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## Anti-Smoking Initiative Being Circulated Statewide

On March 17, 2004, a coalition of various organizations submitted an initiative petition called the Nevada Clean Indoor Act, which would prohibit smoking in child care facilities, movie theatres, video arcades, government buildings and public places. While few can argue that day care centers, theaters and arcades should allow smoking, the initiative would ban smoking in all restaurants and all gaming areas outside of a casino.

The initiative also requires that "No Smoking" signs be posted in every public place where smoking is prohibited and that all "ashtrays and other smoking paraphernalia shall be removed from any area where smoking is prohibited."

A violation is punishable by a \$100 fine per occurrence. If the letter of the law is followed, an owner of a store, restaurant, or bar where food is served could be fined \$100 for each ashtray found on the premises, even though no smoking is taking place.

Under this act, smoking would be allowed in: gaming areas of casinos; stand-alone bars, taverns and saloons; strip clubs and brothels; retail tobacco stores; and private residences, except those used as a child care, adult day care, or health care facility. Bars located in strip malls would be required to have their windows shut at all times, and their doors could only

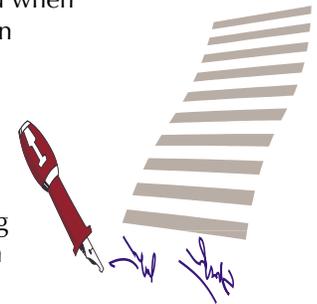
be opened when "actively in use."

The act also takes the regulation of smoking away from the state legislature and hands over control to local governments. This could impact businesses with multiple locations in multiple jurisdictions. Smoking could be banned in public entirely in one city and allowed in another. Dealing with multiple government entities and making multiple regulations can be costly and confusing.

The Retail Association of Nevada (RAN) believes that in a free market, businesses should be allowed to make business decisions based on the demands of their clients and customers. A business should have the freedom to determine whether or not to allow smoking in its establishment.

More businesses are becoming non-smoking, and many of RAN's members have responded to the marketplace by voluntarily prohibiting smoking in their establishments.

[Anti-Smoking Initiative continued on page 7](#)



# Seen & Noted

## Consumer Spending Bolsters State Coffers

A report from the Department of Taxation shows that although Nevada's economy showed growth in January, projected revenue from some sources didn't live up to expectations. Taxes from cigarettes and live entertainment failed to produce the anticipated tax dollars.

While cigarette taxes were only off 6 percent from the projections, the new live entertainment tax assessed on non-gaming businesses fell well short of the \$27 million it's supposed to generate in a six-month period starting January 2004. The tax took in \$598,247 in its first month.

The taxable sales category fueled the rosy picture for January. This category, which includes taxes paid by consumers on everything from cars to restaurant meals, showed an 11.3 percent increase for the fiscal year that started in July 2003. That exceeded the projected 5.1 percent growth.

Executive Director of the Retail Association of Nevada Mary Lau expects the state to end the budget cycle with a revenue surplus. With a look to the future, she said, "I personally feel that revenues will exceed expenditures. We ought to set some aside."

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## Continental Airlines Goes Paperless

Continental Airlines will go completely paperless by the end of 2004. The airline made the final step to eliminate all paper tickets, including interline (multi-carrier tickets) in its continuing effort to cut costs.

David Grizzle, senior vice president-corporate development of Continental Airlines, says, "Because of the cost savings opportunity, we are quite serious about making our paperless travel on Continental a reality."

Currently, 95 percent of the airline's domestic customers and 88 percent of customers system wide use electronic tickets. eTickets are currently valid at all of the 266 airports that Continental serves around the world. The airline also plans to eliminate issuing and accepting paper tickets entirely, including for travel on all international flights.

Continental has 20 eTicket partners and more than 180 interline ticketing and baggage agreements with other airlines worldwide. That allows Continental customers to create travel itineraries involving two or more carriers with a single ticket.

Customers can still make reservations through travel agents, on the Internet or over the phone.

Source: *Continental Airlines*

## Build a Crack Sales Team with These Tools

The National Retail Federation (NRF) has the tools to help you build the sales team that can help your business move forward.

Using NRF's Retail Readiness Assessment (RRA), you can identify how to help your sales personnel become the professionals you want on the sales floor. RRA is a comprehensive tool used to evaluate an associate's customer service and sales aptitude.

RRA measures skills and attitudes that can help determine the professional sales and customer service strengths and weaknesses of existing and future employees.

The assessment includes 97 statements encompassing eight attitudes and aptitudes. Answers are measured on a scale determined for the set of questions and result in a profile of strengths and weaknesses of the employee. The measurement scale includes questions that focus on a person's customer service aptitude and attitude, confidence and influence for sales and sales aptitude, sales responsibility and service knowledge. The assessment also determines if the person fully understood the questions and completed them carefully and candidly.

For more information, contact Evelyn Rose at 202-626-3041 or [rose@nrf.com](mailto:rose@nrf.com). Information is also available at NRF's website, [www.nrf.com](http://www.nrf.com).

## Las Vegas Businessman Robert O'Connell Dies

Robert O'Connell, husband of State Senator Ann O'Connell, died Wednesday, April 7, at Sunrise Hospital and Medical Center in Las Vegas. He was 83.

When The Depression hit the country, O'Connell dropped out of high school and joined the Civilian Conservation Corps in 1938, a federal agency that helped the nation's unemployed find work building public projects.

He went on to earn a teaching degree at the Idaho Albion State Normal School, served in the Army Air Corps as an aircraft commander during World War II, and after being discharged, earned a bachelor of science in pre-med at the University of Oregon in 1948. He then joined J.C. Penney Co., managing stores in Washington and Oregon before coming to Nevada.

O'Connell came to Nevada in the early 60's to manage a J.C. Penney store in Reno. He moved to Las Vegas in 1967 to open the J.C. Penney store in the Boulevard Mall. He also served as western region director of government affairs for Penney's stores before retiring in 1984.

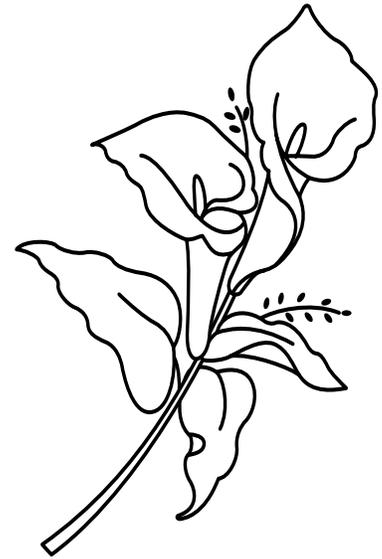
After retirement, O'Connell became a licensed real estate agent. During his 16 years as a broker, he built the Comfort Inn in downtown Las Vegas. He also owned a number of properties over the years, including the Sizzler restaurant and a hotel in Portland, OR, and the Pioneer Plaza Shopping Center on Maryland Parkway in Las Vegas.

O'Connell mounted a campaign for the Clark County Commission in 1984. He was a member of the People Against Tax Hikes, an organization that tried to over turn the 1983 Legislature's tax increases. He lost the campaign.

O'Connell served as president of the Retail Association of Nevada in the 1970s. He also served as a board member of the Las Vegas Chamber of Commerce, was charter president of the Boulevard Merchants Association, founded the Nevada Association of Independent Businesses and was a member and served as president of the Las Vegas Rotary Club, Toastmaster International, Citizens for Private Enterprise, and the Nevada Highway Users.

O'Connell served as president of the Boulder Dam Area Council of the Boy Scouts of America and earned the Boy Scout Silver Beaver Award for distinguished service to the council.

O'Connell was born in Chicago, IL, in 1920. He is survived by his wife of 27 years, Senator O'Connell,



daughters Karen and Colleen; sons Robert, Kevin and Kelly; stepsons Jeff and Gray; seven grandchildren and two great grandchildren.

### Bob O'Connell Remembered

Senator Ann O'Connell's husband, Bob, died this morning (Wed., April 7, 2004) after complications from heart bypass surgery in December. Over my years of knowing Bob, we had many conversations often focused around the excesses of government and things that it should stop doing. Bob was a staunch Republican, but on many issues, he was more of a Libertarian in thinking.

Bob came to Nevada with JC Penney Company where he worked for many years. He was a founder of the Nevada Association of Independent Business.

When Bob went through bypass surgery, I remember thinking that Nevada might not be ready for a Bob O'Connell with the vim and vigor of many 20 years younger. Several people who have been through bypass surgery have made the comment that they recovered feeling 20 years younger. That thought made me ponder about people who wouldn't be ready for an invigorated Bob. I'll leave that list to your imagination. It made me chuckle to think of some he might confront.

Bob will be missed by many, and I will be high on that list.

The prayers and best wishes from many people throughout Nevada go to Senator Ann at this time

—Regards, Ray Bacon, Nevada Manufacturers Association

## The Modified Business Tax

By Mary Sanada

CPA with Crossley, Sanada and Skibinski, LLC

By now, all Nevada employers should have filed their first Modified Business Tax Return that was due January 31. This new tax replaces the old "head tax." The next forms are due to be filed by April 30. Because of taxpayer confusion, the Nevada Tax Commission has waived penalties on late payments, as long as they are paid by June 1, 2004.

In addition to the quarterly taxes, all businesses are required to pay a \$100 annual business license fee. They have until July 1, 2004, to pay this assessment. Home-based businesses earning less than \$22,000 per year are exempt from paying this fee.

**The new forms are designed to be fairly self-explanatory.**

**On line one**, the employer enters total wages and tips paid during the quarter. The amount entered on line one is required to be the same amount entered on line 3 of your State Unemployment form. Employers who enter a different amount can expect to receive a notice from the Department of Taxation.

**On line 2**, an employer may deduct from the total amount of wages reported on line one any amount that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

- (a) An employer provided program of self-insurance for its employees that is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974 (ERISA). The employer can deduct all amounts paid during the calendar quarter for claims, direct administrative services costs, including the cost

of these services that are provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. Note that amounts set aside as estimated premiums are not deductible. Only the actual cost of claims paid is.

- (b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for its employees. This includes all types of insurance, including long-term care. It is an incentive for employers to provide health insurance. Employers who do not currently provide insurance or require employee participation may want to look at the cost of insurance as part of a "total compensation" package and cover the entire cost while either reducing regular compensation or foregoing raises, resulting in tax savings for the employer.
- (c) Any amounts paid by an employer to a Taft-Hartley trust formed pursuant to 29 U.S.C. § 186(c)(5) for participation in an employee welfare benefit plan. This would be for those employers who have union workers.

The Department of Taxation is permitted to authorize other "similar" payments. If you have any other type of medical payments plan for your employees, contact the Department for a determination of whether or not the payments are deductible.

**An employer may not deduct:**

- (a) Amounts paid for health care or premiums paid for worker's compensation insurance; or
- (b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for

such care or insurance. If employees participate in the payment of premiums, only the amounts paid by the employer are deductible.

If the amount of the deduction exceeds the amount of reported wages, the excess amount may be carried forward to the following calendar quarter until the deduction is exhausted. This so called "carried forward" amount is claimed on line 15 in the quarter it arises, and deducted on line 4 of the return in the subsequent quarter.

**On line 8**, you can claim credits that have been determined by the Department of Taxation. Do not claim a credit unless you have received written notification from the Department.

The net amount becomes taxable wages that are subject to a tax rate of .7%. Unlike wages subject to unemployment taxes, there is no maximum wage limit. Only non-profit organizations, Indian tribes and government organizations are exempt from paying this payroll tax. New or expanding businesses that have applied to the Commission on Economic Development pursuant to the provisions of NRS 360.750 are entitled to an exemption of 50 percent of the amount of tax during the first 4 years of operation.

Businesses that have gone out of business must notify the Department of Taxation in writing of the date that business operations ceased. If you receive a form for any quarter, it should be returned to the department with "0" wages and "0" taxes owed, even if you are no longer in business.

If you are still confused or have not received the form for paying this tax, contact the Nevada Department of Taxation at 687-4892.

## Department of Taxation Reminder to Businesses: State Business License Required

The Nevada Department of Taxation wants to remind businesses that as of July 22, 2004, **ALL** businesses doing business in Nevada must obtain a State Business License as required by SB8 of the 20<sup>th</sup> Special Session of the 2003 Nevada Legislature.

**The State Business License Fee is \$100, renewable annually.** The renewal fee is \$100.00. Taxpayers who currently have a business license pay the renewal fee based on their anniversary date. Entities no longer in business in the state must submit a written statement to the department at least 10 days before the anniversary date in order to avoid the annual fee and a penalty for non-payment. **Following is a list of frequently asked questions and answers about this law:**

**Q. What is the penalty for late or non-payment?**

**A.** A person who fails to submit the annual fee required by the due date shall **pay a penalty in the amount of \$100 in addition to the annual fee effective 07/01/04.**

**Q. Are there any other requirements for businesses obtaining a State Business License?**

**A.** Every business that purchases tangible personal property for storage, use or other consumption in Nevada must register with the Department for a Use Tax Account.

**Q. What constitutes a business?**

**A.** A corporation, partnership, proprietorship, limited liability company, business association, joint venture, limited-liability partnership, business trust and their equivalents organized under the laws of the State of Nevada or another jurisdiction shall be deemed to constitute a business for the purposes of NRS 360.760 through NRS 360.795 regardless of any purpose for which that entity is organized or operated and regardless of whether that entity conducts an activity for profit.

**Q. Are any businesses not required to obtain a State Business License?**

**A.** Government entities, nonprofit religious, charitable, fraternal, or other organizations that qualify as a tax-exempt organization pursuant to 26 U.S.C. § 501(c), or a business whose primary purpose is to create or produce motion pictures are not required to obtain a State Business License.

A person who operates a business from his or her home and earns from that business (net income from the business reported on the Federal Tax Return) not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year, pursuant to chapter 612 of NRS, is not required to obtain a State Business License for the next year. The average annual wage fluctuates. For 2003, 66 2/3 percent of the average annual wage is \$21,500. For 2004, 66 2/3 percent of the average annual wage is \$22,000.

**Q. What is meant by "person who operates a business from his home?"**

**A.** A person who operates a business from his home means a **natural** person who does not own, lease, rent or license

any real property, other than his/her personal residence, for use in furtherance of that business and does not hold any part of his personal residence open to the general public for use in furtherance of that business.

A **natural** person shall not be deemed to own, lease, rent or license any real property that he/she uses strictly for the purpose of maintaining a post office box, posting a business license in accordance with requirements imposed by a county or municipal ordinance, or periodically selling or exhibiting wares at craft shows.

**Q. Are trade show or convention participants required to obtain a State Business License?**

**A.** A business that takes part in a trade show or convention held in this state for a purpose related to the conduct of a business is not required to obtain a business license specifically for that one event.

**Q. Are businesses selling at swap meets required to apply for a State Business License?**

**A.** Yes. They are considered to be renting space outside of their home and are required to apply for a State Business License.

**Q. Are real estate agents and brokers considered to be working from their home?**

**A.** No. They **are not** considered to be working from their home and **are** required to apply for a State Business License.

**Q. Are a husband and wife considered one taxpayer?**

**A.** Yes, as long as the business is not incorporated in some manner.

**Q. How do I obtain a State Business License?**

**A.** You may obtain an application by downloading one from our website at <http://tax.state.nv.us> or by contacting the Nevada Department of Taxation office nearest you. When submitted, the application must be accompanied by the \$100 license fee. A signer's signature on an application is considered a sworn statement of his or her authority to sign on behalf of the entity being registered.

State Business License Requirements continued on page 7

## New MRI Center Offers Options for Patients

If you have an injury or medical problem that requires you to get an MRI, you may want to ask your doctor if you can use the new Reno OpenAir MRI and Diagnostic Imaging Center, or ROAM. Dr. Robyn Mitchell and Dr. Chad Taitano opened the facility on December 22, 2003, and the business has been growing steadily, says Robyn.

There are many facilities that offer MRIs, so why choose ROAM? The key to that answer is "open air." MRIs are generally performed in a tightly enclosed circular tube, but ROAM has chosen to give patients an alternative to the often distressing experience of the MRI.

When Doctors Mitchell and Taitano decided to open their own facility, they recognized that patients needed options. They wanted to set themselves apart from the standard MRI facility. As Dr. Mitchell explains, many patients get anxious or experience claustrophobia when getting a traditional MRI, so they decided to open a facility with the Toshiba OPART™ MRI unit. Most patients are already upset because they have a medical problem. The open unit can help take the stress out of the procedure. The unit also has the advantage of accommodating larger patients.

ROAM is located in southwest Reno at 500 Damonte Ranch Parkway, Suite 765. The office, which is in a complex between the freeway and South Virginia Street, offers more than just the latest technology. When you walk in, a friendly staff member greets you and puts you immediately at ease. The office is clean and bright, and staffed with professionals who have years of experience in performing the procedures that ROAM offers.

Robyn says the business caught



*Dr. Robyn Mitchell, left, with staff members Robin Woolf and Tammi Bennett.*

hold right away, even through the holiday season put a crunch on opening time. And the business has been growing steadily. "Most of our referrals are from doctors who know us personally and know the reports we generate," says Robyn.

Dr. Mitchell is the staff chiropractic radiologist specializing in musculoskeletal radiology. After completing chiropractic school and her radiology residency in southern California, she moved to Reno where she's had a radiology consulting practice in the area for 10 years.

Dr. Chad Taitano, who is from Northern Nevada, is ROAM's staff medical radiologist. After attending medical school here, he served in the U.S. Navy, and then completed his residency in Denver. He's been practicing in the Reno area for the last four years.

ROAM also offers ultrasound examinations for all conditions that require ultrasound and will be offering mammograms within the year. Robyn says they also plan to open more facilities in the future and offer CT

scans.

Opening ROAM has been exciting, according to Robyn. She credits the staff for helping them make starting a new business run as smooth as possible. "We have great employees who are as proud of the business and as excited as we are. They've been with us from the beginning and are part of why we've become successful." Staff members include Tammi Bennett and Robin Wolf in the front office, and MRI tech, Scott McCormick.

Robyn loves owning her own business along with partner, Chad, but has this warning for other entrepreneurs. "Startup is always going to cost more than you think." She says they thought they had really planned well, but there is always something. Her advice? Just be ready for that.

ROAM is open to all patients and is on many insurance lists. Patients can choose where they want to go, and if you want to be served by a friendly, experienced and helpful staff, you might consider ROAM for your MRI and ultrasound examinations.

## State Business License Requirements

continued from page 5

**Q. If I have several businesses, but they are all owned as sole proprietor businesses, do I have to get State Business Licenses for each one?**

**A.** Sole proprietors may have more than one business and only be required to have one State Business License. However, if a person is a sole proprietor and also conducts business under a separate corporation or other entity, State Business Licenses will be required for each entity.

**Miscellaneous**—A business is required to keep all records for four years. The same or similar provisions, which exist for other Title 32 taxes regarding audits, confidentiality of information, administrative procedures, etc., are applicable to this license fee.

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## Anti-Smoking Initiative

continued from page 1

When the free market works, intrusive government regulations and laws are not needed.

The initiative is currently being circulated and needs approximately 51,000 signatures in 13 of Nevada's 17 counties. Those circulating the initiative have until Nov. 9, 2004, to collect the requisite number of signatures. If they are successful, the initiative will be transmitted to the 2005 legislature. If the legislature fails to act within 40 days, the initiative will be presented to the people to vote upon in the 2006 General Election.

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## San Diego Site of NRFtech Conference

**W**hat is the future of retail technology? The National Retail Federation (NRF) holds its NRFtech Conference in August to discuss that question.

The NRF CIO Council, an invitation-only committee made up of chief information officers in the retail industry, holds three meetings annually to discuss what's new and what to expect in the IT world. This conference brings together the CIO Council and managers, directors and CIOs from non-council companies.

How will the industry craft products and services that will be particularly useful in the ever-changing advancement of technology for retail? Retail wants to know what's ahead and technology companies want to know the needs of retail. This is a chance for those groups to explore what can be.

Although the conference is by "invitation only," interested technology leaders may submit an application on NRF's website, [www.nrf.com](http://www.nrf.com), to apply for admittance. Registration is free for NRF companies. Retailers who are not NRF members pay on a sliding scale.

Although this is not a trade show, vendors may apply to be sponsors. Sponsors act as discussion leaders on IT topics and manage topic discussions that will continue after the summit. For information about sponsorships, call Lisa Marzetti at 202-626-8136 or send her an email at [marzetti@nrf.com](mailto:marzetti@nrf.com).

## • Seminars •

### **May – 2004**

#### **FMI Financial Executive Conference**

May 23 - 26, 2004  
Orlando, FL

Contact: [pshinko@fmi.org](mailto:pshinko@fmi.org) or call  
202-220-0705

#### **NRF Washington Leadership Conference**

May 26 - 27, 2004  
Washington, DC

Contact: 800-NRF-HOW2

### **June – 2004**

#### **NACDS Marketplace Conference**

June 4 - 7, 2004

New Orleans, LA

Contact: 703-549-3001 or  
[www.nacds.org](http://www.nacds.org)

### **August – 2004**

#### **NACS Leadership Executive Program**

August 8 - 12, 2004  
Ithaca, NY

Contact: 703-684-3600

#### **NACDS Pharmacy & Technology Conference**

August 29 - September 1, 2004  
San Diego, CA

Contact: [www.nacds.org](http://www.nacds.org)

#### **NRFtech: IT Leadership Summit**

August 8 - 10, 2004  
San Diego, CA

Contact: 800-NRF-HOW2 or  
208-783-7971

### **October – 2004**

#### **NACS Show 2004**

October 17 - 20, 2004  
Las Vegas, NV

Contact: 703-684-3600

#### **Abbreviations**

FMI • Food Marketing Institute  
IMRA • International Mass Retail Assn.  
NACDS • Nat'l Assn. of Chain Drug Stores  
NACS • Nat'l Assn. of Convenience Stores  
NRF • National Retail Federation

## Theft by Counterfeit Coupon

Next time you think about buying a load of cents-off and/or free product coupons off the Internet, you might want to check how deep your pockets are. Counterfeit coupons, which are being sold over the Internet and in other schemes, are becoming another loss factor for consumers, manufacturers and retail outlets.

According to Bud Miller, executive director of the Coupon Information Center (CIC), a not-for-profit organization fighting counterfeit coupon theft, one manufacturer, who declined to be named, lost \$1.1 million last year for a single counterfeit coupon.

Counterfeit coupons are a growing problem that's led to groups like the Food Marketing Institute (FMI), the Grocery Manufacturers of

The Promotion Marketing Association says that 333 billion coupons were distributed last year, and nearly 4 billion of them were redeemed for about \$3 billion. At that rate, counterfeit coupons can put a real bite in the profit margin.

A common counterfeit coupon is the one offering free products. Others range in offers from 50 cents up to \$11.99 off. The South and Midwest was hit hard last summer with coupons worth up to \$11.99 off of Stouffer's frozen dinners and free pints of Haagen-Dazs ice cream. When manufacturers refused to honor the counterfeits, grocery chains like Kroger started refusing to accept computer-generated or downloaded coupons. Food retailers in New England were targeted later in the year, and some decided not to accept coupons that appear to be computer generated, offer free products, discounts greater than \$5, or have bar codes that don't scan properly.

Circulating counterfeit coupons is a criminal offense subject to prosecution by federal, state and/or local law enforcement. In February, Coupons, Inc., a U.S. provider of consumer-printed coupon marketing and technology, won a permanent injunction and final judgment against "Tony" Leland, Andrea Heintzelman and Midwest Wholesale. The U.S. District Court of the Northern District of California granted the ruling based on claims under federal and state law, including the Digital Millennium Copyright Act that addresses copyright protection of materials in digital form.

The Better Business Bureau says that if consumers have questions about the legitimacy of computer-generated coupons, they should contact the manufacturer or retailer. The CIC maintains a website, <http://www.cents-off.com/>, with information for consumers, manufacturers and retailers about what is going on with counterfeit coupons. They also post a list of "free product" counterfeit coupons and have a downloadable copy of an alert that food retailers can post that warns, "We do not accept Counterfeit Coupons."



America (GMA), CIC and the Better Business Bureau to fight back. Together, GMA and FMI worked with EBay to persuade them to stop selling electronic coupons through its auction website.

In a press release, the Better Business Bureau reports that, "Scam artists often copy legitimate coupons from the Internet and change expiration dates, product names or the amount of the discount. Sometimes coupons that are printed in circulars are scanned or photocopied. The fake coupons are then distributed through email, Internet discussion groups and online auction sites." Technology has made it easy to make counterfeits look like the real thing and to distribute them easily over the Net.

Coupons are big business for food retailers.

## Strict Accountability Needed to Combat Counterfeit Drugs

Counterfeit drugs could represent between \$7 billion and \$26 billion of the \$327 global drug market, says a report released in December by the National Association of Chain Drug Stores (NACDS). What can be done about the growing problem of counterfeit prescription drugs in the United States? Quite a lot, according to NACDS.

The Food and Drug Administration (FDA) asked NACDS to lend its perspective and insights to the FDA counterfeit prevention initiative for prescription drugs. NACDS responded with a report that outlines actions that could help combat the problem.

Disruption in the supply chain is one of the contributing factors, says an NACDS release, and, "There is no single "magic bullet" against the growing number of sophisticated counterfeiters."

There are different categories of drug counterfeiting from diluted drugs to contaminated drugs to fake labels, says the report. And there are enabling factors that must be addressed to fight the problem. Problems include low barriers for criminals to enter the wholesale market, inadequate administrative and criminal penalties for drug counterfeiting and diversion, and financial incentives that work contrary to the strategic intent of the manufacturer/primary wholesaler.

NACDS has suggested a "one forward/one back" approach to drug authentication that would help ensure accountability for each step in the supply chain. Key characteristics include that:

- Supply chain members maintain transaction documentation for the immediate previous source and the immediate subsequent recipient of

drug products.

- One forward/one back requirements extend from the manufacturer to the pharmacy company.
- Regulators have the right to audit the one forward/one back transaction records all the way to the manufacturer, e.g., spot checks, counterfeit investigations, etc.
- Repackagers be required to support the one forward/one back authentication requirements.

Under this system, every member of the supply chain would document both the immediate source and the commercial purchaser of drugs, regardless of whether it is a pharmacy, hospital, or long-term care facility. This would enable authorities to perform an audit trail whenever counterfeiting was suspected.

The report also urges the FDA to consider:

- A classification system to identify drugs vulnerable to counterfeiters.
- A digital track and trace system to guarantee drug authenticity.
- Anti-counterfeiting measures in drug packaging.
- Strict licensing requirements on all drug distributors.
- Aggressive enforcement of existing importation laws.

Contributing to this report were representatives of NACDS Leadership Council companies, including manufacturers, wholesalers and community pharmacies.

Visit [www.nacds.org](http://www.nacds.org) to read the report, "NACDS Leadership Council Counterfeit Prescription Drug Initiative."

### House Moves on WIC

The House Education and Workforce Committee has reauthorized the Women, Infants and Children (WIC) program for four years. The reauthorization measure, H.R. 3873, titled the Child Nutrition Improvement and Integrity Act, includes some changes that were sought by food industry leaders. Changes in the measure require that:

- States that receive federal funding for WIC electronic benefit transfer (EBT) systems observe national technical specifications and standards. The measure should help speed the adoption of lower-cost electronic delivery of WIC benefits.
- The U.S. Department of Agriculture develop a national U.P.C. database for WIC products, reducing the potential for human error by enabling retailers to download the national product codes directly into their computer systems.
- States maintain a list of authorized wholesalers, manufacturers and retailers that sell infant formula. This provision would then require retailers to purchase from that list.

The Food Marketing Institute's (FMI) WIC Task Force, composed of 22 food retail industry executives, worked on the reforms. Tim Hammonds, president and CEO of FMI said that the reauthorization measure will help curb counterfeiting and the illegal sale of infant formula and requires that retailers be notified immediately of any program violations.

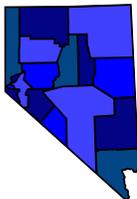
Source: FMI in Washington, March 2004

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YOUR WORKERS'  
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- X Team Safety/Loss Control Program for all members
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Nevada**  
1007 N. Nevada Street  
Carson City, NV 89703-3937

• Membership in RAN Required •

**Important information for SIG members**

The NRS governing self insured groups requires notifying members of all new members to the Group. New members for NRNSIG from March 1 to April 25, 2004, are listed below. For a complete member list, please call RAN at 775-882-1700. Please Note: Due to the many new members added each month to NRNSIG, we are unable to list all members on this page.

**NRNSIG**

7-Eleven 21330  
Apple Maintenance Services, Inc.  
Ashley Furniture HomeStore  
Bullwinkle & Co.  
Carson City Community  
Counseling Center  
Carson Fire Equipment  
Corner Store & Deli  
Desert Sage Medical, Ltd.  
Elko Area Chamber of Commerce  
Gold Coast Agency, Inc.  
Green Valley Pools, Inc.  
H & H Development Ltd, LLC

Helm & Associates  
Home Care Giver Services  
Industrial Services Ace Steam  
Cleaning  
International Auto Painting &  
Body, Inc.  
Jack's Auto Repair  
Jalapeno's Fresh Express, LLC  
Las Vegas Gaming, Inc.  
McDonalds of Elko I & II  
Professional Anesthesia Billing  
Services, Inc.  
Reno Vein Clinic, Ltd.

**NRNSIG** members who wish to register a negative vote on a new group member, please write NRNSIG at 810 E. Fifth Street, Suite A, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

**Membership Information**

Find out more about RAN's self insured group.

Call Willie Kerschner, 775-720-8125,  
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).



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# Crowded Lives

## A New Life-Management Model Offers Guidance for People With Crowded Lives

By James Larsen, Ph.D.

The next time you're suffering through a really bad day, it may help you to recall the story of a man named John.

The story opens with his four-year-old daughter tugging at his sleeve to get his attention. Dinner is finished and the house is quiet, but home and family are not on John's mind at this moment. John discharged an employee earlier in the day, and it was the look of peril in this person's eyes that haunts him now, peril John caused by terminating his employment.

Meanwhile, the increasing urgency of his daughter's voice has attracted his wife. As she approaches, she thinks about his neglect of the family that she has complained about in their recent fights. Her voice is sharp when she speaks to him, and he reacts more to the tone of her voice than to the facts that prompted her words. Soon, they are arguing, and the last thing he says to her, just before tears well up in her eyes and she slams the bedroom door behind her, is, "You can be replaced."

Why did he say that?

After a not-so-restful night's sleep on the couch, John begins a new workday and receives a follow-up visit from an eager employee who hopes to be promoted to supervisor. Her interview had gone well, and John likes this person. This follow-up visit demonstrates initiative, he feels, so he offers her the job. Bringing great pleasure into her day is just what he needed, but it's cut short by the surprised and angry voice of the next caller. It is another employee who wants to know if he should keep his appointment for an interview for this same position.

Oh no, he thinks, he hadn't finished all the interviews. What else could go wrong?

John is making bad mistakes. Trouble seems to follow him from work to home and from home to work. John isn't alone.

Life is often very crowded. Some people manage this crowding very well. Others, like John, fail miserably.

Experts from a variety of backgrounds offer advice to help people understand and manage their lives. They write books and articles, speak at seminars, and record training videos. The problem has also attracted researchers, and one of these, Boris Baltes, from Wayne State University, recently completed a study that should help.

Baltes selected the most promising new management model he could find that explains why some people manage their crowded lives well while others do not. It's called the SOC Life Management Strategy. Next, he created a survey that would identify people who followed the practices the model identifies as most helpful. Finally, he included questions that would identify people who were managing their lives well and people who weren't. He gave this survey to 241 people, and then allowed his computer to tell him if people who followed the practices actually reported better-managed lives. They do. Baltes' study supported the new model.

People who manage crowded lives and supervisors who manage people with crowded lives should benefit by knowing about it.

The SOC Life Management Strategy is a plan for adapting when life gets crowded. It has four components:

- 1) Stating realistic preference goals.** These are goals a person wants to accomplish when increasing crowdedness forces choices. For example, a young sales clerk who becomes a new mother may give up her goal to become a supervisor and stop training for this promotion. Instead, she may focus on improving her closing skills so she can increase her sales. This is a goal she does want to accomplish.
- 2) Stating realistic loss-based goals.** These are goals a person chooses when a sudden loss reduces one's resources, such as losing a spouse, a natural disaster or a physical loss, like one's hearing. For example, a new widow may set a goal of downsizing and moving to an apartment.
- 3) Focusing effort and resources on the selected goals.** Concentrate one's effort toward reaching the goal.
- 4) Identifying and employing alternate resources to maintain progress toward goals when resources decline or demand increases.** The young sales clerk mentioned above may line up both her mother and her mother-in-law to be available for emergency child care when her baby is too ill to go to daycare. Selecting reasonable goals and organizing one's resources to maintain progress toward reaching them is the essence of the SOC Strategy.

Reference: Baltes, Boris B., and Heather Haydens-Gahir (2003) "Reduction of Work-Family Conflict Through the Use of Selection, Optimization and Compensation Behaviors." *Journal of Applied Psychology*, 88 (6), 1006-1018

# Washington Watch



**FCC Seeks Input About Internet Protocol-Enabled Services**—The Federal Communications Commission (FCC) has handed down a Notice of Proposed Rulemaking (*Notice*) along with its decision in the Pulver.com case.

In February 2003, Pulver.com, an Internet services company, asked the FCC to rule that Free World Dialup (FWD) be declared “neither a ‘telecommunications service’ nor ‘telecommunications’ as those terms are defined in the communications Act of 1934. The FCC ruled for Pulver, saying its FWD offering will remain a minimally regulated competitive option for consumers. It also initiated the Communications Assistance for Law Enforcement (CALEA) rulemaking proceeding to address technical issues associated

with law-enforcement access to IP-enabled services. The FCC will look at the scope of covered services, assign responsibility for compliance and identify the wiretap capabilities required.

The FCC is also seeking comments on how to differentiate between Internet services and traditional telephone services and to distinguish among different classes of Internet services such as how and if regulatory requirements of traditional telephone service, such as E911 disability accessibility, access charges and universal service should be extended to different types of Internet services.

The *Notice* also asks about the legal regulatory framework for each type of Internet service and the relevant jurisdictional considerations for each category.

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## Retail Association of Nevada

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Elizabeth MacMenamin, Director of Government Affairs  
Paul Enos, Manager of Government Affairs  
Willeta Kerschner, Account Executive/Workers' Comp  
Joan Morrow, Editor

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# Nevada News

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775-882-1700  
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