

Mr. MYERS. Do you have any explanation for their charges here?

Mr. WHITE. Nothing other than what I have commented on this morning; no.

Mr. MYERS. Do you have any comment about the activities here? Have they been beneficial and helpful to you?

Mr. WHITE. I don't know. They have pointed out things that I feel I have been concentrating on since my assignment to the St. Louis division as manager of operations. I have been assigned to this division now approximately 16 months. I have been concerned, as I was when I was a zone manager, which is a store supervisor, in the Cincinnati division, with the problems we have in getting merchandise priced properly, getting it displayed, not having out-of-stock conditions so that our customers can buy the merchandise they want at the lowest possible price we can sell it to them for.

Mr. MYERS. What is your explanation for this variance in prices here?

Mr. WHITE. I have no definite explanation. I have questioned several of them. Again, I did not see the item in the store on that given day.

Mr. MYERS. But you have followed it up personally with the managers of those stores?

Mr. WHITE. On some specific items; yes. As I indicated on the record, I followed up and looked at myself personally the invoices for those stores from those companies on that week, right.

Mr. MYERS. Thank you.

Mr. WHITE. I would like to also state that we, as has been our practice, attempt to follow up and see that things are properly priced in the stores.

Mr. MYERS. I have one other question which I would like to ask.

Do you display a price sheet in each store so the customer can see what he should be paying for these products?

Mr. WHITE. No. We do display the price of the item on the shelf as a shelf price tag.

Mr. MYERS. You do advertising, display ads in newspapers and so forth?

Mr. WHITE. We display the ads in the stores, yes, and generally more than one ad in each store, so that the advertised items are posted by means of a copy of the newspaper ad in each store.

Mr. MYERS. Thank you.

Mr. ROSENTHAL. I have one or two further questions.

This new store that we spoke about, I don't remember where it was, it is still losing money, nonetheless the manager does make some bonus. How is it that if a store is not profitable a manager can still get a bonus?

Mr. WHITE. I didn't say he was making some bonus. I said he was eligible to earn bonus depending upon the degree he reduces the red figure.

Mr. ROSENTHAL. A manager can make a bonus even if the store is not turning a profit?

Mr. WHITE. If he improves upon the red figure of that store; yes.

Mr. ROSENTHAL. So that even if these stores in the ghetto area were not profitable, nevertheless a manager is eligible to make a bonus?

Mr. WHITE. That is right.