

Mr. ROSENTHAL. Do you expect that it will?

Mr. WHITE. Not in the very near future.

Mr. ROSENTHAL. Then why did you open it?

Mr. WHITE. Our real estate estimation, and I was not in the division at the time it was studied and I did not come until after it was built, our real estate estimation at the time was that it was a good economic investment for the corporate company. My only responsibility now is to see that it is operated in an attempt to live up to the expectations.

Mr. ROSENTHAL. But if it doesn't turn a profit, if you can't make it manageable, will you keep the store there?

Mr. WHITE. That is not solely my decision. That's a management decision and several of us would be involved in making it.

Mr. ROSENTHAL. I was really questioning you not so much now on Kroger but just to get the benefit of your experience in the industry, because I think it is quite clear, and we had this testimony in every city, that there are not enough supermarkets in these areas, and I just wonder if there isn't something we both should be doing.

Mr. WHITE. Well, my general comment would be that any businessman of a corporate chain nature such as we are would have a responsibility to show a return of some sort on his investment for the stockholders.

Mr. ROSENTHAL. Right.

Mr. WHITE. And they make, I'm sure, as we at Kroger Co. do, a very extensive detailed research study and economic justification for every real estate property.

Mr. ROSENTHAL. Well, Mayor Lindsay heads up an urban coalition, comprised of leaders of American businessmen who know how to make a profit. These men are trying to improve the quality of life in these low-income areas. From a consumer point of view, one way is to help them buy more food for their dollar, and the only way to do that is to have efficient supermarket operations in ghetto areas, and I want to pursue for only a moment the question: Is there something that Government should be doing to help, such as Father Shocklee's suggestion of some tax abatement.

Mr. WHITE. Well, again, I don't know.

Mr. ROSENTHAL. Do you think that would be an incentive?

Mr. WHITE. Here again I don't know that I am qualified to speak in that area. I am not familiar with what specifically is going on with other Government agencies now at this time. I don't really feel qualified to speak about what I feel the Government should do.

Mr. ROSENTHAL. Congressman Myers?

Mr. MYERS. I am still trying to find myself.

Mr. WHITE. I was interested in your salary and bonus relationship with your managers. I think you said that a manager could get up to 33 $\frac{1}{3}$ percent of his annual salary, is that correct?

Mr. WHITE. He can earn up to 33 $\frac{1}{3}$ percent of his annual salary; yes.

Mr. MYERS. Is this figure on a sales basis for the year, annual basis, or how does he draw this?

Mr. WHITE. Well, we, through a bonus committee of management people, estimate in our best judgment as to what the sales for a given store should be for the first six periods of a year that we operate within. We operate on 13 4-week periods every year. So we analyze this and