January 17, 1995, store #875 in Decatur, IL had a scare when an entire



The clean-up at #875 Decatur, IL

liquor wall collapsed. The store had been undergoing a remodel and five coolers had been installed

on the backside of the liquor wall earlier that day.

There were three customers in the department at the time. One customer was in the middle of the aisle and the wall fell on her and she was injured. The customer had no way of getting out of the aisle, so associate Gordon Joyner went into the department, walking over broken bottles, picked the customer up and carried her out.

After that the chaos continued, there was liquor running onto the floor two aisles away and broken bot-

tles were everywhere. Operating Manager Don Nappe, quickly assessed the situation and immediately had the associates building dikes made from kitty litter. The litter stopped the liquor from covering the entire sales floor. In the meantime, associate Greg Holt was trying to salvage the unbroken merchandise on the floor. All this was occurring while the store was operating "business as usual." Thanks to the quick thinking of these three associates, the incident was not a total disaster.

GM Inspires Poetry

The following letter was sent in by a customer



GM Jeff Smolinski #698

at #698 Tinley Park, IL. She was so moved by the kindness of General Manager Jeff

Smolinski, that she wrote a poem. It's a little outdated but we thought it was very clever.

'Twas two days before Christmas,
And I needed some help.
The gift that I wanted,

Was not on the shelf.
Was not in the next shipment,
Was not in the next town,
Was not in a suburb
Anywhere around.
I was graciously assisted
By a Smolinski named Jeff,
Who found a store with my gift
Drove there, and brought me the one that was left!
Thank you to an excellent manager!

Customer Raises Spirits

Here's a twist - a customer at Susan Hilou's store, #3401 Redlands, CA sensed that Susan was not her usual cheery self one day, so the customer bought her flowers! This brightened Susan's day and she was back to her cheery self. This just goes to show you that our customers not only "count on people who care," but care about our people.



Associate Susan Hilou #3401 Redlands, CA

People is published semi-monthly by the Human Resources Department of American Drug Stores, Inc., 1818 Swift Drive, Oak Brook, IL 60521. Submissions, retiree address changes, and Ask Dick Davis questions can be sent via backdoor mail to *People*, 1818 Oak Brook.

Editor: Mary Mueller
Editorial Assistants:
Mary Ryan & Gina Drozd



People

Magazine

VOLUME 20, No. 7

APRIL 15, 1996

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**American Drug Stores
IS ON THE INTERNET!**

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**Kind, Honest, and Trustworthy,
are Three Words that
Best Describe
Associate Jean Castanuela
of #639 Chicago, IL**

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Changing Times . . . People on the Move



Erick Ahnell



Jim Dion



Stu Gratz



Paul Hartz



Steven Keller



Tim Lapp



Lary Miller



Vanessa Odlin



Lonndon Seely



Jay Shapiro



Kim Watson



Sheila Wilkinson

Erick Ahnell has accepted the position of logistics analyst at 1818 Oak Brook. Erick began as a clerk at #696 Hoffman Estates. He later served as a management trainee (#694 Schaumburg), assistant manager (#609 Chicago and #185 Chicago), operating manager (#697 Wheaton, #253 Lake Zurich, and #35 Batavia), and financial analyst at 2100 Oak Brook. Erick most recently held the position of senior merchandise analyst at 1818 Oak Brook. All locations are in Illinois.

Jim Dion has been named pharmacy manager at #319 Dorchester, MA. James began as a pharmacist at #907 Methuen, MA, and most recently served as pharmacist at #319.

Stu Gratz has accepted the position of regional pharmacy manager for the Central Region at 2100 Oak Brook, IL. Stu began as an undistributed pharmacist at #609 Chicago, IL. He later served as staff pharmacist at #6 Hillside, IL, pharmacy manager (#630 Elmhurst, IL, #26 Elmhurst, IL, and #529 Chicago, IL), Central Region computer trainer and installer at 1818 Oak Brook, IL, assistant

manager at #623 Woodale, IL, operating manager (#884 Aurora, IL, #695 Downers Grove, IL, and #697 Wheaton, IL), and general manager at #529 Chicago, IL. Stu most recently held the position of pharmacy coordinator for the Wisconsin market.

Paul Hartz has accepted the position of pharmacy operations manager, East at 2100 Oak Brook, IL. Paul began as a staff pharmacist at #917 Lincoln, NE. He later served as pharmacy manager at #917 Lincoln, NE, assistant manager at #946 Lincoln, NE, and operating manager at #519 Lincoln, NE.

Steven Keller has been named general manager at #3843 Simi Valley. Steven began as a clerk at #3083 Ventura. He later served as a management trainee (#3083 Ventura and #3095 Oxnard), assistant manager (#3083 Ventura and #3149 Camarillo), and operating manager (#3149 Camarillo, #3164 Camarillo, and #3251 Agoura). All locations are in California.

Tim Lapp has accepted the position of regional pharmacy manager for the Los Angeles Region at 1500 Anaheim. Tim began as a

pharmacy intern at #3109 Sherman Oaks. He later served as staff pharmacist at #3109 Sherman Oaks, pharmacy manager (#3021 Reseda, and #3211 Canyon Country), and market manager at #3211 Canyon Country. Tim most recently held the position of pharmacy operations manager at 1500 Anaheim. All locations are in California.

Lary Miller has been named general manager at #3837 Van Nuys. Larry began as a clerk at #3177 Encino. He later served as assistant manager (#3217 North Hollywood, #3151 Sylmar, and #3021 Reseda), and operating manager (#3075 Studio City, #3155 Hollywood, and #3147 Montrose). All locations are in California.

Vanessa Odlin has been named pharmacy manager at #968 Waltham, MA. Vanessa most recently held the position of pharmacist, also at #968.

Lonndon Seely has accepted the position of facilities loss prevention manager for Sav-on at 1500 Anaheim, CA. Lonndon most recently held the position of facilities loss prevention supervisor at the Chicago distribution center.

Changing Times . . . People on the Move, continued

Jay Shapiro has been named general manager at #3860 Lawndale. Jay began as a management trainee at #3299 Manhattan Beach. He later served as assistant manager (#3053 Torrance and #3809 Hermosa Beach), team leader for the Sav-on Express conversion/remodels, and operating manager (#3408 Artesia, #3175 Torrance, and #3860 Lawndale). All locations are in California.

Kim Watson has been named general manager at #3824 Claremont. Kim began as a management trainee at #3287 Chino. She later served as assistant manager (#3293 West Covina, #3327 Pomona, and #3287 Chino), and operating manager (#3287 Chino and #3093 Arcadia). All locations are in California.

Sheila Wilkinson has been named general manager at #3853

Orange. Sheila began as a clerk at #3367 Oceanside. She later served as a management trainee at #3367 Oceanside, assistant manager at #3125 El Toro, and operating manager (#3115 Orange and #3261 Tustin). All locations are in California.

3rd Annual Revlon Run/Walk for Women

Once again, Sav-on will be the co-sponsor of the "3rd annual 5K Revlon Run/Walk for Women" that will be held on May 11, 1996, in California at Cheviot Hills Park (across from Fox Studios).

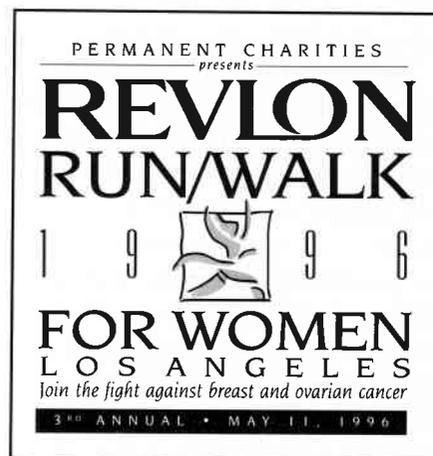
In the past two years, this event has raised over 1.5 million dollars for the fight against breast and ovarian cancer. Together breast and ovarian cancer are the major causes of cancer mortality in American women today. We need to work together to find a cure.

You can do your part by joining Sav-on drugs on May 11, 1996. Last year we had a team of approximately 600 participants. This year, our goal is to have 2000 runners/walkers represent Sav-on's commitment to help find a cure against breast and ovarian cancer. To make this possible, we need strong store support for this worthwhile event.

Each store in California has received brochures and posters promoting this event. Each store will also receive a 3 x 3 window bill and an easel card promoting the Revlon Run/Walk and the special

appearances of two of Revlon's spokesmodels at four of our Sav-on stores. On Friday, May 10, Revlon spokesmodel Vendela will be at store #3195 from noon - 1:30 p.m. and also at store #3109 from 6:00 p.m. - 7:30 p.m. Also on Friday, May 10, Revlon spokesmodel Karen Duffy will be at store #3209 from noon - 1:30 p.m. and also at store #3153 from 6:00 p.m. - 7:30 p.m. We will also have radio station KBIG-FM at stores #3209 and #3109 to help draw a crowd to our stores to meet the spokesmodels. KBIG-FM will be giving away T-Shirts, mugs, CD's, and bumper stickers from the parking lots of these two stores. KBIG-FM will also have promotional announcements starting the week of April 29 that will mention the Revlon Run/Walk, the model appearances, and Sav-on's support for this event.

Each California store has been asked to use their creativity to build a strong display consisting of Revlon products and promotional materials. Revlon will be holding a contest to help get as many store associates involved in the Run/Walk as possible. All California stores should



have received a letter with all of the details about this contest during the week of April 1.

American Drug Stores is looking for strong support from all of the California stores. Please join us on May 11, 1996, to help the fight against breast and ovarian cancer!

Ask Dick Davis



Q: "Our store policy is "no receipt - no cash back on items over \$10.00, store exchange only." A man came in with a return and did not have a receipt but because he was loud and obnoxious our manager gave him cash back. Why don't we stand by our policy of no cash back?"

A: Our company's Guarantee Policy is to satisfy our customers every time they come in to our store. We must remember that almost every customer is honest. We must also remember that when we handle an unusual refund situation for one customer, other customers are watching.

We should be known as the company that bends over backwards to please our customers. This may mean that occasionally a refund will require us to "bend" the policy on behalf of our customers. Since we are able to get credit on almost all damaged product, our actual loss is very small. Our gain as we are perceived as "**The Best Place to Shop,**" will be tremendous. When those unusual questionable situations arise, our managers must use their experience to properly handle that individual.

This is truly one of the greatest challenges in retailing. In truth, it is sometimes much harder to say "yes" than it is to say "no."

Q: "Could you explain why American Stores cannot offer a health plan that is more widely accepted for their New Hampshire associates. This year I was left with two choices; Traditional, which all my doctors accept and bill at a staggering cost of over \$30, or Blue Flex, which is more reasonable (around \$16), but is not accepted by area doctors and hospitals. As a single

mother of one child who requires frequent doctor visits, I was forced to choose the Blue Flex for a strictly monetary reason. I will now be forced to pay for visits and receive a lower percentage of coverage because doctors and hospitals that participate in Blue Flex are too far away for me and my daughter to take advantage of. Can't the Benefits Department find a plan that is also useful for us in New Hampshire?" **A Concerned Associate, Eastern Region**

A: The current "Point of Service" option guidelines in New Hampshire allow for at least two primary care physicians and two pediatricians within a 15 mile radius of a member's home zip code. Blue Cross Blue Shield has been informed of the concern expressed by some of our New Hampshire associates that many area doctors are not participants of the Blue Flex network. They are currently accessing this situation and will be making an effort to build up the Blue Flex network in New Hampshire throughout the coming year.

Q: "In a recent ad, Sav-on advertised several items that appeared to be on ad for 10¢ a pack. This ad was very confusing to the majority of our customers. Yes, the ad did explain, in small print, that these items came in packs of eight and ten, but was still confusing. The worst part about it was that many of our employees, including myself, received a lot of bad rap and complaints from regular customers. Why does Sav-on print a very misleading ad?" **A Harassed Employee**

A: The 10¢ promotion has been used in the past in

the Chicagoland market and had been very successful. Unfortunately, the recent 10¢ promotion was not received favorably by our customers in most of the markets American Drug Stores currently serves. This promotion is being evaluated and will not be used again unless the design of the promotion is customer and store friendly.

Do you have questions about the business for Dick Davis? If so, jot them down and watch for future issues of PEOPLE magazine for the answer. Return your questions either via backdoor mail to PEOPLE, 1818 Oak Brook, or via e-mail to PEOPLE.magazine. Be sure to include your name and location.

Q: _____

Name: _____
 Location: _____

“Think Shrink”

We Are The Solution

By now, your manager should have held a meeting to explain how shrink is affecting your store and what you can do about it. As we reported in last month's column, shrink is currently eating up millions of dollars in company profits. This can have a direct effect on you as these losses limit the company's ability to give pay increases, remodel older stores, and provide new opportunities by building new stores. As we also explained last month, we want to use this column to explain some of the company's standards stated in the *Manager's Shrink Reduction Guide* which help us combat shrink. Below are answers to two of the questions in the *Manager's Shrink Reduction Guide*.

Q: “Do we always offer our bags and smocks to Management when we leave?”

A: It is the responsibility of our managers and supervisors to check for receipts on all product consumed in or taken from the store. This is because some associates have been tempted to take merchandise without paying for it. Our intent is to prevent this from occurring and relieve this temptation by eliminating the opportunity to take product. By offering our bags and smocks to management, we assist them in verifying that we have properly paid for everything we are taking or consuming. Remember, it is our responsibility to have a valid receipt for all merchandise purchased and to



offer all bags and smocks to management before leaving the store.

Q: “Is the office door locked when the office is not occupied?”

A: There are many items in the manager's office which are confidential and need to be secured (payroll records, personnel files, merchandising programs containing sensitive pricing data, etc.). Also, most of our closed circuit television equipment is located in the manager's office. These CCTV systems are crucial in our efforts to prevent armed robberies and be able to identify the robbers if they do occur. Therefore, it is extremely important to secure the office so that no one gains entry and tampers with the equipment.

We hope that this gives everyone a better understanding of how these standards assist us in managing our losses. If you have any questions or would like to share your own “Shrink Fighting Ideas,” please write to People magazine, 1818 Oak Brook.

Cover Story!

On a recent shopping visit to Osco #639 Chicago, IL, I left \$80.00 (four \$20 bills) folded up on the counter and walked away with my purchase. I was waited on by manager Jean Castanuela. I didn't realize I lost the money until the next day at work. I called that night and spoke to a young girl who said it was not in the drawer so it was not found. Two weeks later I ran into Jean and I told her I had lost the money. She said, “I have it locked up in the safe and gave it to me.” You can imagine my surprise and delight to find such a kind, honest, and trustworthy person in today's world (she would not let me give her money for lunch).

Sincerely,

Mrs. Pat Martin

PEOPLE magazine is published semi-monthly by the Human Resources Department of American Drug Stores, Inc., 1818 Swift Drive, Oak Brook, IL 60521. Article suggestions and Ask Dick Davis questions may be sent via back door mail to PEOPLE, 1818 Oak Brook, through U.S. mail to the address shown above, or via e-mail to PEOPLE.magazine. Photos and retiree changes may be sent via back door mail to PEOPLE or through U.S. mail.

EDITOR: Mary Ryan

EDITORIAL

ASSISTANT: Dolores Enright

American Premier Introduces Three New Cookie Flavors

The development of three new American Premier Extravagant Cookies has just been completed. The three new flavors, Lemon Creme, Chocolate Vanilla Creme, and Peanut Butter, will be introduced to our customers in June. These new cookies will be in addition to the four flavors that are currently in our stores expanding our American Premier Cookie line to 7 items.

Our three new American Premier cookies have been formulated and tested to ensure the highest quality available in the marketplace. At the same time, they offer exceptional value to the consumer. These three



new additions proudly show the "Exceptional Quality Guaranteed" logo prominently on the package just as our existing American Premier products do.

The expansion of the American Premier Extravagant line will enhance our ability to market and merchandise the cookies in our stores. With more flavors, we can show an expanded presentation in the cookie/snack section, with nearly twice the variety we've previously been able to offer. The additional varieties will also help enhance each store's ability to display the



American Premier Cookie Line.

An exciting advertising plan has been created to help promote the new cookies when they reach our stores. We also have a very attractive Point of Sale Kit planned for all

stores that carry the American Premier Cookie Product Line.

Be sure to watch for these new items as well as more exciting products and events from Private Brands in 1996.

PART-TIME ASSOCIATES QUALIFYING FOR HEALTH CARE COVERAGE DURING THE FIRST QUARTER OF 1996

April 15-19, 1996 - Open enrollment materials will arrive at work locations.

April 22-26, 1996 - Open enrollment period. The BENEFACTS System phone lines will be available from 8:30 a.m. to 5:00 p.m. (Eastern time).

June 1, 1996 - Coverage effective date.

Watch Your Mailbox - ASRE Statements Will Be Arriving Soon!

No news is good news? This is not always true. American Stores Retirement Estates, or ASRE members, in fact, will soon receive some good news in the mail. On April 22, ASRE annual reports and personal account statements for 1995 will be mailed.

Upon receiving these materials, be sure to take time to review them. They provide the most current information on the status of your ASRE account. Account balances



and the company's contribution for 1995 are contained in the statement.

The annual report will help explain how well each of the investment funds performed during the past year.

Remember, to begin making R deposits or to ask specific questions about ASRE, call ASRExpress at 1-800-228-ASRE.

Thought for the Day!

“Man’s mind, once stretched by a new idea, never regains its original dimensions.”

Oliver Wendell Holmes

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Reminder!

Nominations for the ASC 1996 President’s Medallion Award Program must be postmarked by April 22, 1996

Attention Pharmacy Students!

Time is running out! Applications for the Pharmacy Student Loan Program are currently being accepted and must be received by your divisional director of human resources by April 17, 1996.

AMERICAN DRUG STORES
1996 PHARMACY STUDENT LOAN PROGRAM

NAME: _____

Work LOCATION: _____ Position: _____

Social SECURITY #: _____

HOME Address: _____

City: _____ STATE: _____ Zip: _____

TELEPHONE: (____) _____

COLLEGE of PHARMACY you will ATTEND (OR ARE ATTENDING): _____

Will BE ENTERING:
(Fall of 1996)

1ST YEAR of 3 YEAR PROGRAM

2ND YEAR of 3 YEAR PROGRAM

3RD YEAR of 3 YEAR PROGRAM

1ST YEAR of 4 YEAR PROGRAM

2ND YEAR of 4 YEAR PROGRAM

3RD YEAR of 4 YEAR PROGRAM

4TH YEAR of 4 YEAR PROGRAM

DEGREE SOUGHT:

BS PHARM D

SEND THIS COMPLETED FORM TO YOUR DIVISIONAL DIRECTOR OF HUMAN RESOURCE'S OFFICE BY 4/17/96. A COMPLETE PACKAGE OF APPLICATION MATERIALS WILL THEN BE SENT BACK TO YOU.

American First Federal Credit Union - New & Improved Access!

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AmerFirst@aol.com

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Applications and services by voice mail.

RateLine

Get up-to-the minute rates.

American Drug Stores IS ON THE INTERNET!

A new dimension in marketing and customer service was realized on April 1, when American Drug Stores' web site was activated on the Internet.

Anyone with Internet access can visit the site via their web browser by utilizing any of the following Uniform Resource Locators ("URL"):

- <http://www.sav-ondrugs.com>
- <http://www.oscodrug.com>
- <http://www.americandrugstores.com>

Our goal by having our own web site is not only to provide information about our company, but to also provide health related information, a store locator, and career and business opportunity material to the nearly 12.5 million "Net Surfers" (people who browse the Internet). American Drug Stores has also provided valuable store coupons that our customers can print at home and redeem at our stores!

Developing the site took approximately six months and involved the efforts of many people from various departments at American Drug Stores and American Stores Company who worked with site developers at "Intelli.com," an Internet consultant in Chicago. But the work didn't end when our site was activated! There are enhancements planned for the future as well as the every day management of the feedback we receive and customer and applicant contacts we make.

"This was one of the most enjoyable and rewarding projects I've ever been involved in," commented Phil Castle, project coordinator. "Team members Erin Gaza, Troy Greenwald, Gerry Pearsall, Tony Ward, and John Wawak (with special thanks to Jim Kardasis) worked very hard to see this project happen quickly. It was definitely a total team effort. We all had a lot

The screenshot shows the top of the American Drug Stores website. At the top, there are logos for Savon drugs and Osco Drug, with the text "AMERICAN DRUG STORES" in large, bold letters. Below this is the slogan "Count on People, People Who Care..." and a welcome message: "Welcome to the premier Health Care Home Page on the Internet where you can find answers to many of your health care needs and Health Related career Inquiries." There are four navigation buttons: "AMERICAN DRUG STORES Find out More About Us", "Health & Wellness on the Net", "Osco Drug Savon drugs Store Locations", and "Business & Career Opportunities". At the bottom of the screenshot, there is a "Contact Us!" button and a copyright notice: "Copyright © 1996 American Drug Stores. E-mail comments or suggestions to pub@oscodrug.com."

of fun and are very excited to finally see our site up and running!"

Visit our web site and let us know what you think! We welcome your ideas and recommendations!