

Mr. MYERS. He is from that area?

Mr. WHITE. Yes, sir.

Mr. MYERS. Do you make any point that you try to hire people locally?

Mr. WHITE. Yes. We feel that's good customer relations in any neighborhood store.

Mr. MYERS. Then if the alleged charges here were true, the stock boys would know we have to go out and mark up prices in this store, they would know that?

Mr. WHITE. Yes.

Mr. MYERS. There seems to be a breakdown some place along the line about pricing, how you price and so forth. I notice here, Wonder bread is one question, but a lot of items are all the same. Let me go back. Would you explain, you said there were two stores under category 1 and two under category 3. What do you mean by that?

Mr. WHITE. As I understand the survey was, it was given to us, listed under No. 1 two stores had all of these prices, Olive and McKnight and Olive and Purdue, which are two different locations.

Mr. MYERS. Two different locations but all had the same prices then?

Mr. WHITE. That is correct. Then under No. 4 they listed 9955 Manchester and 9501 Watson Road. Now, again this points up some question as to the value of this report to us because we know for competitive reasons the store on Watson Road has been given permission to reduce the price because of competitive reasons. On one example which would be sugar, he has it at 55 cents; 59 cents was the book price at that time, his price because of competitive reasons is 55 cents. The store on Manchester does not have that prerogative nor has he had that authority to reduce the price to 55 cents. So to the best of our knowledge, at that time the price in the Manchester Kroger store was 59 or should have been 59; the price in the Crestwood store should have been 55.

Mr. MYERS. Well, a number of items are all the same. Folgers' coffee is the same in all your stores, I notice, the cereals always the same, baby food is the same, bananas were the same, breads the same. Are these staple items that the price doesn't fluctuate? Can you show why those were the same and others were not?

Mr. WHITE. No; other than all stores, as I indicated earlier, are to price it at book price unless they have authority to reduce it for one of these other various reasons. No; because again I think the definition of staple is important. It doesn't necessarily mean that it is or is not ever advertised. We advertise most of these items at some given time or another, which at that time, then, it would be at a different selling price than the everyday price.

Mr. MYERS. You made mention just a moment ago about dropping a price at a certain store. Does the store manager have authority to make requests to drop the price?

Mr. WHITE. He has authority to make the request. However, he cannot do it without counsel from the respective merchandiser—meat, produce, or grocery.

Mr. MYERS. He has to have someone approve the reduction, then?

Mr. WHITE. We ask them to work with the merchandising departments.