

## LOOKING OUT FOR BUSINESS

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# PRIMARY ELECTION IS JUNE 8!

## FOR THE FIRST TIME, NEVADA IS HOLDING ITS PRIMARY ELECTION IN JUNE.

According to the U.S. Census, the most common reason people give for not voting is that they were either too busy or had to work.

Now is the time to schedule when you will vote. The Primary is held on June 8, or you may vote early beginning May 22. Add it to your calendar. Put it on your "To-Do" list. The future direction of your city, state and country could be decided by this election. There are more candidates running in this Primary Election than ever before. The decision is yours.

As Mary Lau, RAN CEO, said, "The Retail Association of Nevada has always encouraged its members to register and vote. But I can think of no election in recent times which has been more important than the 2010 primary and general elections. The outcome of these elections may have far-reaching effects on your businesses and lives. I urge you to not only register and vote, but to encourage your family, friends and employees to also vote."

### WHAT YOU NEED TO KNOW:

**Registration:** To find out if you are registered to vote, go to <http://nvsos.gov/index.aspx?page=3> fill out the form, and the search engine will let you know if you are not registered

to vote.

**To Register to Vote:** There are different ways to register to vote. You can fill out the form on-line: <http://www.nvsos.gov/SOSVoterRegForm/VoterForm.aspx> print it out and mail it to your county clerk. The name must match your driver's license. If you do not have a driver's license, then you can use your Social Security Card information.

You can also register by visiting your county clerk's office, or by going to the DMV. You can register to vote at the same time you register your car.

You will be asked to choose a political party. If you just want to be independent and not affiliated with a political party, then you will have to register Non-Partisan. Nevada doesn't have a status called Independent. The Independent American Party is, in fact, a political party. Non-partisans do not usually take part in primary elections.

### THE LAST DATE YOU CAN REGISTER TO VOTE IN THE PRIMARY ELECTION IS MAY 18, 2010.

**Voting:** If you think you will not be able to vote on June 8, you can vote before then. Early voting in Nevada begins May 22, 2010. To vote early, you will have to either go to your county clerk's office, or an alternate spot designated by the County. In previous elections, Clark and Washoe set up voting

booths in various stores or malls. Contact your county clerk if you think you will need an absentee ballot.

Early voting ends on June 4, 2010. The Primary election will be held June 8, 2010.

### SUMMARY:

- Registration ends: May 18, 2010
- Early Voting is: May 22–June 4, 2010
- Primary Election: June 8, 2010

### WHO'S RUNNING:

No one can remember a primary ballot as full as this one. Deep concern for the future of our state and country has stimulated many citizens to decide to run for office. On the following pages, you will find some information about a few of those running. ■

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# PRIMARY ELECTION FOR GOVERNOR:

**James A. Gibbons, Republican** [www.jimgibbons2010.com](http://www.jimgibbons2010.com)

## **I** N JANUARY 2007, NEWLY ELECTED GOVERNOR JIM GIBBONS GAVE HIS

State of the State address. Applause erupted over 50 times, but the most controversial portion of the speech was his education plan.

In the plan, Governor Gibbons proposed empowering schools to operate with more autonomy. Principals would be allowed to hire and fire teachers based upon student performance and projects would be proposed based upon individual school's needs. The education establishment and their unions did not greet the plan enthusiastically. The 2007 Legislature enacted a weak version of the plan, but the subsequent recession and budget cuts caused its elimination.

Today, Nevada and many other states are competing for federal grants under a program called "Race to the Top." Many of the requirements for the grant awards were contained in the Governor's 2007 State of the State speech.

When asked about this, the Governor chuckled. "Yes, that's true, and if legislation had been changed we would have been in a better position to apply for the grants. But I'm looking forward. We made some changes in a special session and I've appointed the Education Blue Ribbon Task Force to oversee the application. Hopefully we'll qualify for part of the \$175 million federal education grant. It's not easy trying to make changes in a system that's hasn't changed in 100 years."

The next governor will also

play a role in the redrawing of the legislative and congressional districts.

"Not many people know how different the districts are," explained Gibbons. "Some Republican assemblymen represent thousands more people than the Democratic districts. Since the reapportionment plan comes over to the Governor's office in the form of legislation, the governor can veto it. And I wouldn't hesitate at all to veto it if it isn't fair," he emphasized.

Most important to Jim Gibbons is his vision of Nevada as the "beacon on the hill."

"You know, I was born and raised in Nevada. I've always treasured the state. It's my home. My children live here, good Heavens, my grandchildren are growing up here. Of course I want what's best for Nevada!

My chief goal is to preserve and grow the state. I have a plan of action for education. And we're trying to move forward, despite the challenging economy.

"First we have to improve the economy. That means not placing more burdens on the businesses here, many of which are just hanging on by their fingertips. Then we want to attract more companies to move here and create more jobs, preferably in renewable energy. We can't do that with gross receipt taxes, higher sales taxes, corporate income taxes or burdensome regulations. I would like us all to work together to get the recovery under way, but I will oppose any attempts to raise taxes or make Nevada unattractive to companies thinking of expanding or relocating to Nevada," he concluded. ■

# PRIMARY ELECTION FOR LT. GOVERNOR:

**Brian Krolicki, Republican** [www.briankrolicki.com](http://www.briankrolicki.com)

## **C** HAIRING THE COMMISSIONS ON TOURISM AND ECONOMIC

Development during one of the deepest recessions in recent times can't be fun, but Brian Krolicki maintains his optimistic viewpoint.

"We've really increased our tourism market with Asian travelers. They stay longer and really help the economy. We're increasing our outreach to Canadian and Mexican tourists and that's helping to offset the lack of domestic visitors,"

explained Krolicki. "In economic development, we're continuing to encourage business expansion and relocation. The challenge lies with tax incentives. Other states offer those and for us to be competitive, we need to do the same. At the same time, some feel that those very tax incentives might limit the amount of tax revenue going to local governments. It's important to take a long-range view and balance what might be a short-term loss against a long-term gain," he said.

The Commission also awards grants to regional commissions to assist in recruiting businesses to various areas.

Krolicki is upbeat about the future of logistics in Nevada and the myriad jobs which can result.

"We're perfectly located for warehousing and shipping. We can be the portal to the West. We have the appropriate tax and regulatory environment that makes us uniquely qualified to grow those jobs quickly," he said enthusiastically.

Besides chairing the Commissions on Tourism and Economic Development, Krolicki is also responsible for presiding over the Nevada Senate when the Legislature is in regular session or special session.

"Jobs! Jobs! Jobs!" emphasized the Lt. Governor. "That's my focus for the near and distant future! We've got to diversify the economy and at the same time preserve our tourism industry. It's a big challenge, but we can meet it," he said confidently. ■

***"To compel a man to subsidize with his taxes the propagation of ideas which he disbelieves and abhors is sinful and tyrannical."***

THOMAS JEFFERSON



# PRIMARY ASSEMBLY RACES

## Joshua James Gust, Republican

AD 13 Clark County  
[www.GustforNevada.com](http://www.GustforNevada.com)  
(Businessman, Associated Chapel; J. Transportation)

Like many candidates this year, Josh Gust wasn't thinking about running for office. When he found out that Chad Christensen was going to run for the U.S. Senate, he started interviewing the other candidates.

"No offense," he said, "but I just think I can do a better job. I wasn't hearing what I wanted in my representative. I decided it was time for me to live up to my responsibility as a citizen. People shouldn't just gripe, they should get involved, and give back a little. That's what I'm trying to do."

Josh grew up in Las Vegas. Helping out with his family's business, he learned responsibility early... and how government affects a small business.

"As soon as I could use a broom, I was working," laughed Josh. "Although our businesses have grown, we operate on a narrow profit-margin. Something like a hike in minimum wage can have a huge effect on a business. It isn't the bottom salaries that are the problem, it's that you have to raise everyone else up the ladder. With too much government regulation, you end up cutting prices to still be competitive. Then you make less money, and pretty soon, you have to lay people off. Our people are just happy to have a job!

"We need people in office who can make the tough decisions and bring some common sense to government. That's what I hope to do and

that's why I'm running," said Gust.

Josh Gust believes in making government more efficient, cutting rather than taxing and maintaining Nevada's quality of life.

## Jason Frierson, Democrat

A.D. 8 Clark County  
[www.jasonfrierson.com](http://www.jasonfrierson.com)  
(Attorney, Deputy Public Defender)

In 1990, he was a running back on scholarship at UNR. Today, he's running for the Assembly in Clark County.

"I was class president in high school and then was elected class president while attending UNR. I've always stepped up when I felt there was a need I could fill," explained Frierson.

Jason's background is filled with quiet accomplishments, always stepping up when he saw a need. After graduating from the University of Nevada, Reno with a BS in Health Science, he volunteered for the AmeriCorps program where he counseled at-risk youth. He returned to Las Vegas and entered the UNLV William Boyd School of Law — and was elected class president.

Following graduation from law school, Frierson went to work for a small law firm. He joined the Attorney General's office where he prosecuted white-collar crime and then joined the Clark County public defender's office. In that last role, he was sent to Carson City to testify at the Legislature.

"I'm going up there with two goals: 1. Stop the bleeding — come up with a short-term fix, and 2. Come up with a long-term fix. I'm going to listen and try to find some new ways of

doing things. We may have to consolidate services, and we may have to find some new ways of raising revenue, but we need to protect our small businesses. It doesn't do any good to have them go out of business and lay people off," he said.

## Randi Thompson, Republican

A.D. 31 Washoe County  
[www.randithompson.com](http://www.randithompson.com)  
(Businesswoman, As You Wish P.R. firm)

As the owner of a small business, Randi Thompson is all too familiar with the impact of burdensome taxes and regulations. She's fought against them for years. And this year, she was named the State Director of the National Federation of Independent Business.

"I grew up here. This district is my home. And right now, my primary concern is jobs," said Randi Thompson. "Government doesn't create jobs, businesses do, but government can hurt jobs and businesses with more taxes and impractical regulations. One of my concerns is that government will try to raise taxes in 2011. They're even talking about income taxes. I'm opposed to any new taxes. Government needs to learn to operate more efficiently."

Randi is also concerned about education.

"I'm not saying that education doesn't need money, but it does need smarter spending. Education dollars can be leveraged into programs that affect the classroom instead of the overhead. Parents should have more say and schools should have more empowerment to be run individually," she explained.

Equitable property taxes

are also on Thompson's mind. "It's time we took a look at how we're assessing our taxes," she said.

"I'm also concerned about open government. The open meeting law is important to Nevadans and each session, there's movement to close it down. I'll fight against any proposals to limit the public's access to meetings or information," she emphasized.

## Pat Hickey, Republican

A.D. 25 Washoe County  
[www.votepathickey.com](http://www.votepathickey.com)  
(Businessman, Pat Hickey Painting, Inc.)

A fourth-generation Nevadan, Pat Hickey is an experienced outsider. After serving one term in the Assembly 14 years ago, Hickey chose not to run again.

"A growing family needs a stable environment. I needed to concentrate on my business and my family," Hickey explained. "Like many businesspeople, I couldn't take six months off from work every other year."

"Today, my family is older, I have employees to run the business and the length of the legislative sessions are limited, somewhat, by law. And I think, like many others, business people can't afford NOT to get involved. We all have to step up to our concerns and not just complain, but get in and try to fix the problems," he said. "I bring a fresh viewpoint, but I know my way around the system," he pointed out.

"It's time to cut the size and scope of government," Hickey said. "I'm opposed to a Gross Receipts Tax and other taxes which might hurt the growth

Continued on page 4



# PRIMARY ASSEMBLY RACES *Continued from page 3*

of jobs. We have to look at PERS and the liability hanging over the state. We can't continue down this path. It's time to think outside the box and approach solutions in a new way. For instance, we need market-driven reforms in education, such as charter schools and empowerment schools," suggested Hickey.

Pat Hickey said his district is concerned about open government and property taxes.

"It isn't just transparency, it's the open meeting law and public records. The public wants to know what's going on and why their taxes can't cover the cost of government," he declared.

**Kelly Kite, Republican**  
A.D. 39 Douglas County  
[www.kellykite.com](http://www.kellykite.com)  
*(Businessman, Insurance, Former owner small business)*  
*"What's right for Nevada"*

When Kelly Kite completed his 12 years on the Douglas County Commission, he thought he would fill his hours with golf, a little fishing and taking care of his insurance agency. That was before many in the community came to him and prevailed upon him to run for the Assembly. In short, he was recruited.

"These were people I respected. They said I was needed and now was not the time to take it easy. I've lived here for 25 years, and I've never seen it this bad. We have to address the deficit. We've got to improve the economy," Kite declared.

In his 12 years on the County Commission, Kite has gained the respect of many. He doesn't believe in finger pointing or name-calling. He does believe in working to get things done.

"I think people are tired of the bickering. It's time to listen and then hold a spirited but respectful dialogue to accomplish some positive action. But I won't compromise my conservative values," he said.

"This is not the time for more taxes," Kite explained, "we need to address our problems without waiting for the federal government. Efficiencies can be gained through consolidations of services and management restructure. Tax increases will only cause more small businesses to close, higher unemployment and a decrease in our tax base. We must get out of the way of Nevada entrepreneurs and allow them to grow the new jobs we need. Growing government jobs only adds to the cost of government," Kelly observed.

And Kite knows a thing or two about growing businesses. During his 12 years on the Douglas County Commission, he helped economic development bring 50 new businesses to the county.

**Pete Livermore, Republican**  
A.D. 40 Capitol District  
<http://pete4assembly.com>  
*(Businessman, former owner of several restaurants in Carson City)*

Carson City is a

consolidated district. Instead of a city council or county commissioner, they have a board of supervisors. Pete Livermore has served on the Carson City Board of Supervisors for almost 12 years. He's a long-time advocate of allowing the public to vote on taxes or opposing them. Just a few weeks ago, the Board considered a regional health district. Pete Livermore noted that the language enabled the Board to vote for a 4¢ property tax hike and voted against the proposal.

"I can't believe we would consider taxes at a time like this. Even in the near future, our focus has to be on increasing the tax base by increasing jobs. We need economic diversification, and I believe in renewable energy. Higher property taxes would only hurt those living on a fixed income or those who have to take furlough days," explained Livermore.

"As a businessman, I know the challenges of meeting a weekly payroll, dealing with government regulations and paying burdensome taxes. I know what should be changed and what growing businesses do not need. I support the cap on property taxes, and oppose a gross receipts tax or any other tax harmful to Nevada's businesses," emphasized Pete.

Carson's quality of life is important to Pete Livermore.

"My family and grandchildren are growing up here. I want to maintain the City's beauty while growing

a stable economic base. I'm concerned about education and how we can improve it with some new ideas," he concluded.

**Karen Hayes King, Democrat**  
A.D. 14 Clark County  
<http://karenhayesking.com>  
*(Retired, now a community volunteer)*

Vic Koivisto (Democrat) was going to run to replace his wife Ellen. However, they decided to take a year off from campaigning. Instead the Koivistos are supporting Karen Hayes King.

A former legislator and Clark County Commissioner, she co-sponsored the Taxpayers' Bill of Rights for Clark County requiring a vote of the people on proposed tax hikes. An early supporter of Nevada's Open Meeting Law, she always remained accessible to her constituents. Now, after 14 years out of the decision-making process, she brings an outsider's view along with knowledge of what can and can't be accomplished.

"Income taxes?!!!! I can't believe we're even talking about personal or corporate income taxes," Karen exclaimed. "But somehow we need to tone down the rhetoric and work together for the sake of the public. We need jobs for people and putting more of a burden on businesses will not accomplish that." ■

## UPCOMING EVENTS

NRF Loss Prevention Conference & EXPO: June 14-16, 2010 — Georgia World Congress Center, Atlanta, GA

NRF 2011: January 9-12, 2011 — Jacob K. Javits Convention Center, New York, NY

NACDS Marketplace: June 5-8 — San Diego Convention Center, San Diego CA



# ATTORNEY GENERAL MASTO WARNS HOMEOWNERS OF LOAN MODIFICATION SCAMS

**LAS VEGAS, NV—ATTORNEY GENERAL CATHERINE CORTEZ MASTO'S BUREAU OF** Consumer Protection is issuing a consumer advisory.

"Homeowners should arm themselves with information about the loan modification process. Unfortunately, several unscrupulous businesses, and attorneys, have 'sprung up' making unrealistic promises about their success rates in obtaining loan modifications," said Masto.

Loan modifications typically involve a reduction in the interest rate on the loan, an extension of length of the term of the loan, a different type of loan, or any combination of the three. A lender might be open to modifying a loan because the cost of doing so is less

than the cost of default. Many homeowners facing foreclosure currently have a variable rate loan. Such a loan can be converted to a fixed-rate loan.

Moreover, any arrearages can be "rolled-into," or added to the principal of the modified loan, the result being a larger principal, but lower monthly payments for the borrower over the life of the loan. Thus, loan modifications may be made by a lender in response to a homeowner's inability to repay the loan.

Scammers promise to obtain loan modifications for unsuspecting homeowners. In many cases, clients are advised by "their representatives" to forego making their monthly mortgage payments, ostensibly to allow the company to obtain a better negotiating posture

with the lender. In actuality, these loan assistance companies are more interested in directing their clients' limited resources toward payment of their fees rather than toward paying the mortgage. This practice is particularly damaging to the homeowner as it does not increase the likelihood of a successful modification, rather, his or her credit history now reflects a delinquency which will impact negatively on the homeowner's ability to qualify for a modification.

Under the provisions of NRS Chapter 107, homeowners can have a representative or an attorney present with them at the mediation. However, it is not necessary to have either. Unscrupulous representatives have one primary concern — generating fees for themselves.

Consumers who wish to report mortgage fraud are asked to contact the Attorney General's Bureau of Consumer Protection in Las Vegas at **702-486-3194** to obtain a complaint form. Consumer protection information can also be found on the Attorney General's website at **www.ag.state.nv.us**, the Nevada Fight Fraud website at **www.fightfraud.gov** and at the Federal Trade Commission website **www.ftc.gov**.

"I am pleased to join federal, state and local government agencies and national consumer advocacy organizations in consumer education efforts in the communities across the nation," said Attorney General Masto. ■

## ATTORNEY GENERAL MASTO AND SECRETARY OF STATE MILLER ISSUE 2010 CENSUS SCAM ALERT

**CARSON CITY, NV—SECRETARY OF STATE ROSS MILLER, CHAIR**

of the Statewide Complete Count Committee, and Attorney General Catherine Cortez Masto today issued a consumer advisory alert concerning various 2010 Census scams occurring throughout the country.

The scams include official-looking requests for personal financial information. The requests could come in the form of an email, direct mail, or even someone

knocking on the door of a household.

While state officials are urging Nevadans to participate in the 2010 Census when they receive their questionnaires next month, they are also advising people to watch out for scams.

"Unfortunately, scammers

that the U.S. Census Bureau is seeking only demographic information and would not ask for highly personal information like social security, bank account, or credit card numbers."

"Nevadans should feel completely confident about participating in the 2010

Census," added Secretary of State Miller. "It is very important

On about May 1st, workers will begin knocking on doors of single family households that have not mailed in their questionnaires or failed to properly complete the form. 2010 Census workers will never make contact by email and will carry an ID badge when out in the field.

Individuals with questions can contact the Western Regional office of the U.S. Census Bureau at **1-800-852-6159** or visit **www.census.gov/survey\_participants/**.

Complete information about Nevada Census 2010 can be found at **www.nevadacensus2010.com**. ■

***"Unfortunately, scammers are using the opportunity of the 2010 Census to illegally obtain personal information from our citizens..."***

**ATTORNEY GENERAL MASTO**

are using the opportunity of the 2010 Census to illegally obtain personal information from our citizens," Attorney General Masto said. "Nevadans must know

that every household participates. At the same time, we should always watch out for the crafty crooks who will try to take advantage of any situation."



# Nevada Notes

## VISIONS OF TAX INCREASES

The ongoing charade that is the Nevada Vision Stakeholder Group finally showed its true colors. From the beginning, it has been apparent that the purpose of the stakeholder group and the associated tax study is to provide political cover for unprecedented tax increases during the 2011 legislative session. Indeed, as group member Denise Tanata Ashby of the University of Nevada, Las Vegas indicated before the group's work even began: "We are all taxpayers ourselves. But at some point, everybody has to contribute if we want that vision of Nevada that we have."

Key obstacles highlighted by group members are the various provisions in the state constitution that offer protection to taxpayers. According to Robert Potter, of the American Federation of State, County & Municipal Employees (AFSCME), "The number one problem for us is the two-thirds rule for tax increases. We need to have the ability to adjust taxes." Potter was referring to the constitution's requirement that tax increases going through the Nevada Legislature get two-thirds majorities in both houses.

Potter also described as a "problem" the Nevada Constitution's prohibition on personal income taxes. However, to the obvious consternation of many group members, the facilitator from Moody's Analytics rightfully pointed out that income-tax revenues are generally more volatile than sales-tax revenues.

*Nevada Policy Research Institute*

## PRESCRIPTION DRUG ROUND-UPS

Prescription Drug Round-ups continue to take place throughout Nevada.

Carson City held one in April and Washoe held one the end of April. Lyon is conducting one in May.

**What:** Various locations throughout the counties take

unused prescription medications and safely dispose of them.

**Why:** The idea is to limit the availability of these medications to reduce abuse and to avoid polluting the water or the environment through disposals like flushing them down the toilet.

**Medications:** Accepted are unused or expired medications, nonprescription pills and liquids, pet medications and injectable needles. The Reno event was sponsored by Join Together Northern Nevada, The Reno Police Department, Scolari's Food & Drug Company, Nevada Department of Water Resources, the Sparks Police Department, Washoe County Sheriff's Office, Washoe county School District, Truckee Meadows Water Authority, Washoe County School District, the Child Abuse and Neglect Prevention Task Force, Retail Association of Nevada, Nevada Child Death Review Committee, and others.

*Reno Police Department Press Release*

## SMITH'S IS "TOP SHELF" FOR FIFTH STRAIGHT YEAR

Smith's Food & Drug Stores in Las Vegas was voted "best grocery store" in the Las Vegas Review-Journal's 29th Annual Best of Las Vegas readers' poll. Almost 8,000 total votes were cast and tallied in this year's Internet survey, with Smith's coming out in front of its competition for the fifth straight year in a row.

According to the Las Vegas Review-Journal analysis summary, readers picked Smith's by a landslide "because they are always sufficiently staffed so as not to keep you waiting in ridiculously long lines... committed to keeping the stores immaculately clean... nice, wide aisles that give you all the room you need," the paper said.

In addition, Smith's generated community support of nearly \$2.7 million in cash and product contributions in 2009 to Nevada charitable organizations.

"Our 3,000 Las Vegas Smith's associates work hard every day to please our customers through their

helpful and friendly service," said Jim Hallsey Smith's president. "We are proud to receive this recognition as the Reader's Pick for the past five years, and thank our customers for giving us the opportunity to earn their loyalty."

Smith's is a division of the Kroger Co (NYSE:KR). For more information visit: [www.smithsfoodanddrug.com](http://www.smithsfoodanddrug.com).

## WALMART DONATES TO NONPROFITS

Walmart and the Walmart Foundation on Tuesday announced it gave \$6,667,095 to nonprofits in Nevada in the fiscal year ending in 2010.

Walmart gave to organizations including the Crisis Call Center; National Association for Beginning Teachers; Nevada Childhood Cancer Foundation; Nevada Health Centers, Inc.; Springs Preserve Foundation; Street Teens; University of Nevada, Las Vegas; and the Blind Center of Nevada, Inc.

In the U.S., Walmart doubled donations to food banks, giving more than 127 million pounds of food from Walmart stores, Walmart distribution centers and Sam's Club locations. Nationally, Walmart announced it gave more than \$467 million in cash and in-kind gifts in FY 2010.

*Walmart Press Release*

## MINIMUM WAGE HIKE TO RAISE PAY OF 100,000 NEVADANS

The minimum wage for an estimated 100,000 Nevada workers will be going up 70 cents an hour starting July 1.

The federal minimum wage has risen 70 cents an hour in each of the past three years. For a worker with health insurance coverage from his or her employer, the hourly rate will rise from \$6.55 to \$7.25, which is equal to the federal rate. For a worker without medical coverage, the rate goes from \$7.55 to \$8.25 an hour.

Overtime pay will also be increased. For those workers without medical coverage, the rate goes to \$12.37 an hour. For those

with health insurance, the overtime rate increases to \$10.87. The rate for the coming year will be equal to the federal level for those workers with insurance and \$1 more an hour for those without medical coverage. There is currently no breakdown how many have or do not have medical insurance coverage. Tips may not be counted against the minimum wage.

*L.V. Sun*

## WEST LAGS REST IN JOB RECOVERY

Metropolitan areas in the Intermountain West region show a broad output recovery is under way, though hiring remains elusive in every city except Albuquerque, N.M., and Ogden, Utah, the Brookings Institution reported in its fourth-quarter economic analysis. Las Vegas and Tucson, Ariz., are continuing to shed jobs at a faster pace than the rest of the West and the nation, according to the report. The biggest "takeaway" from the report is that for the first time in 30 years, job recovery in the West is coming at a slower pace than the rest of the nation. In short, the slowness of job recovery in the Intermountain West is new for a region that prides itself on growth and has tended to roar — rather than limp — back from recession. All 10 of the Mountain region's large metros posted robust output growth for the second quarter in a row, Brookings reported. Ogden and Albuquerque have fully achieved their output peaks from before the recession. Colorado Springs, Denver and Ogden posted the largest gains in gross metropolitan product with quarterly growth rates of 2 percent or more. Only Las Vegas at 0.5 percent significantly trailed the national average of 1.6 percent GMP growth.

While job losses during the recession knocked job growth back by 4.5 years in the Intermountain West, that blow was less severe than the 5.75-year setback for the nation on average.

*LVRJ*



# National Notes

## COMPANIES CONFUSED BY HEALTH LEGISLATION

Small businesses, some of which had fought against the health-care reform bill, will now have to adjust to life with it.

Starting in 2014, organizations with more than 50 employees that don't offer affordable coverage will pay a penalty starting at \$750 a year per full-time worker. A new proposal that still requires Senate approval would raise that penalty to \$2,000. Smaller companies are exempt from the penalties, and some will receive a tax credit for providing health insurance—as long as they have fewer than 25 employees and average annual wages of less than \$50,000 per employee.

Some groups, such as the National Federation of Independent Business, are concerned that the legislation discourages businesses with fewer than 50 employees from expanding their payrolls.

Others say the legislation, which would create state-based exchanges through which companies can purchase coverage, doesn't address a chief concern: the spiraling costs of health insurance. A number of small-business owners say they are uncertain as to what the health bill will mean for their ventures. Some fear employees will ask for raises to pay for the required health insurance.

WSJ

## DRUGSTORES TRY TO SELL GLAMOUR

Makeup is all about promises: glamour, youthfulness, boldness or escape. The makeup counters of beauty retailers are carefully designed to conjure up visions of transformation for the women who shop there.

Now, drugstores are trying to do the same thing. CVS Pharmacy and Walmart Stores Inc., are glamming up their makeup sections, betting that women are willing to splurge on beauty in the same store where they pick up toilet paper and cotton swabs. The stores are sprucing up displays, adding lights to shelves, creating weeks-

long training programs for their "beauty advisers" or offering facials and massages on-site.

In addition to mass-market brands like Revlon and L'Oréal, they are stocking independent brands like 'Tini Beauty and POP Beauty—makeup which tends to cost more than Maybelline and CoverGirl, but has cool, sophisticated packaging and trendy colors.

Fans of upscale cosmetics have long associated drugstore makeup with dingy, crowded rows of lipsticks in colors suitable for Grandma. A big downside was that shoppers couldn't try on the product—part of what makes makeup shopping fun. But as women are shopping less at department stores and more frequently at cheaper, more convenient alternatives, mass retailers have seen an opportunity to woo cosmetics shoppers. U.S. drugstores were slow to follow, in part because luxury cosmetics brands had powerful relationships with department stores and worried that selling in mass-market stores would cheapen their glamorous images. Of course, drugstores, which haven't been known for presentation, will need to keep the displays attractive to make the push successful in the long term. Also, they will need to keep up with fast-changing trends in cosmetics. Paper towels never go out of style; blue nail polish does.

Walmart, which is advertising in Vogue and Elle, has secured exclusive rights to the brand name Hard Candy—a cosmetic company founded in 1995 that is credited with creating the market for unusual shades of nail polish—and has developed its own creations under the name. By making Hard Candy into an in-house brand, the retailer avoided the need to convince a prestige brand to be among the first to sell at Walmart. Demand for Hard Candy products has been so strong that Walmart now stocks the brand in 3,000 stores, up from 200 in October.

CVS Caremark Corp. is protecting the image of its new

Beauty 360 boutiques by keeping them separate from CVS Pharmacy. There are almost 25 stores, mostly in California with a Zen, spa-like design and a menu of services that includes massage and facials. 43% of Beauty 360's customers hadn't bought cosmetics, skin care or fragrances at CVS in the past 12 months. CVS's Beauty 360 boutiques aren't even inside the drugstore; the stores are adjacent and connected. Also, CVS isn't mentioned anywhere on the main page of Beauty 360's Website.

WSJ

## BEST BUY, WALMART WIN MOST OF CIRCUIT CITY'S SHARE

More than a year after Circuit City shut its doors, No. 1 and No. 2 U.S. electronics retailers Best Buy Co. and Walmart Stores Inc. have proved to be the winners taking most of the share away from their former No. 3 rival.

Walmart will start selling 3-D televisions later this year. The move puts pressure on competing retailers to drive price down. Best Buy and Walmart together have taken away two-thirds of Circuit City's share of the \$106 billion U.S. consumer technology market during the March through December 2009 period when Circuit City was no longer in business following its liquidation sales earlier that year, according to Port Washington, New York-based research firm NPD Group.

Best Buy has gained its share of the market through sales of items such as flat panel televisions over \$1,000 while establishing itself as the dominant third party seller of computers in the U.S. Walmart, meanwhile, has added more brand names and choices including LG in its lineup while remodeling its stores to bring traffic beyond food to areas such as electronics.

Best Buy is expanding in areas such as mobile phone and services and has tied up with Panasonic Corp. to sell 3-D TVs that it hopes will give it some first mover advantage and help blunt the

impact of deflationary trend in the industry, analysts said.

Best Buy also is increasingly focused on a "connected world" strategy where it plans to feature Internet or cable subscription services along with computers and flat panel TVs to help consumers in their bid to stay connected. It has said the strategy is crucial as consumers no longer consider things such as cell phones and notebook computers discretionary. At the same time, analysts say Best Buy is also facing growing competition from Walmart, which continues to increase its expansion in electronics.

MarketWatch

## GUESS WHAT? MEN SHOP, TOO! AND RETAILERS ARE PAYING ATTENTION

In an industry obsessed with the wants and needs of women, men have been an afterthought among retail and marketing executives for as long as many can remember.

Not anymore. Men are paying more attention to their wardrobes. They're spending more time shopping for themselves, and they're showing an increased interest in personal grooming products. And, make no mistake, retailers, manufacturers and marketing executives have finally gotten the message.

Evidence that the gender gap has begun to narrow is piling up. Nowhere was this more apparent than the ads that ran during the Super Bowl. Dockers' "Men Without Pants" commercial captured guys' attention with the closing tagline, "Calling all men: It's time to wear the pants." Then, there was Unilever promoting its new Dove Men+Care, the first "for-men" product from the well-known brand. "Now that you are comfortable with who you are, isn't it time for comfortable skin?" the announcer intoned.

About 75 percent of men shopped for themselves last year, compared with just 52 percent in 1995.

NRF Enterprises



# NEVADA SECRETARY OF STATE ROSS MILLER

QUARTERLY BUSINESS REPORT FIRST QUARTER 2010 (View Past Editions: [www.nvsos.gov](http://www.nvsos.gov))

**Dear Business Leader:**

Welcome to our Quarterly Business Report. National Census Day was April 1, but it is not too late to return your 2010 census questionnaire and encourage all of your employees to do the same if they haven't already. As Chair of the Statewide Complete Count Committee, I have been traveling the state to spread the word about how critically important it is for all Nevadans to participate in the census.

I am very pleased to report that during the Special

Legislative Session my office received six additional positions in Customer Service and Commercial Recordings Divisions to assist with the processing backlog and wait times. Many of you are aware of how budget cuts, layoffs, and mandatory furlough days are impacting our ability to serve you, our business customers. Providing the best possible customer service and consistent processing times are some of my top priorities and I'll continue to do everything I can to make it better, including bringing you

the new Nevada Business Portal that will revolutionize how businesses transact business with State government. The 2010 election season is in full swing. Record numbers of candidates have filed to run for local, state, and federal offices. And with the primary election moved up to June 8 this year, many of them are already up on the airwaves and sending out flyers seeking our votes. Keep in mind that the deadline to register to vote in the primary election is just a few weeks away, on May 8. During the ten

days following, you will have to register at your local elections/registrars office. As the Chief Elections Official for Nevada, my plan is to build on the success we had administering a fair and democratic election in 2008 to make sure local elections officials across the state are as prepared as they can be this year.

Thanks for taking a few minutes to catch up on the latest business news from your Secretary of State's office. ■

## RAN MEMBER RUNS FOR CONGRESS

**A**lthough Michele Fiore owns two very successful home health care businesses and is active in the Clark County community, she decided that this was the year to run for office.

"I watched as government actions started driving the economy into the tank, and I just couldn't stand it any longer! I decided that I had to get involved and stand up for what I believe in," she explained.

Michele originally considered running for the state senate, but was persuaded to instead run against Democrat Shelley Berkley for the Congressional District 1 seat.

"I have to get through the Republican primary first, and I'm hoping we can just address the issues and not get into dirty politics. I feel so strongly about ending the excessive government regulations, taxes and spending, and those are the topics, which need to be discussed. I've created jobs for over 1,000 people. If things don't turn around, I'll have to lay-off employees," she worried.

Fiore volunteers over 100 hours a month to the Trauma Intervention Program, helping victims faced with the death of a loved one. She values her membership in the Retail Association of Nevada.

"Everyone has been just wonderful. They are such a help," she exclaimed. ■

[www.votefiore.com](http://www.votefiore.com)

## CONSUMER WARNING OF HEALTH-INSURANCE SCAM

**S**CAM ARTISTS ARE TAKING ADVANTAGE OF THE NEW HEALTH insurance law to peddle phony policies. Health and Human Services Secretary Kathleen Sebelius said she is warning state officials about a proliferation of scams involving phony health-insurance policies. Federal investigators are also on the lookout.

Some of the hustlers are going door to door claiming there's a limited open-

enrollment period to buy health insurance now. But the big expansion of coverage won't come for another four years, and door-to-door salespeople are unlikely to be part of the plan then.

The new health-care law will ultimately provide coverage to more than 30 million uninsured, but those changes will come slowly, beginning with smaller steps.

As early as the summer, people who have been turned

down for coverage because of a medical problem will be able to buy a plan through a new high-risk health-insurance pool. Many states already operate such pools, but the coverage has been expensive, and only about 200,000 are signed up. The new health-care law provides an infusion of federal dollars to bring down costs and cover more people.

The big push to cover the uninsured comes in 2014, when new health-insurance

marketplaces will open for business and federal tax credits will start flowing to millions of working families and individuals. At the same time, Medicaid will be expanded to more people living near the poverty line. And health insurers will not be able to turn anyone down on account of a medical problem.

Once those tax credits and new consumer protections are in place, most Americans will be required to carry health insurance. ■



# NEVADA CONTINUES TO FALL FURTHER BEHIND NATION IN ECONOMIC RECOVERY

## NEVADANS FARED WORSE IN 2009 IN TERMS OF PERSONAL

income than any other state in the nation, according to a new report from the US Commerce Department's Bureau of Economic Analysis.

According to the report, Nevada's workers saw a personal income decrease of 4.8 percent over the previous year, giving

Nevada the label as the state that suffered the worst decline in 2009 and the second largest decline in any state since 1969. The Report went on to say that the average American adult lost \$3,650.00 in personal income in 2009 compared to the average adult Nevadan who lost \$10,587.00. This is unwelcome news for Nevadans who had hoped to see some recovery in 2009.

Unfortunately, declines in measurable economic indicators continue to accumulate. Last week, the Nevada Department of Employment, Training, and Rehabilitation noted that Nevada's unemployment had increased in January of 2010 to 13.2 percent (the national average is 9.7). "While the retail industry remains optimistic, it is becoming more difficult to

believe that a recovery could happen soon," said Mary Lau, president of the Retail Association of Nevada (RAN). "Private job growth will be paramount to a full return to economic stability, and we haven't seen any indicators yet that would lead us to believe that private job growth is returning." ■

## IT'S ALL ABOUT SERVICE

By Barbara Wold

- 1. Understand how your clients' expectations rise and change over time. What may have been good enough before no longer applies. Ask them and understand how to better serve them to help with their needs.
- 2. Differentiate yourself from the competition. Provide personalized and responsive service and go "beyond the call of duty." Treat them in a way that they will appreciate and remember.
- 3. Raise the bar for yourself. You've heard of "dazzling the client" — now find ways to do it. Be more flexible, faster and more efficient.

- 4. Never be content. Find ways to stay ahead of the pack. I find every day there is so much to learn and new ways to implement. Make it your goal to learn and apply something new each day.
- 5. Manage expectations. Build a firm foundation of trust and deliver what you promise. If something comes up, you will find the client more understanding and forgiving. "Under-promise and over-deliver."
- 6. Take personal responsibility. You want your name to be golden to them and make sure you live up to that standard.

- 7. Bounce back with effective service recovery. Things happen that are often out of our control. When it does, go into major "repair mode" and do whatever it takes to restore great customer goodwill.
- 8. Appreciate. When your clients complain, they can be your best allies because they will tell you what you really need to know. Listen with your ears totally tuned up and fix the problem. And thank them!
- 9. See the world from the customers' point of view. Take off any blinders and take time to

- step into their shoes. See what the client sees and the way they might feel and then work to make it better than ever.
  - 10. Service is the currency that keeps our economy moving. Customer service is always in fashion!! Strive to improve each and every day. Your clients can be your biggest advocates because they praise and brag about you, which builds your brand. ■
- Barbara Wold is an International Speaker, Author and Business Strategist Global Retail & Consumer Expert Copyright 2010. Reprinted with permission from Barbara Wold's Retail & Consumer Tips, [bwold@ix.netcom.com](mailto:bwold@ix.netcom.com)*

## FROM THE NEVADA SECRETARY OF STATE

NOTICE OF CHANGES TO ONLINE BUSINESS CENTER AT [www.nvsos.gov](http://www.nvsos.gov)

## THIS IS A QUICK NOTE TO INFORM OUR ONLINE BUSINESS

customers of new improvements to the Secretary of State's online Business Center. The site should be quicker and easier to

navigate whether the customer is starting a new business or managing an existing one. Customers may want to take note and update existing bookmarks or favorite pages at [www.nvsos.gov](http://www.nvsos.gov). The Secretary of State's

office encourages all of our business customers to file their initial and annual lists of officers and apply for, or renew, their state business license online using our new and improved online Business Center. There are no additional fees to file online

and processing times are greatly reduced. If you notice any broken links or other glitches as you navigate the Business Center, please let us know [sosmail@sos.nv.gov](mailto:sosmail@sos.nv.gov). Thank you. ■



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## Important Information for SIG Members

The NRS governing self insured groups requires notifying members of all new members to the Nevada Retail Network Self Insured Group. New members for NRNSIG from April 1, 2010 to April 30, 2010 are listed below.

- Above & Beyond Home Care Services
- Alonso Investments
- Bob's Maintenance Service
- Custom Security Guard and Patrol
- Economy Speed Press
- Edward Sebek Construction
- European Food Emporium
- Fernley Chiropractic
- Hangtown Oil LLC
- Immaculate Cleaning Service
- New Beginnings Counseling Center
- Pioneer Crossing Dayton
- Sunbelt Testing & Survey

**NRNSIG** members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

## TAKE CONTROL OF YOUR WORKERS' COMP COST

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**MEMBERSHIP INFORMATION:** Find out more about RAN's self insured group.

Call Mike Olson, **800-859-3177**,  
or the RAN office at **775-882-1700** (toll free in Nevada 800-690-5959).

Don't forget to check out our website, **[www.RANNV.org](http://www.RANNV.org)**.



# PROGRESSIVE GROCER

## PLASTIC BAG RECYCLING HITS RECORD HIGH: REPORT

**T**HE RECYCLING OF PLASTIC BAGS AND FILM REACHED A RECORD HIGH across the United States in 2008, as part of a rising national recycling trend, according to a recycling report conducted by Sonoma, Calif.-based Moore Recycling Associates, Inc. The "2008 National Post-Consumer Recycled Plastic Bags and Film Report" further found that an estimated 832,394,000 pounds of post-consumer film (including plastic bags and product wraps) were recovered in 2008, representing a 28 percent increase in bag and film recycling since 2005.

This growth in recycling was attributable to greater consumer access to collection programs, mainly at large grocery and retail stores, as well as by new markets for recycled materials, noted the report, which was based on information received from 79 domestic processors, end-users

of film material and exporters. In fact, the recycling numbers reported likely understate actual bag and film recycling, since export data is harder to obtain than data on domestic recycling, and in 2008 there was a shift toward export markets the report said, adding that data collection also was affected by the rapid spike in the number of collection programs as many retailers introduced programs to recover post-consumer plastic bags and product wraps from shoppers. There are currently retail store collection programs in all 50 states.

"More Americans are recycling plastic bags and film than ever before, driven by a growing recognition that plastic is a valuable resource — too valuable to waste," said Steve Russell, VP of plastics for the Arlington, Va.-based American Chemistry Council (ACC), which represents the leading companies

engaged in the business of chemistry. "Recovered plastic bags and wraps can be recycled into many useful products, including durable backyard decking, fencing, railings, shopping carts and, of course, new bags. Increased recycling of bags and film is good for the environment and good for the economy."

Added Russell, "ACC will continue to work with grocers, retailers, communities and policymakers around the country to educate consumers and promote plastic recycling."

Spearheading the burgeoning number of bag and film recycling programs are plastic bag manufacturers, according to ACC, which noted that last year, the Progressive Bag Affiliates unveiled a landmark recycling goal of 40 percent recycled content in all plastic shopping bags made by such companies by 2015. When fully rolled out, the Full Circle Recycling Initiative will

lower greenhouse gas emissions by 463 million pounds, conserve enough energy (mostly natural gas) to heat 200,000 homes, and reduce waste by 300 million pounds annually.

In support of that goal, plastic bag maker Hilex Poly expanded its recycling operations in North Vernon, Ind., and California, New York, Rhode Island and Delaware, in addition to some major jurisdictions such as Chicago and Tucson, have recently implemented laws requiring stores to accept plastic bags and film for recycling.

While composite lumber is still the major market for recycled plastic bags and film, there was a notable increase in international demand for scrap plastic film, ACC said.

"2008 National Post-Consumer Recycled Plastic Bags and Film Report" is available on [www.americanchemistry.com/plastics](http://www.americanchemistry.com/plastics).

# AB 326 PRESCRIPTION DRUG TASK FORCE

By Liz MacMenamin

**T**HIS COMMITTEE WAS FORMED BY ASSEMBLYMAN MO DENIS AFTER THE 2009 Session to discuss ways that the industries can assist with the prescription drug abuse problem in Nevada. The committee is made up of different medical boards, physicians, pharmacists, drug abuse counselors, law enforcement, and chain drug representatives.

The last meeting was held in Carson City on March 25, 2010 and the purpose of this meeting was to solicit one idea from each participant that could be enacted to help combat the problem that we have in Nevada regarding prescription drug abuse.

One of the participants

discussed requiring physicians to advise patients that they are required to request a prescription profile on new patients before they can prescribe controlled substances for them. Also, it would require that the physician review a patient's profile at least every 3–6 months. Some of the attendees felt the physician should review the patient profile prior to writing any controlled substance prescription.

All parties in attendance agreed that education of the physician regarding prescription drug abuse was of utmost importance and this would not require legislative intervention. There were some attendees that thought that education should be mandated by the legislature or

the regulatory body. One suggestion that came from the group was that the legislature include language to allow for interoperability between states so that information may be shared with other states. This is key because this will be a requirement for further federal grant money for the Controlled Substance Abuse Task Force.

The group also discussed the desire to give immunity to physicians, pharmacists and pharmacies from civil and criminal liability for reporting to the task force or using information obtained from the task force. There were also concerns over the communication of this information to a patient and a possible waiver giving up their 5th

amendment rights and signed by the patient informing them that the physician will be obtaining this medical information in exchange for receiving a controlled substance.

The consensus of the group was to focus on requiring physicians to advise patients that they are required to review the patients' prescription profile prior to prescribing a controlled substance and to provide more education to physicians on controlled substance abuse and the use of the Task Force.

The next meeting will be on April 28, 2010 and the focus of this meeting will be to craft language to meet some of the ideas suggested. ■



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### WASHINGTON RETAIL INSIGHT

# RETAILERS FACE NEW COSTS AND MANDATES UNDER HEALTH CARE REFORM LAW

## **N**RF TOLD RETAILERS THAT THE NEW HEALTH CARE

reform law signed by President Obama isn't what the industry wanted, but that NRF will work to guide merchants through compliance as new requirements and added labor costs take effect over the next several years.

"It's appropriate that we congratulate President Obama and Congress on their political achievement," NRF Vice-President and Employee Benefits Policy Counsel Neil Trautwein said.

Trautwein briefed retailers from across the country on the new law during a webinar in

April. He said the measure "is not 100 percent bad through and through," but ultimately, its conditional employer mandate and related penalties, new taxes and other negative elements outweigh the positive.

The Patient Protection and Affordable Care Act, coupled with amendments made under the Health Care and Education Affordability Reconciliation Act, lays out an implementation timeline that begins this fall and runs through 2018. Employers must begin reporting health care plan outcome performance in 2012 and also report the value of health care coverage on employees' W-2 forms, and will be required to start withholding new and increased Medicare

payroll taxes for high-income workers in 2013.

Of biggest concern to retailers is a conditional employer mandate that takes effect in 2014. Companies with 50 or more employees that do not provide coverage to full-time workers will face a penalty of \$2,000 per full-time worker, with the first 30 workers exempted. If an employer offers coverage but the coverage is deemed unaffordable to a full-time employee, the employee can opt out to purchase insurance in a new insurance "exchange." The company would then be assessed \$3,000 for each of those employees up to a cap of \$2,000 for every full-time worker on the payroll.

NRF has argued that the employer mandate and associated penalties will force many retailers to reduce the size of their workforces because merchants would not be able to absorb the added labor cost during the current economy. Employer penalties under the law are expected to cost companies \$59 billion over ten years.

In 2018, a 40 percent excise tax will be imposed on "Cadillac" insurance plans worth more than \$10,200 a year for individuals or \$27,500 for families. While the tax will be paid by insurers or third-party administrators, it is likely to be passed on to the employers and employees. ■