

## This Issue

### 2003 Session Adjourns!

1,3

### Seen & Noted

2

Product registration rules;  
Fast-food restaurant targeted;  
Understanding privacy rules.

### Tech News

4 - 5

Credit/debit card information;  
Federal Do Not Call list  
activated.

### Featured Member

6 & 7

Bear Industries Printing &  
Publishing

### Seminars

7

### News Briefs

8

More employees needed in the  
Truckee Meadows; Tax cut for  
small business.

### Working Smarter

9

Finding the best air fare.

### Self Insured Page

10

New member listing

### Larsen Column

11

Try this to keep employees.

### Washington Watch

12

Loans to small businesses  
increasing.

## It's the process, stupid!

By Mary Lau, Executive Director of RAN

Those of you with a long-standing interest in politics will remember the first election cycle for Bill Clinton where the sticking phrase that spun him into office was, "It's the ECONOMY stupid!"

In the case of the 2003 Legislative Session and subsequent Special Sessions, the mantra was, "It's the PROCESS stupid!"

The Governor's original tax proposal, the proposed Gross Receipts Tax, was the subject of early discussion with little debate by the Governor's Task Force on Tax Policy. This committee had within their charter the ability to ask for five bill drafts for suggestions on tax policy. This committee chose to ignore any other suggestions and, instead, modeled their plan after the State of Washington, a state that has commissioned its own study trying to figure out how to get rid of its gross receipts tax.

There will always be a sense of dissatisfaction by those industries that came before this committee with suggestions that were either criticized or ignored. However, members of the committee, some legislators and even the Governor touted their plan early enough so that they were clearly aware of the business communities abhorrence to this plan. The creation of a state I.R.S. coupled with the clear economic devastation of this plan, made it unacceptable. It was the process, stupid. The business community held firm on this. They, and we, did not want a tax that needed millions to implement and possibly 70 new people

to administer. The plan was also one that would eat up so much in costs that the legislature could simply change the rates with a whim. Trust me on this, businesses, legislators and unions watch anything that is punitive on wages, so changing the payroll tax will require much debate and strong policy needs. Besides that, it is our firm belief that this tax package will over-generate revenues—so the need won't be there.

Fortunately, there were enough like-minded legislators, ones who could clearly see into the future and ones who truly want responsible economic development in this state, that eventually any form of business income tax was "off the table." Long range planning is difficult in political circles, but good tax policy is not. When Assemblyman Marvel talked with Liz and me, he knew that the time had run out for legislators to force further cuts in the budget. He also knew that the proposed payroll tax was good, long-range tax policy.

The unfortunate last-minute inclusion of the banks, with a broad range definition of financial institutions coupled with branch fees, only pandered to those interests that wanted to get the banks at any cost. Interestingly enough, there are already problems surfacing with these definitions. Contained within the definition of a financial institution is Holding Companies. As it turns out, several large casino properties pay their upper man-

# Seen and Noted

## New rules for product registration

Retailers and manufacturers will not have to issue product-registration cards for products intended for use by children. The Consumer Federation of America (CFA) requested in 2001 that the federal Consumer Product Safety Commission (CPSC) not only require that retailers and manufacturers issue the cards, but also collect and maintain the information for 20 years after the sale of the product.

The CFA argued that the recall of dangerous products could be more easily conducted if manufacturers, retailers, private labelers and importers were held responsible for the requirement. The National Retail Federation and other retail groups argued against the requirement, and the CPSC agreed in a 2-1 vote rejecting the request.

Retail groups questioned the scope and cost of the plan and whether it would actually improve the effectiveness of recalls of children's products. They also wanted to know if the CPSC had the authority to impose the registration card rule. In a hearing to discuss the rule, CPSC staff said that the legislative history of the federal law establishing the commission expressly excluded retailers from such reporting requirements.

Source: *Michigan Retailer*, April 2003

## Fast-food restaurants are served

John Banzhaf III is taking steps to make good on his threat to make fast-food restaurants the cause of their customers' obesity. (See "Fat Busters Looking for Culprit" in the December 2002 *Nevada News*.)

Banzhaf, of George Washington University, is famous for his work in the 70's to get tobacco ads removed from television. On June 27, 2003, he took what he calls the first step towards filing a lawsuit against fast-food restaurants. He has plans to file the lawsuit within six to nine months.

His first step was sending certified letters to the CEOs of McDonald's, Burger King, Wendy's, KFC, Taco Bell and Pizza Hut demanding that they post notices warning their customers that fatty foods can cause addiction-like reactions.

In the meantime, a House subcommittee is hearing testimony on a bill that will basically ban fast-food lawsuits like Banzhaf's.

## NACDS offers help to understand new privacy rules

The compliance date for implementing the privacy rules regarding patients' health information is over two months past, but the confusion still remains. The Health Information Portability and Accountability Act (HIPAA) affects the entire health care industry, and associations such as the National Association of Chain Drug Stores (NACDS) are offering help.

The NACDS Foundation now provides for pharmacies an overview of HIPAA and state law, the "HIPAA Preemption Analysis." The study looks at both the new HIPAA guidelines and existing state privacy rules still in effect.

NACDS says that the "privacy regulations set the floor for

compliance. They do not preempt state laws that are more stringent than the federal requirements. As a result, if a state law is not preempted, pharmacies are required to maintain compliance with the state law requirement in addition to the HIPAA privacy regulations."

This document is a pharmacy-specific survey and analysis for HIPAA purposes, which was conducted by the Mintz Levin law firm for the NACDS Foundation. It offers several unique features including detailed analysis of parent/minor laws in each state jurisdiction and suggested language for a pharmacy's notice of privacy practices.

Find the survey at [www.NACDSFoundation.org](http://www.NACDSFoundation.org).

**Taxation Revenue Options (In Millions) • Revised July 21, 2003**

TAX	FY 2004		FY 2005		EFFECTIVE DATES
Cigarettes (45 Cent Increase)	\$ 64.0	17.3%	\$ 70.0	14.8%	<b>P&amp;A or 7/23/03</b>
Liquor (75 % Increase)	\$ 13.8	3.8%	\$ 15.5	3.3%	8/1/03
Business License Fee (BLF) - \$100 Annual Fee	\$ 22.1	6.1%	\$ 24.5	5.2%	<b>P&amp;A or 7/23/03</b>
Business License Tax (BLT)	\$ 60.9	-16.7%	\$ (83.8)	-17.8%	9/30/03
Modified Business Tax (MBT) <sup>1</sup>	\$ 139.7	38.4%	\$ 181.8	38.5%	10/1/03
Modified Business Tax on Financial Institutions (MBTFI) <sup>2</sup>	\$ 15.5	4.2%	\$ 21.4	4.5%	10/1/03
Excise Tax on Banks <sup>3</sup>	\$ 1.3	0.4%	\$ 2.6	0.6%	10/1/03
Real Estate Transfer Tax - RETT (\$1.30 per \$500) <sup>4</sup>	\$ 51.5	14.1%	\$ 69.9	14.8%	Delete 1/1/04
Live Entertainment Tax <sup>5</sup>	\$ 41.2	11.3%	\$ 75.4	16.0%	<b>9/1/03 &amp; 1/1/04</b>
Gaming (Increase Rates by 0.5%)	\$ 41.0	11.3%	\$ 51.1	10.8%	8/1/03
Restricted Slots (33% Increase)	\$ 2.3	0.6%	\$ 2.4	0.5%	<b>P&amp;A</b>
<b>Subtotal Annual Revenue</b>	<b>\$ 330.4</b>	<b>90.8%</b>	<b>\$ 430.8</b>	<b>91.3%</b>	
<b>Subtotal Biennial Revenue</b>			<b>\$ 761.3</b>	<b>91.1%</b>	
<b>Assembly Bill 4</b>					
Reduce cigarette Stamp Fee to 0.5% (Calculated on 40/45 cent increase in tax)	\$ 2.6	0.07%	\$ 2.9	0.6%	8/1/03
Reduce Other Tobacco Allowance to 0.5%	\$ 0.1	0.0%	\$ 0.1	0.0%	8/1/03
Reduce Liquor Tax Allowance to 0.5% (Calculated on 75% increase in tax)	\$ 0.7	0.2%	\$ 0.8	0.2%	8/1/03
Reduce State/LSST Retailer Allowance to 0.5% <sup>6</sup>	\$ 11.4	3.1%	\$ 12.1	2.6%	7/1/03 if before 7/21/03
<b>Subtotal Assembly Bill 4 - Annual</b>	<b>\$ 14.8</b>	<b>4.1%</b>	<b>\$ 15.9</b>	<b>3.4%</b>	
<b>Subtotal Assembly bill 4 - Biennial</b>			<b>\$ 30.7</b>	<b>3.7%</b>	
<b>Senate Bill 2</b>					
Secretary of State Fees, Securities, etc. <sup>7</sup>	\$ 18.8	5.2%	\$ 25.2	5.3%	<b>9/1/03</b>
<b>Subtotal Senate Bill 2 - annual</b>	<b>\$ 18.8</b>	<b>5.2%</b>	<b>\$ 25.2</b>	<b>5.3%</b>	
<b>Subtotal Senate Bill 2 - Biennial</b>			<b>\$ 44.0</b>	<b>5.3%</b>	
<b>TOTAL ANNUAL REVENUE</b>	<b>\$ 364.0</b>	<b>100.0%</b>	<b>\$ 471.9</b>	<b>100.0%</b>	
<b>TOTAL BIENNIAL REVENUE</b>			<b>\$ 836.0</b>	<b>100.0%</b>	
<b>GENERAL FUND NEED<sup>8</sup></b>	<b>\$ 345.4</b>		<b>\$ 465.3</b>		
<b>BIENNIUM TOTAL GENERAL FUND NEED</b>			<b>\$ 810.7</b>		
<b>DIFFERENCE - ANNUAL</b>	<b>\$ 18.6</b>		<b>\$ 6.6</b>		
<b>DIFFERENCE - BIENNIAL</b>			<b>\$ 25.3</b>		

<sup>1</sup>Based on Gross Wages-Exempt 501c's Only.

<sup>2</sup>Based on Gross Wages. Financial Institutes defined to include commercial banks, savings institutions, "functions closely related to banking," other depository institutions, nondepositor institutions, security and commodity brokers, and holding and other investment offices. Gross payroll projected based on information obtained from ESD for 2001 projected to 2004 and 2005.

<sup>3</sup>Quarterly excise tax assessed at the rate of \$1,750 for each branch office in excess of 1 maintained by the bank in this state. Payment is due on the first day of each calendar quarter. Estimate is based on 435 branch offices with 63 being exempt (first office) for a net of 372 branch offices.

<sup>4</sup>Adjusted to reflect revised estimate to "base" off fiscal year 2002 with 18% increase for fiscal year 2003. Fiscal years 2004 and 2005 projected with a 2% increase in each fiscal year.

<sup>5</sup>Provides for a 10% on admission to live entertainment events, including food and beverages, in gaming and non-gaming establishments over 300 and under 7,500 seats; for gaming & non-gaming establishments over 7,500 seats the tax would be 5% but would not include food and beverages; and non-gaming establishments with less than 300 seats and gaming establishments with less than 300 seats and less than 51 slots, 6 games, or any combination of slots and games with these limits are exempt from the tax. Tax effective September 1, 2003 for gaming properties and January 1, 2004 for non-gaming establishments.

<sup>6</sup>IF NOT APPROVED BY JULY 22, 2003 EFFECTIVE DATE WOULD BE OCTOBER 1, 2003 WHICH WOULD RESULT IN A LOSS OF \$2.9 MILLION

<sup>7</sup>Included in S.B. 2, 20<sup>th</sup> Special Session; will require amending to change effective dates.

<sup>8</sup>Reduced for appropriations included in S.B. 258 which was not approved by the 2003 Legislature; reduced by \$30 million in fiscal year 2005 (Fund to Stabilize Operation of State Government); reduced by \$5 million for appropriation for tax implementation; increased revenue collection from compliance audits by Taxation \$2million FY 2004 and \$3million FY2005); and reductions for Medicaid & TANF of \$9.8 million

# Debit/credit card swiping a growing threat to consumers

You do it all the time. You make a purchase and you swipe your card through a credit/debit card reader. With that simple act, you've paid for your goods and may have also opened yourself up to a method of identity theft called swiping.

When you pass your card through a magnetic card reader, also called a skimmer, the machine takes all the personal information encoded in the magnetic stripe so that your transaction can be completed. It's handy. It's also an easy way for a criminal to steal your information by a method called skimming.

Skimming is used mostly at entertainment venues, such as restaurants, where you hand your card to someone who then takes it to a central area to complete the transaction. According to the Federal Trade Commission (FTC), the person who has your card swipes it through a legitimate reader, then uses a portable skimmer to repeat the transaction. The information is stored in the skimmer to be retrieved later where the thief can either use the information to make purchases over the phone or online or create a counterfeit card.

Skimmers are cheap, costing between \$250 and \$1,200, and are sold over the Internet. It's a small electronic device that waiter, store clerk, etc. can strap to a belt or place next to a cash register. Because it makes it easy to steal a person's identity, it's growing in popularity, has become a law enforcement headache and is costing consumers millions of dollars a year.

A recent raid in Queens revealed a laptop computer containing 4,300 stolen card numbers. The information had been taken from customers frequenting pharmacies, shoe stores and convenience stores in New York, New Jersey and Connecticut. Officials say the stolen numbers may account for the purchases of about \$13 million in goods.

The Identity Theft Resource Center (ITRC), [www.idtheftcenter.org](http://www.idtheftcenter.org) on the Internet, estimates that 700,000 people became victims of ID theft in 2002. The FTC and organizations such as the ITRC, serve as educators and clearinghouses for information on how to prevent the crime. The FTC reports that in 2002, 43 percent of its complaints pertained to identity theft.

Integritas Forensic Investi-

gations, online at [www.fraudinvestigator.co.za](http://www.fraudinvestigator.co.za), warns retailers to be on the lookout for illegitimate cards. They list security features that clerks can check for MasterCard and Visa.

## ***MasterCard Features including but not limited to:***

1. The first four digits of the account number will be printed beneath the embossed number.
2. A unique embossed security character "MC" will appear next to the expiry date.
3. The embossed characters should be in alignment and of the same size, height and style.
5. Ghost images of other numbers behind the embossing on either the front or back of the card indicate that the card has been re-embossed. If the card is re-embossed, the hologram may be damaged.

## ***Visa Features including but not limited to:***

1. The embossed account numbers begin with a 4 and contain 13 or 16 digits.
2. The first four digits of the account number will be printed above or below the embossed number. These numbers must match.
3. A unique embossed security character "V," "CV," "BV" or "PV" will appear next to the expiry date.
4. The card has been re-embossed if there are ghost images of other numbers behind the embossing on either the front or back of the card.

See the Integritas website for more information.

***See related story on page 6, "States take action to help curb credit/debit card theft."***

## ***Retailers can help protect their customers***

*There are precautions that merchants can take to help their customers protect themselves from skimming credit/debit card theft.*

1. Advise clerks to never enter a PIN customer, to return the debit card to the customer and to always give the customer a copy of the transaction.
2. Ensure that the terminal is installed so that customers can easily shield the PIN keypad with their bodies.

Never let your card out of your sight, says the FTC. If you use your card to pay for goods or a meal and the clerk or waiter must go to another area to complete the transaction, watch the person until he or she returns your card to you. Don't take your eye off the transaction. Identity theft is still number one of the top ten on the FTC's fraud complaint list.

## Federal do-not-call list is now open for business

Telemarketers claim that they provide a needed service to consumers, but consumers' rush to have their phone numbers placed on the National Do Not Call Registry are saying something different. As of July 1, 2003, 12.5 million telephone numbers have been added to the Registry, which opened for business just five days earlier on Friday, June 27.

Consumers can get on the list, which is free, by either logging on to [donotcall.gov](http://donotcall.gov) or by calling 888-382-1222. Consumers must call the toll free number from the number they wish to register.

The list will protect consumers from calls from most commercial FTC regu-

### ***The FTC estimates that the Registry will swell to 60 million listings.***

lated industries. Exceptions include calls for polling and surveys, from political or charitable organizations and from firms with existing business relationships with the consumer. Thursday before the Registry opened, the Federal Communications Commission added the industries it regulates to the program, which include banks, phone companies, insurance businesses and airlines.

To stop telemarketing calls by Oct. 1, consumers must register by Aug. 31. After that, telemarketers have three months to comply. Telemarketers who continue to call after the deadlines can be fined up to \$11,000 for each call.

Consumers who don't register can still request that a telemarketer put them on its do not call list. They'll also be protected by stricter telemarketing rules that take effect on October

## States take action to help curb credit/debit card theft

Credit/debit cards have made it a simple matter to pay for goods and services in person, over the phone and Internet, and for catalog orders. The cards have also helped make identity theft a growth industry.

A report published by the U.S. General Accounting Office (GAO) in March 2002 showed that out of 25,991 reported cases of identity theft from March through September 2001, the largest number of cases were due to credit card theft, 9,488 or 36.5 percent of the cases. States and at least one major credit card, Visa, are taking action to help stop the fraud.

Nevada's new law, passed during the 2003 regular legislative session, goes into effect on October 1, 2003, and affects electronically printed debit/credit card receipts. The law states that "if a person accepts credit cards or debit cards for the transaction of business, the person shall not do any of the following:

- Print the expiration date of the credit or debit card on any receipt provided to the card holder, and
- Print more than the last five digits of the account number of the credit or debit card

on any receipt provided to the cardholder."

There are several exceptions in the bill. The law says the new rule:

- Applies only to electronically printed receipts, and
- Does not apply to transactions in which the only means of recording the credit or debit card is by handwriting or imprinting or copying the card.

This section of the law will not apply to cash registers and other devices in use before Oct. 1, 2003. However, everyone must be in compliance by Jan. 1, 2008.

In March of this year, Visa announced more stringent rules than the Nevada law. Visa will prohibit the printing of more than the last four digits of the card number on the cardholder's receipt and will completely eliminate the expiry date from the receipt. Visa's rule goes into effect for all new equipment as of July 1, 2003, and for equipment already in use by July 1, 2006.

Las Vegas is listed in the GAO's top ten cities for victims reporting identity theft from November 1999 through September 2001.

1 and January 2004. After October 1, telemarketers must eliminate "dead-air" or hang-up calls from their automatic dialers, and by January 2004, they must transmit Caller ID information and let the phone ring for 15 seconds, or four rings.

AT&T's Government Solutions subsidiary won a three-year, \$3.5 million contract from the FTC to set up and run the Registry, although since 2001, the company has received the most complaints for its telemarketing practices. Eileen Harrington, associ-

ate director of marketing practices in the FTC's consumer protection bureau, said, "The decisions are made solely on merit, and AT&T had the best proposal at the best price." AT&T Corp. will be subject to the same rules as all other industries included in the Registry program.

The Federal Trade Commission (FTC), which approved the registry last year, estimates that the Registry will swell to 60 million listings. It seems consumers are well on their way to fulfilling that target

# Bear Industries ~

## Printing and publishing in Sparks since 1986



*Jerry Cail, president of Bear Industries, Printing & Publishing, holds artist's rendition of Reno Ice Dome 500's Leisure Ice*

pitching in to clean and haul out the mess of ruined printing jobs. They also were able to farm out their contracted printing jobs to other companies who honored Bear Printing's bids.

They also emerged from the flood with a new name. In 1986, Judi's husband Jerry Cail and a partner had bought the business, originally named Banner Printing. Customers called with requests for banners, a product that the company didn't—and doesn't—print. Since the company was now Jerry's—he'd bought out the partner in 1988—they called it Bear Industries, naming it after Jerry's former hobby, bear hunting. It was a natural, as they already owned a multitude of bear collectibles that could serve as mascots.

Bear Printing is a full-service printing house and accepts work done on either Mac or PC. Designers can send work over the Internet or through the mail, or deliver a disc or a photo-ready job to the facility.

Remember the Truckee Meadows flood of 1997? If not, Judi Cail, of Bear Industries Printing and Publishing, can tell you all about it.

It was New Years Day, and although the business was closed, Judi had decided to go in to work. She'd been there about an hour when she noticed water running down Stanford Way, the road that runs perpendicular to her street, Cal Lane. The Truckee River had washed over its banks, and within a few hours, Bear Printing and Publishing was awash in about a foot of water. Three months later, they were back in business with a new name and a few million dollars in recovery debt. Their insurance had only paid for about \$1 million of the \$7 million in damages.

Judi says you find out a lot about good employees and the kindness of competing businesses when disaster strikes. "We had good people who stuck with us," she says,

Bear Printing has seven presses and can accommodate the simplest of jobs, such as a one-color letterhead or business card, to complicated color printing on their six-color press, a high-speed press that prints two sides at once. They offer varnishing, foil stamping, embossing and debossing, and die cuts. They do perfect binding, spiral binding, saddle stitching, tabs, drilling and pockets. If you have an idea for a printed piece, they can help you take it to the completed project.

A tour of the heart of the business, the pressrooms (there are two—the six-color press fills a separate warehouse on Linda Way) find the presses cranking away while long-time employee Ron Kepley works at the perfect binder, turning thick sets of printed pages into soft-cover books. Floyd Short works the cutter machine, taking the printed piece and turning it into its finished size. Other employees are hard at work at the envelope press, the 40-inch Perfection Printer, the "baby press, a one-color ABDick, the tabbing machine, the die cutter and the foiling/embossing machine.

Jerry's dream of owning his own business is in full gear, cranking out



*Spiral bound booklets to brochures to saddle stitching and perfect binding ~ just a few of the projects that Bear Industries prints.*

finished printed pieces from the mundane to the beautiful posters such as those advertising "Where the Environment Meets Recreation," which reveals Jerry's other side—community work.

Seven years ago he got involved organizing a golf tournament, a fundraiser for the Desert Research Institute that's raised \$70,000. The 7<sup>th</sup> annual tournament is on again for this summer. As proud as he is of that and for other activities, such as being a member of the University of Nevada's Millennium Team for donating to a Y2K fundraiser that netted \$2 million in scholarships for UNR, he's most excited about a project he started, the Reno Ice Dome 500.

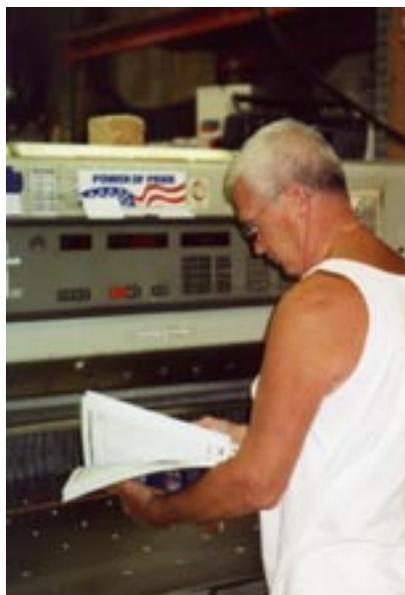
The Reno Ice Dome 500 is a project that will bring year-round ice-skating to Reno, and if Jerry has his way, be the site for some of the games of the 2014 Winter Olympics. The main goal of the Ice Dome project, though, is to give this area a beautiful recreational skating facility and a 5000-seat Olympic-size ice arena for training youths interested in speed skating, hockey, curling and figure skating. It will also be the home of a professional hockey team.

Even if you've never skated and have no dreams of being an Olympic or professional skater, you'll want to visit the Ice Dome, to be located on the Northeast corner of the Reno Hilton. The leisure ice area is not just a hunk of ice. It will look out over the Truckee River and is designed as a natural pond with small peninsulas to skate around. The only difference between this and the real thing is, you won't have to wait for the freezing weather to do a little skating. The ice will be there rain or shine, on hot days and freezing ones. It's a dream worth working towards, and one with a completion date.

Completion dates seem to be a theme for the Bear Printing crew. All 29 employees are dedicated to getting your printing job out when you want it, looking like you want it to. They'll even help you figure out what you want. To find out what they can do for you, call them at 775-358-8822. They work with people all over the U.S. and even in Japan. If you're close by, you might even want to visit to get a first hand look at the work. They're located at 105 Cal Lane.



Ron Kepley putting perfect binding on booklets.



Floyd Short checks progress on job at the cutter machine.

## • Seminars •

### **August - 2003**

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

August 23 - 27, 2003

Philadelphia, PA

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

### **September - 2003**

#### **EFR & UCC Foodservice Bar Code Seminar**

September 9, 2003

Dallas, TX

Contact: Mark Allen at [mallen@fdi.org](mailto:mallen@fdi.org) or call 937-435-3870

#### **NRF Shop.org 2003 Annual Summit**

September 24 - 26, 2003

New York, NY

Contact: [www.shop.org](http://www.shop.org) or phone at 202-626-8192

### **October - 2003**

#### **Pack Expo Las Vegas**

October 13 - 15, 2003

Las Vegas, NV

Contact: [http://](http://www.packexpo.com/newsinfo/calendar.cfm?month=10&year=2003&cell=12)

[www.packexpo.com/newsinfo/calendar.cfm?month=10&year=2003&cell=12](http://www.packexpo.com/newsinfo/calendar.cfm?month=10&year=2003&cell=12)

#### **PMA Fresh Summit**

October 19 - 20, 2003

Orlando, FL

Contact: <http://pma.com/events/freshsummit/freshsummit.cfm>

#### **FMI Productivity Convention & Expo**

October 26 - 29, 2003

Nashville, TN

Contact: Laurel Kelly [lkelly@fmi.org](mailto:lkelly@fmi.org) or phone at 703-532-9400

### **Abbreviations**

EFR • Efficient Foodservice Response

FMI • Food Marketing Institute

NACDS • National Association of Chain Drug Stores

NRF • National Retail Federation

PMA • Produce Marketing Association

UCC • Uniform Code Council, Inc.

## Pool of qualified employees not keeping up with Truckee Meadow's job growth

It's hard to find a qualified employee in Northern Nevada according to a survey conducted by NevadaWorks. The 2002 Occupational Outlook Report, released in May, surveyed about 300 employers representing nearly 4000 employees in 20 occupations in the Reno-Sparks-Carson City area. Employers in 75 percent of the occupations surveyed said it was "difficult to find fully qualified applicants that meet their hiring standards," according to the survey.

Occupations surveyed include jobs in management, finance, transportation, construction, health care,

get the job. In fact, in 60 percent of the occupations surveyed, the majority of employers report that when hiring, the minimum education required is less than a college degree.

Some of the highest paying jobs, those that top out in the \$55,000+ range, include carpenters, computer software engineers, database administrators and heating, air conditioning and refrigeration mechanics. The other occupations surveyed include accountants and auditors; book-keeping, accounting and auditing clerks; computer and office machine repairer; computer programmer; computer support specialist; computer system analyst; electronics engineer; electrical and electronic equipment assembler; first line supervisor and manager of operating; licensed practical and vocational nurse; machinist; purchasing manager; registered nurse; tool and die maker; truck driver (heavy or tractor-trailer); and welder, cutter, solders and brazer.

The Occupational Outlook Report includes current and detailed information covering topics ranging from employment trends and forecasts, education and training requirements, salaries and benefits, and skills and opportunities within specific occupations. The data was released less than six months from the time it was collected. You can find the report on the Internet at [www.nevadaworks.com](http://www.nevadaworks.com). The study is also available at local libraries.

NevadaWorks is the northern Nevada administrative agency responsible for local implementation of the federal Workforce Investment Act.

computer/electronics, production and maintenance/repair. According to the Nevada Department of Employment, Training and Rehabilitation, 55 percent of the employers that were surveyed projected higher 10-year growth than the area average.

Most of the employers surveyed use full-time workers for an average of 40 hours/daytime a week. The highest paid workers are those with experience and at least three years with a company. However, a college degree isn't necessarily the route to a good salary. Many occupations paying salaries in the \$45,000 to \$55,000+ range require only a high school degree to



## Tax cut helps small businesses

The taxing life for small businesses in the U.S. is a little less now that the \$350 billion tax cut is in place. Under the new law, small businesses will be able to write off \$100,000 in the first year for investment in equipment, a \$75,000 increase from the previous \$25,000 allowable. The bill also allows businesses to depreciate the cost of new equipment by 50 percent.

Small businesses will also benefit from the accelerated time frame for personal income tax reductions. Originally passed in the 2001 tax cut bill and slated to take effect in 2004 and 2006, the cuts will now apply to income earned in 2003. The 38.6 percent bracket will drop to 35 percent; the 30 percent bracket is cut to 28 percent; and the 27 percent bracket drops to 25 percent.

Other measures in the tax bill include new spending for states including \$20 billion to go towards block grants and Medicaid. About 60 percent of the tax cuts will be effective this year, but a sunset provision in the bill has most of the cuts being rescinded between 2005 and 2009.

The House Small Business Committee has passed legislation that would increase spending for the Small Business Administration's Certified Development Company (CDC) 504 Loan Program. The 504 Program provides small businesses with long-term, fixed-rate loans for major fixed assets, such as land and buildings. To qualify, businesses must have a tangible net worth below \$7 million and an average net income below \$2.5 million after taxes for the preceding two years.

## Cell phones on the job and your personnel policies

Personnel policy manuals are the mainstay of a conscientious business owner, but it isn't enough just to create a legally correct document. A policy manual should be reviewed periodically taking into consideration changes in the law and new workplace situations that occur with new technologies. For instance, does your company have a policy regarding the use of cell phones while on the job? A series of court cases suggests that you consider such a policy.

Although lawsuits involving employee accidents while using cell phones and driving are relatively new, businesses that have been sued have taken big hits. Consider these situations.

1) A salesman of Dyke Industries, a lumber wholesaler in Arkansas, hit a 78-year-old woman in a car accident while talking on his cell phone. As a result of the accident, the woman was severely disabled and subsequently awarded \$16.2 million.

2) A broker for Smith Barney, an investment banking firm, was talking on his cell phone when he hit and killed a motorcyclist. Smith Barney settled a lawsuit brought by the family of the man by paying them \$500,000.

3) A public school teacher in Hawaii was talking on a cell phone when she hit a man who was walking in a crosswalk. Hawaii settled with the man's family for \$1.5 million.

These cases were settled by the companies on the grounds that each person was working while talking on a cell phone, and the trend for such lawsuits is growing. While a company policy can't completely protect it from such lawsuits, cases in other areas of employment litigation have taken it into account when an employer makes an honest effort to avert such possibilities.

Although a company could protect

itself by creating a policy that says no employee will be allowed to use a cell phone while conducting business for the company, such a policy may not be practical. Cell phones are pretty much a standard for employees who have to conduct business while on the road. It might be time to include a clear and precise personnel policy in your manual. Such a policy might include:

- 1) A requirement that an employee pull off the road before calling out on the cell phone.
- 2) Clearly stating that an employee is not expected, nor required, to use a cell phone while driving.
- 3) Requiring that employees use hands-free technology when talking on a cell phone while driving.

A company could also require that a cell phone be used only in the case of emergency.

Every business owner needs to determine how important it is for employees to use a cell phone while driving on the job. Although communicating while driving is not new (two-way radios, CBs, walkie-talkies and other technologies have been used by repair servicemen and women, emergency care drivers, truck drivers, etc. for years), cell phone use is so common that business owners may not consider the ramifications if an accident occurs.

If you do want to add a cell phone use policy to your employee manual, make sure that you consult your attorney before writing and implementing it. Also, require that each employee read and understand the new policy and that the policy is uniformly enforced. As with your original policy manual, have your employees sign off that they have read and clearly understand the new policy and the consequences involved if not followed.

### *Cheaper air fare online*

If you're willing to spend the time, you can cut your air travel costs. A survey conducted by FareChase says you can save as much as 24 percent by searching online for air fare prices rather than book with a travel agency.

FareChase targeted May 27 departures and May 29 returns for a comparative study of fares available for 400 U.S. business routes. The survey compared online and travel agency fares and found booking online saves money. It also found that booking through online travel sites such as Expedia and Orbitz offered lower prices than booking through individual airline sites, but airline sites still offered cheaper prices than travel agencies.

If you're looking for convenience, though, using a travel agent still beats the do-it-yourself method because going online means spending quality time with your computer. It takes work and patience to track down the best price.

FareChase is a New York City-based company that provides the travel industry with search engine and fare matching technology.

### *Keeping good employees*

Hiring the right people is important—keeping them is vital. According to this survey many companies have problems doing that.

- Respondents in companies that employ 250+ are most likely to indicate employee retention is a problem.
- Fifty percent of those who indicated employee retention is a problem say the problem has increased over the last two years.
- Employees who were employed six months or less are most likely to leave their positions.

Source: *Thomas-Staffing Annual Survey* as quoted from "Quick Bites" by Sam Geist, 800-567-1861, <http://www.samgeist.com>.

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## 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 as of July 23, 2003, 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 able to list only new members on this page. For information on NRNSIG, please see information below.

### **NRNSIG**

A Caring Hand  
ADL Home Care, Inc.  
Bennett Medical services  
Carson Urologists LTD  
Catholic Community Services of No. Nevada  
Chicago Joe's Ltd.  
Creative Endeavors  
Eye Care Professionals  
Hickman Telecom LLC  
Holman Security Corp.  
Human Behavior Institute

International Scuba Center, Inc.  
Las Vegas Security Patrol, Inc.  
Leila's Scrubs  
Quintus Vacation Management LLC  
Ronald McDonald House Charities No. Nevada  
Sierra Home Health Care  
Sierra Security Associates, Inc.  
Southern Nevada Roofing Supply, Inc.  
Sun Valley Food Mart  
Team Sports Ink  
William B. Wager, DDS  
Willow Creek Siena LLC

### MEMBERSHIP INFORMATION

Find out more about RAN's self insured groups. Call Willie Kerschner at 775-720-8125 or the RAN office at 775-882-1700 (toll-free in Nevada – 800-690-5959). Don't forget our website, [www.RANNV.org](http://www.RANNV.org).

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

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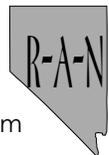
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# When the going gets tough

Recent findings about human performance reveal new ways retailers can help their best employees

Have you ever noticed that employees differ in their reactions to demanding work? Have you ever wished you could help people who were having difficulty? It's tough to see employees get tired and miserable and

**Managers encourage mastery by displaying their own pleasure when performing the same tasks as their people, but those who don't, encourage a performance orientation.**

not be able to help them, especially when others are working just as hard and getting just as tired but are satisfied at the end of their day.

Nico Van Yperen, a Dutch visiting scholar at Wharton School, is interested in human performance, and he recently made a discovery in a study of achievement orientation that will give retail managers a new target for their efforts to help. Here's the story.

When we hire for demanding jobs, we try to find people who have reacted well to difficult situations in

## The Theory

The theory involves achievement orientation. It states that people adopt an orientation toward their own achievement that helps them:

- 1) approach achievement situations,
- 2) experience these situations,
- 3) respond to them, and
- 4) evaluate them.

The theory claims that people generally choose between two possible orientations, performance orientation and mastery orientation.

With a performance orientation, people are concerned with comparisons with others. They want to appear smarter and more productive. With a mastery orientation, people want to

feel they have mastered the task that must be completed and gained new capacities by exerting great effort.

People with a performance orientation are challenged by the opportunity to display their ability, but they aren't particularly interested in the task. People with a mastery orientation can exert just as much effort, but they're interested in the task.

Van Yperen found that people often had both orientations, but that in demanding work settings, one tended to be stronger. He also found that people in demanding settings with a predominant performance orientation were not happy in their jobs, but that people with a predominant mastery orientation were happy in their jobs.

People with mastery orientations experience satisfaction merely by exerting great effort. But people with performance orientations lose their ability to predict others' capabilities in demanding work settings. The more demanding the work, the lower their confidence that they will be able to be the best. Hence, they become unhappy in their jobs.

## Conclusions to work with

Two conclusions follow:

- 1) We want highly productive people in our difficult jobs who are happy with their work, and
- 2) If we want them to be happy, we need to help them adopt mastery orientations.

Reference: Van Yperen, Nico W. and Onne Janssen (2002) "Fatigued and Dissatisfied or Fatigued But Satisfied? Goal Orientations and Responses to High Job Demands." *Academy of Management Journal*, 45 (6), 1161-1171.  
C 2003 Management Resources

## Putting the theory to work

Van Yperen believes it is possible to influence achievement orientation.

Generally, one's environment will shape these choices. For example, work settings with a compensation system that identifies and rewards individual performance will encourage a performance orientation. One that rewards groups of people equitably encourages a mastery orientation.

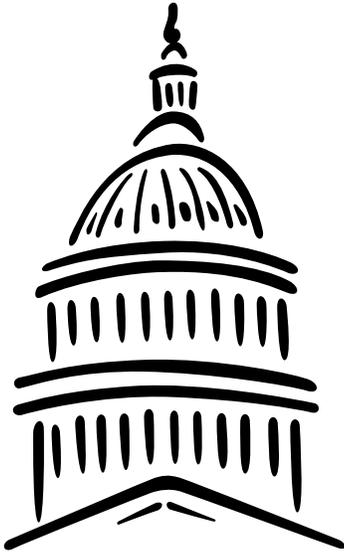
Managers can encourage mastery by drawing attention to the task. Comments that compare individuals only encourage a performance orientation.

Managers encourage mastery by displaying their own pleasure when performing the same tasks as their people, but those who don't, encourage a performance orientation.

Hard working, effective employees are a valuable asset we'd like to preserve. Helping them be satisfied in their work by encouraging a mastery achievement orientation is one way to do it. Now you know how.

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*Washington  
Watch*



**Small businesses receiving more loans from the U.S. Small Business Administration**

The first two quarters of 2003 showed an increase of 35 percent in loans made over the same period last year, according to the SBA. SBAExpress loans also increased in the first six months of the fiscal year, going from 6,122 to 13,991.

Hector Barreto, administrator of the SBA, says the increase is due to the agency's new focus and commitment to reaching out to underserved groups and to streamlining the loan process.

The SBA has been working with its lending partners, making it easier and faster for them to approve loans and encouraging them to make available a greater number of small loans.

The loans are mainly in the 7(a) General Business Loan Guaranty pro-

gram and the 504 Certified Development Company categories.

The statistics indicate a substantial increase in loans made to minorities, women and veterans.

Loan approvals for women small business owners increased by 34.8 percent.

Those made to minority business owners increased by 42.1 percent, while veteran small business owners received 26.2 percent more loans in the first six months of 2003.

Veterans now also hold a prominent spot on the SBA Advisory Committee. Out of the 15-member committee, veterans hold 12 of the positions. The SBA Advisory Committee on Veterans Business Affairs provides an independent source of advice and policy recommendations to the U.S. Small Business Administration.

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