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TO: R. M. Allen D. J. Lawson  
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RE: *Albertson's Contracts*

Dear Ladies and Gentlemen:

Effective 3rd Quarter 1996 we will be converting to a more simplified contract designation system to reflect the various Albertson's contracts. Currently we have various ways to reflect what contracts are in each store. If a store changes one of their merchandising components we would have to end contracts and add others. To further complicate the issue it has come to our attention that some of the Retail Reps have become confused with the current designations. There is very little differences between the current designations, but the requirements vary greatly. Some of the Retail Reps have issued non compliance for items that do not place the contract in that position.

There will be four contracts that could appear in an Albertson's store depending on what pieces are in place. These contracts are:

Type	Plan	Rate	Description	Requirements
CTN OUTLET	NSL3E	\$ 242	Standard Carton Contract	SS or NSS RJR Carton Fixture w/ Canopy and NSS Package Display
CTN OUTLET	PKALB	\$ 207	Self Service Package Contract	SS Package Fixture (various option available)
CTN OUTLET	ALBERT	\$ 124	Savings Enhancement Program	SS Savings Center and Divisional Share of Savings Objective
CTN AC MAT	L3E	\$ 324	Retail Accrual Contract	Maintain the CTN OUTLET NSL3E

If a store has a specific merchandising piece they will also have a specific contract. The Retail Reps will no longer have to refer back to a sheet to figure out if a store is compliant or not. If they have the piece they have the contract, if the piece is gone so goes the contract.

Hopefully these changes will simplify the contract compliance issues in the stores. I know it will make Ginger and my life a little easier when it comes to pay register time. Winston-Salem did have some concern that it appears we have developed a "component" contract system. I have assured them that we are still implementing and presenting the contract to Albertson's the way they signed-off on it (NSL2E and NSL3E). This is being used to simplify the process internally. Thanks to Monee Anaya for the idea, thanks to Rich Pettorini for getting it in the system.

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