

Carl Bulger presided.

Our speaker was Mike Kubisiak, Manager of the Giant Food Store in Collington Plaza. Dan Lee asked him to talk about how computers have changed the grocery business and specifically how they are used at his store. Of course there is only so much that you can discuss about the use of computers. More women than usual were present. They asked more questions, but mostly not computer-related.



(Picture courtesy of Dennis Edgington)

Mike has worked for Giant Food for 35 years, starting as a dairy clerk. He now is in charge of what Giant calls the "Center Store", non-perishable groceries, dairy, shampoo, etc. The Perishables, including fruits, vegetables, etc., are overseen by contract vendors. Breads, soft drinks, and other high turnover items are often managed by the vendors.

Giant Food was the first grocery chain to install computer check-outs. Now they have Self-Scan checkout aisles, ScanIt carts where a customer can scan each item as he/she puts it in the cart and have the cart totaled automatically, and Bonus Cards.

Analysts at Giant Food's headquarters analyze the computerized data from checkout, bonus cards, and inventory monitoring to discern customer habits and preferences and generate computer algorithms to print out coupons they think a specific customer will use. Corporate headquarters also keeps track of prices and sales at each store. Prices for a particular item will vary from store to store depending on the local competition from other chains. But the newspaper sales ads are generated by corporate headquarters.

The Gas Point Program is customer incentive with the gas points printed on the bottom of the sales receipt. Because of cheating by some gas customers, Giant now is requiring the use of a PIN in addition to the Bonus Card number, because it is too easy for a cheater to randomly select someone's phone number at the gas pump who has a Bonus Card and use that customer's points to subsidize their gas purchase.

Another incentive program is the Apples for Students program. You can select a school that you want money to go to for buying Apple computers and accessories.

Collington Plaza's biggest local competition is Walmart just across the street. Mike has noticed that Walmart is planning to build a SuperWalmart just across Route 301 from the present location. Walmart doesn't have a salad bar or fresh produce. Giant prides itself on the quality and freshness of its produce. In a few weeks, the Collington Giant will take over the Salad Bar preparation from the vendor and will feature more freshly-cut and prepared ingredients.

Inventory control is heavily computerized. Every day managers walk up and down the aisles with handheld scanners taking inventory. The scanners read the Bar Code but the manager can manually select the reading of Giant Food's SKU number which also identifies a particular product. They can see when items are out of stock, low in stock, how much is in the back room, and how much needs to be ordered from the warehouse in York, PA or from independent vendors. Computers will calculate how many pallets (one truck trailer can carry 24 pallets) are being ordered by a particular store and will attempt to round out the trailer load with pallets for a nearby store. Even the warehouse now belongs to independent vendor CNS. A little over a hundred of the truck drivers delivering to Giant Food are still Giant employees working under the Teamsters Union.

The Collington Store is experimenting with PeaPod, Giant's online ordering vendor. In Collington's experiment, a customer can order online and pick up the order from the store. One advantage for the customer is that the people selecting the perishables will select the best of the produce, meat, etc. Some areas, north Bowie for example, have been receiving PeaPod deliveries to their homes. This is especially handy and necessary for shut-ins.

Giant also provides online ordering of party platters which can be picked up at the store.

Most Giant Food employees belong to a union. Therefore, the Affordable Care Act is likely to have an effect on food prices. Currently, about 25% of employees are full-time and 75% part-time.

IT software is managed by corporate headquarters which generally contracts out acquisition and, in some cases, operation and management. Their payroll system, for example, is Chronos software. Fujitsu is one of their software contractors.

Giant Food's policy is for every store to be renovated every 7 years. Even FreeState Mall's Giant Food store is doing a minor renovation which will result in a lowering of the shelves so that it will be easier for the customer to reach everything. Corporate headquarters handles the renovations and determines product placements vertically and horizontally within the store. "Deals" with vendors for the best

product placements are done at headquarters. You can be sure that headquarters consults the computer readouts of sales of those particular brands and items when negotiating with a vendor.

COMPUTER PROBLEMS:

Eric Hein said that all of the computers in the computer lab/classroom lost internet and interconnectivity just a week-and-a-half before the start of new classes. The 24-port electronic switch failed after 13 years of continuous use. For \$155 it was replaced with a switch that is 10 times faster.

One member recounted that she received a call from "Windows Technical Support" saying her computer was infested with malware and they listed the problems. They wanted her to allow them to remotely fix the computer for a fee. Fortunately for her, the telephone connection began to fade out. She realizes that they were phishing for sucker. Eric Hein said that his wife received one of those calls and a week later he received one. He just hung up on them. The Federal Trade Commission is one place to report these phishing attempts. If you have registered your phone number on the "Do Not Call" list, they have violated FTC's regulations. Recently, I have been receiving 10 times as many illegal advertising calls as normal. I suspect that the FTC has cut enforcement as part of the budget sequester to "make the average voter feel the pain".

ANNOUNCEMENTS:

Dave Hackenberg reminded us that new computer classes start next Monday and that volunteers are needed to help. He said that this is a way to learn more about computers and software programs; he said he has learned a lot this way.

Carl Bulger asked us to think of nominees for Club officers. The election is coming up on the first Thursday of October.

Submitted by Barry Hammond, Secretary