

your office, with my permission, you duplicated a page 10 with limitations of our study, outlining reasons for price discrepancies, and to which you have not responded yet to me, and I did not receive any notice of a phone call that you made to my office.

Mr. ROSENTHAL. Apparently there was a breakdown in communications, regarding the price check that they made at the Gem store?

Mr. WHITE. No, sir. We have seen no other price check. In fact, I was not aware until this morning that we were specifically a part—

Mr. ROSENTHAL. I think that was Mrs. Slavin's study. You didn't send that to the Kroger people, did you?

Mrs. SLAVIN. No. We just provided our data for analysis to Mr. Baum and Mr. Nadler and that was not until the week of, probably the week of November 13. When they came to our meeting they had reported to us that they had already met with Kroger officials.

Mr. WHITE. The first I knew Mrs. Slavin was making price checks was when I read it in the newspaper, I believe it was last Sunday an article commenting that she was making price checks and cooperating with the HDC group.

Mr. ROSENTHAL. Let me ask just a few more questions, because we are pressed for time.

Are there special problems with a chainstore in a ghetto area, problems different than other areas?

Mr. WHITE. What do you mean by different problems?

Mr. ROSENTHAL. Well, there has been talk that insurance rates are higher, pilferage is a problem, labor shortage is a problem, things of that nature.

Mr. WHITE. Well, I have no way of measuring what our pilferage rate is specifically, so I would not be in a position to comment on it. I'm not that familiar with our insurance rates. Sometimes insurance rates for real estate property are part of the lease, sometimes they are separate from the lease and handled by the chain operating the store.

Mr. ROSENTHAL. At the Pruitt-Igoe store do you have a guard of any kind?

Mr. WHITE. Yes, we have a uniformed man in the store, and this also occurs in other stores that we operate.

Mr. ROSENTHAL. All your stores?

Mr. WHITE. Not all of them, no. Some of them we rotate.

Mr. ROSENTHAL. What factors do you consider before you reach a decision as to which stores should have a guard?

Mr. WHITE. The evidence of pilferage that there may or may not be and, again, this is not any direct measure at all, as far as that is concerned, and we rotate them through different stores on different occasions.

Mr. ROSENTHAL. At that store you do have an extra labor cost that you don't have in some of the outlying stores?

Mr. WHITE. If for a given time it would not be a detective or a uniformed or armed man in the store.

Mr. ROSENTHAL. How do you compensate for that additional cost in relation to the ordinary profit picture of the store? This is sort of an unusual labor cost. How do you compensate for it?

Mr. WHITE. We make no compensation.

Mr. ROSENTHAL. I haven't had the opportunity to see this store. Is