

This Issue

Services Tax

1, 3
Bills still being considered.

Seen & Noted

2
RAN, NACDS and cigarette news.

Working Smarter

4 - 5
Counterfeiting; happy employees can help company profits.

Guest Column

6
Make meetings work.

Contact Your Legislators

7
Phone numbers/email addresses.

Seminars

7

News Briefs

8
MasterCard/Visa lawsuit update; tax reminders; tobacco checks

Tech News

9
The Internet & your employees.

Self Insured Page

10
New member listing.

Hadley Column

11

Washington Watch

12
DOT rule change.

Business group proposes services tax – Broadens tax base

“Nevada’s taxes need to reflect Nevada’s economy,” says Mary Lau, executive director of the Retail Association of Nevada (RAN). The Association has been looking at a number of ways to achieve a taxation system that will raise the needed revenue for the state and, at the same time, create an equitable system that distributes the tax burden fairly and acts as a stimulant to economic growth. A services tax will accomplish those goals, says Lau.

The Business Representative Group (BRG) has presented a tax plan to the Legislature that would create a services tax of 5 percent and reduce the state sales tax by at least 2 percent. According to the group, of which RAN is a member, the proposed services tax would both replace the 2 percent sales tax and raise a minimum of \$400 million in additional revenue.

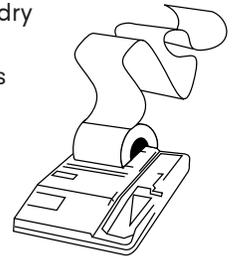
A plus of the services tax is that it would raise the needed revenue from those who can most afford to pay, businesses and the affluent.

Some services targeted for the tax include:

Taxable Services – Mainly Business Services

- Accounting, auditing and bookkeeping
- Non-commercial air transportation
- Automobile parking
- Book printing, publishing, bookbinding and related services
- Business associations

- Commercial laundry & cleaning
- Lobbying services
- Legal services
- Computer and data processing services, repairs, rental credit agencies
- Detective and protective services and armored car
- Engineering and architectural services
- Equipment rental and leasing
- Landscape maintenance
- Mailing, reproduction, commercial art and photography



Taxable Services– Mainly Used by Affluent

- Accounting
- Non-commercial air transportation
- Golf and country club membership
- Interior decorating
- Jewelry and furniture repair
- Legal services
- Securities and commodities brokers
- Transportation services

The services tax would specifically exclude consumer services used by average Nevadans because such taxes “would result in a regressive tax by burdening lower and middle income families,” the Business Group says.

Services tax continued on page 3...



RAN participates in education celebration

The Retail Association of Nevada was honored by the Nevada Public Education Foundation at the inaugural Nevada Hall of Fame dinner held March 19, 2003. RAN was thanked for its Sterling Sponsorship of the Foundation.

Five individuals and three organizations were inducted into the Education Hall of Fame for contributions to Nevada's public education system pre-kindergarten through grade 16.

Rose Bullis and Joyce Woodhouse, both long-time Nevada educators, were awarded the 2003 Unsung Heroes award, given for members of the community for their personal contributions to education.

The Clarence and Martha Jones

Family, the Nell J. Redfield Foundation and R & R Partners received the 2003 Contributors award for their outstanding contribution to public education.

Governor Kenny Guinn, Former First Lady Sandy Miller and Senator William J. Raggio received the 2003 Leadership award.

Dr. Joe Crowley, Dr. Brian Cram and Diane Koutsulis received the 2003 Educator award.

The Nevada Public Education Foundation is a statewide public education foundation which was established to assist, support and enhance public education programs in Nevada.

NACDS educates on sun safety

The National Association of Chain Drug Stores (NACDS) and Schering-Plough Health Care have formed the Sun Safety Alliance, a nonprofit coalition dedicated to reducing the incidence of skin cancer in the U.S. by motivating people to actively adopt and practice safe sun behavior.

The Sun Safety Alliance will provide pharmacies with educational materials to display in their stores and distribute to their customers. Also available is a speaker's kit for pharmacists interested in making presentations to local schools and community centers.

The Alliance is targeting families with young children to educate them to the fact that cancer caused by sun exposure can be prevented by adopting safe sun practices. "While many parents recognize that sunburns are bad, most parents don't know that one serious sunburn under the age of 10 can double that child's likelihood of developing skin cancer later in life; two bad sunburns can increase the risk by 70 percent."

The Alliance will also directly target children through a five-part education module produced through its partnership with *Scholastic Magazine* and the Skin Cancer Foundation. NACDS expects to reach over 4.5 million third graders in 150,000 schools across the country to teach them how to have fun in the sun, but safely.

Skin Cancer Facts:

- On average, one person dies every hour from skin cancer, and in the past 30 years, the incidence of melanoma, the deadliest form of skin cancer, has almost tripled.
- Over 1 million new skin cancer cases are diagnosed annually.
- Using sunscreen with an SPF of 15 or higher during the first 18 years of life can reduce some types of skin cancer by nearly 78 percent.

New York says no to cigarette sales over the Internet

New York State has won the right to prohibit the sale of cigarettes over the Internet. Brown & Williamson Tobacco Corp. had challenged New York's law saying that it discriminates against interstate commerce.

The law actually prohibits common carriers from delivering tobacco products to individual consumers; instead, they must be delivered to a licensed entity. The law essentially allows New York to put cigarette sales in an environment where the buyer's age can be verified and where sales tax can be collected. The Fair Application of Cigarette Taxes Alliance says New York State loses \$900 million per year in excise tax revenue to uncollected taxes on Internet and mail order sales and on Native American reservation sales to non-natives.

The U.S. Postal Service doesn't have to honor the ruling because states don't have jurisdiction over the postal service.

Services Tax

continued from page 1

Some examples are:

Excluded Services – Amusement & Recreation

- Bowling
- Pool halls
- Movies
- Theater productions and bands
- Newspapers and magazines

Excluded Services – Personal Services

- Beauty and barber shops
- Manicures and facials
- Funeral services
- Personal laundry
- Cleaning
- Shoe Repair
- Portrait and photo studios
- Weddings

Nevada’s economic base is changing, says the Business Group, and any new tax needs to reflect those changes. Reducing the state sales tax would not only be a plus for consumers, it would also place Nevada in “an economically com-

“We don’t need to create a new bureau in the tax department...”

**–Mary Lau
Executive Director, RAN**

petitive position when it comes to business diversification.” It would also help amend a tax system that currently places too high a burden on lower income Nevadans.

The tax would also create a buffer for the bad times. States across the U.S. are suffering from a continuing slow economy, and states like Nevada that are too heavily dependent upon tourism need a stabilizer. The services tax would create a broader tax base to help Nevada meet the needs of a growing state (in the last

Services

Tax



five years, Nevada’s population has grown by 400,000, and projections show that September enrollment in K-12 public schools will increase by 27,000).

Gaming has placed its bet on a gross receipts tax (GRT), which RAN has been fighting from the beginning for several reasons. From the get-go, the Governor’s Task Force recommended a gross receipts tax designed after Washington State’s GRT. Washington has recently heard from its own study panel that the tax has been a dismal failure. Since creating its GRT, Washington holds the nation’s highest failure rate for start-up businesses. It also has a 7+ percent unemployment rate.

In an effort to comfort Nevada’s small businesses that they won’t be hurt by a GRT, the Governor’s Task Force offered a six-figure threshold exemption. Lau says that when Washington instituted its GRT, it also had a six-figure threshold—\$450,000. That figure has been steadily lowered and now stands at \$80,000. “That would hit well over 50 percent of Nevada’s economic base,” says Lau. She adds that the GRT has also been an expensive and ungainly creation. Washington ended up establishing a whole new bureaucracy to administer the GRT. “We don’t need to create a new

bureau in the tax department, and that’s another reason why we need to consider a tax on services,” Lau says.

The Business Group also supports a tax-free, back-to-school shopping week. It’s a week scheduled before the traditional school year that allows families with children to buy clothing, educational supplies and materials without paying taxes on these items.

Lau says the services tax means non-gaming businesses will continue to pay their fair share of taxes. In fact, a University of Nevada, Las Vegas, study shows that non-gaming businesses’ share of total government revenue has increased from 70 percent to 81 percent over the past few years.

Nevada needs a broader tax base to pay for services, education and infrastructure of the burgeoning state, says Lau. “We need a tax structure that will encourage economic development and keep Nevadans on the payroll,” she adds.

The proposed GRT would generate approximately \$230 million annually. The proposed services tax would generate over \$400 million annually, while reducing the sales tax.

Counterfeiting increases with digital ease

The \$20-dollar bill—is it a retailer’s friend or foe?

Retailers probably see more \$20s pass through their cash registers than any other bill. That could be why it’s one of the most popular bills for the digital-age counterfeiter.

According to Secret Service statistics, digitally created counterfeit bills rose from one-half of 1 percent to 47 percent in 2000. In 2001, 41 percent of the \$12.6 million seized by the government was produced digitally.

Technology has made life very good for the counterfeiter. At one time only a professional who was very knowledgeable in offset printing methods and paper quality could produce the kinds of bills that passed easily from consumer to retailer. Now all it takes is a good color copier or a computer, scanner and inkjet printer. In fact, it’s so easy that college students are dashing off small bills that may not be the best quality but last long enough to fill up the gas tank and buy a hamburger.

What does this mean for retailers? It means it’s even more important to train cashiers how to spot counterfeit bills and how to react if they suspect they’ve received one.

This year the Treasury is issuing the “Next Generation” currency. In the meantime, the U.S. Secret Service, a division of the Treasury, gives this advice for spotting and reacting to suspected counterfeit bills.



The Portrait:

The genuine portrait appears lifelike and stands out distinctly from the background. The counterfeit portrait is usually lifeless and flat. Details merge into the background, which is often too dark or mottled

Federal Reserve and Treasury Seals:

On a genuine bill, the saw-tooth points of the Federal Reserve and Treasury seals are clear, distinct and sharp. The counterfeit seals may have uneven, blunt or broken saw-tooth points.

Border:

The fine lines in the border of a genuine bill are clear and unbroken. On the counterfeit, the lines in the outer margin and scrollwork may be blurred and indistinct.

Serial Numbers:

Genuine serial numbers have a distinctive style and are evenly spaced. The serial numbers are printed in the same ink color as the Treasury seal. On a counterfeit, the serial numbers may differ in color or shade of ink from the Treasury seal and the numbers may not be uniformly spaced or aligned.

Paper:

Genuine currency paper has tiny red and blue fibers embedded throughout. Often, counterfeiters try to simulate these fibers by printing tiny red and blue lines on their paper. Close inspection reveals, however, that on the counterfeit note, the lines are printed on the surface and not embedded in the paper. It is illegal to reproduce the distinctive paper used in the manufacturing of United States currency.

The Secret Service advises cashiers do nothing that might put them in danger when confronting a suspected counterfeiter and outlines these steps to take:

- Do not return the bill to the passer.
- If possible, delay the passer with some excuse.
- Observe the passer’s description—and any companions’ descriptions—and write down their vehicle license plate numbers, if possible.
- Contact your local police department or call your local U.S. Secret Service Office (in Northern Nevada – 775-784-5354; in Southern Nevada – 702-388-6571). The Secret Service can also be contacted by email.
- Write your initials and date in the white border area of the suspected counterfeit note.
- Do not handle the counterfeit note. Place it inside a protective cover, a plastic bag, or envelope to protect it until you can give it to an identified Secret Service Agent.
- Surrender the note or coin only to a properly identified police officer or Secret Service Special Agent, or mail it to your nearest U.S. Secret Service field office.

Profit from happy employees

Happy employees add to the bottom line. Two recent security studies indicate that a supportive work culture creates satisfied workers, and satisfied workers not only stay with their company, they have less tendency to steal from their employers.

The 2002 National Retail Security Survey, conducted by the University of Florida with a grant from ADT Security Services, a division of Tyco Fire & Security, says that retailers lost approximately \$31.3 billion as a result of inventory shrinkage. Employee theft accounted for 48 percent of that loss. Although there was a small decline from 2001, 1.8 percent to 1.7 percent for 2002, it still cost retailers \$15 billion last year.

The Security Survey connects the shrinkage rate to employee turnover and reports that, "One of the most consistent predictors of inventory shrinkage has always been a retail firm's level of annual employee turnover. As we have repeatedly demonstrated in 10 years of research, shrinkage rates are lower in firms with lower turnover."

In companies where sales associate turnovers were less than 50 percent, the average shrinkage rate was 1.61 percent, which is well below the industry average. In contrast, businesses whose turnover rates were greater than 50 percent per year showed an average shrinkage rate of 1.85 percent.

The 12th Annual Report on Supermarket Employees came to similar conclusions. The study, conducted by Pearson Reid London House, the Food Marketing Institute and the Retail Institute at Purdue University, found that employees of supermarket chains that have a "winning" culture stole \$110 less per year than employees from less positive companies.

The Supermarket Employees survey focused on employee attitudes

and behaviors while on the job. They questioned 1750 employees representing 36 separate companies and found the average annual self-admitted theft added up to \$82 in cash or merchandise. Using that number, a supermarket chain of 50 stores with 150 employees per store would lose approximately \$352,318 per year to employee theft.

The Supermarket Employees survey concludes that creating a "winning" culture will combat employee dishonesty. Barbara Lewis, director of organizational assessment with Reid London House says, "Working smarter has to do with a satisfied workforce." She adds, "The happier employees are, the more motivated they are to work a little harder, to be more cooperative with each other and with management, and to be more loyal to the company."

Supermarket Employees survey has these suggestions for reducing employee turnover and employee theft:

- 1) Ensure the company places people into the right jobs for their ability and interests. Consistent with the previous year's study, job satisfaction and fit remained the strongest contributors to a winning culture.
- 2) Establish open communications between the employer and employees.
- 3) Provide opportunities for advancement. Employees will feel a sense of satisfaction when employers try to match their interests, skills and abilities to a career path.
- 4) Develop employee involvement with the company. Without a sense of contribution, employees were much more likely to leave.

Be watchful for these clues of job-hunting within your sales team

Good salespeople are difficult to replace no matter what shape the hiring market is in. Stay on the lookout for these clues that a member of your sales team may be hunting for a new job elsewhere.

- **More personal calls:** Is the sales associate suddenly on the phone a lot more—with callers who aren't customers?
- **Increase in days off:** Calling in sick or taking extra personal days may be a sign that your employee is in the process of interviewing.
- **More privacy:** The employee closes his or her door, speaks in a lower tone of voice on the phone, or takes more breaks outside of the work place than before.
- **Personality changes:** Normally outgoing employees suddenly grow quiet and reticent; formerly low-key salespeople become talkative and enthusiastic.

What can you do? Start before your sales force gets restless. Find out what excites them, what rewards or motivates them, what they want from a job with you. If they seek things you can't offer, observing these signals will at least help you prepare for the transition ahead of time.

From Sales Management Report, 800-878-5331, www.ragan.com.

-Adapted from "Employees Seeking Other Employment," on the [Business Tips](#) website.

Making meetings work

By Peggy Morrow

Meetings, meetings, meetings. Do you ever feel that they are the biggest waste of time for you and your company? Well, it may be that you are guilty of some of these meeting mistakes. Rate your meetings to see if any of these describe your organization.

You don't have a written agenda

If participants have no idea of what will be covered in the meeting, how can they possibly be prepared? You'll waste valuable time while a participant gets the figures you need or other information. If you have an agenda, people know which materials to copy and bring to the meeting.

You don't distribute that written agenda at least 24 hours before the meeting

See above for reasons.

Not giving discussion time needed to each agenda item

When people are held to a time limit for each item, the meeting will go much more smoothly.

Plan your day in 15-minute increments

Planning is an essential element of your productivity. Start by looking at your to-do list and estimating how long each project will take. Then block out your day 15 minutes at a time, starting with the task you look forward to least. Important: schedule a low-priority item every hour or so as a buffer. If a job takes longer than expected, you can reschedule the less important task for later without throwing off your day.

From Sales Management Report, 800-878-5331, www.ragan.com.

-Adapted from "Vertical relationships build business," on the [Selling Strategies](http://SellingStrategies) website.

Not appointing a timekeeper to monitor the agenda times

The timekeeper keeps track of the time and gives the group a warning when the time allocated for an agenda item is almost up. The group can then decide to move toward closure on the topic, choose to continue the discussion and either shorten the time of another agenda item, make the meeting longer (usually a bad idea) or drop an agenda item.

Not listing a starting and ending time

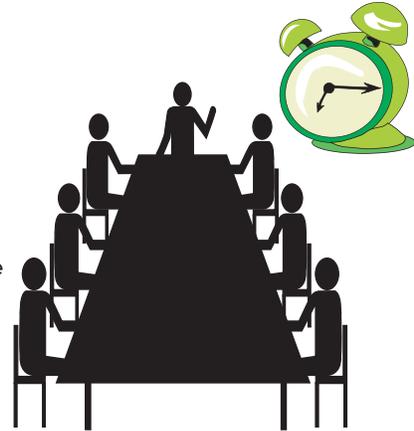
People need to know when the meeting will start but also how much time to allow for the meeting. People are so busy these days that their days need to be tightly organized. They must know how much time they'll have in the day for other duties.

Not starting the meeting on time

You "train" people as to when they should arrive for a meeting. If you traditionally start your meetings at least five minutes late, guess what? People will start to arrive at least five minutes late. Don't wait for anybody. Start the meeting exactly on time, and close or even lock the door after the start time. People will soon learn to get there on time because you stick by your start time.

Not ending on time

If you are known for meetings that run forever, you'll soon find it difficult to get anyone to attend. When the ending time of the meeting is announced ahead of time, and you stick to that ending time, it keeps the meeting moving along more smoothly.



Not starting the meeting with a review of the agenda

Things may have changed since you put out the agenda, so ask participants whether they think any changes need to be made. This also helps participants take responsibility for the meeting.

Not sticking to the agenda

When someone brings up a subject that is not on the agenda, be firm about letting people know that you are not scheduled to discuss that at this meeting. Offer to let them substitute it for another agenda item if they like, or readjust other agenda items.

Not establishing meeting ground rules

Ground rules set out preferred standards of behavior and are most effective when the group designs them themselves. Some examples of ground rules are: "Listen to and honor all opinions and concerns," "One conversation at a time," and "Help us stay on track and on schedule." This will help the meeting participants police themselves.

So how did you score? Use this list of don'ts to make your next meeting the most effective ever.

Peggy Morrow, CSP, is a professional speaker and seminar leader. To have her work with your group, call (281) 280-8190 or e-mail at peggy@peggymorrow.com.

Legislature contact information

The following toll-free phone numbers will connect you directly to the Nevada State Legislature. By calling these numbers, an operator will be able to connect you with any of the needed services or information listed below.

Toll Free Numbers (800) to reach the Nevada State Legislature

(800) 992-0973 (Toll Free From Anywhere)
(800) 995-9080 (Toll Free From Anywhere)
(702) 486-2626 (Toll Free From Southern Nevada)

Legislative Hotline

(775) 684-1385

Legislative Counsel Bureau staff members will answer your questions regarding the following: bill status, bill summaries, legislator votes on particular bills, committee hearing times and legislator contact information. They can also mail you copies of legislation.

Legislative Message Center

775-684-6789

The Legislative Message Center allows you to leave personal messages for legislators. We believe that you are the most effective advocates on issues of importance to business.

Fax

To fax a member of the Nevada Senate, dial 1-775-684-6500
To fax a member of the Nevada Assembly, dial 1-775-684-8533

Mail

Nevada Legislature
401 S. Carson Street
Carson City, NV 89701-4747

The Taxation Committees meet at the following times and locations. Included is contact information for the respective members.

Senate Taxation

2:00 p.m. T. and Th.; Rm. 2135 • Committee Manager, Mavis Scarff - 684-1442

Republican

Mike McGinness (Chairman) 684-1442
Dean Rhoads (Vice Chairman) 684-1447
Randolph Townsend 684-1451
Ann O'Connell 684-1457
Sandra Tiffany 684-1481

Democrat

Joe Neal 684-1429
Bob Coffin 684-1427

Assembly Taxation

1:30 p.m. T. and Th.; Rm. 3142 • Committee Manager, Joyce Hess - 684-8821

Democrat

David Parks (Chairman) 684-8821
David Goldwater (Vice Chairman)
684-8541
Bernie Anderson 684-8563
Morse Arberry 684-8587
Kathy McClain 684-8835
Harry Mortenson 684-8803
Peggy Pierce 684-8599

Republican

Dawn Gibbons 684-8855
Tom Grady 684-8507
Lynn Hettrick 684-8843
John Marvel 684-8851
Josh Griffin 684-8841

You can get up-to-date BDR and bill information at the Legislature's website, www.leg.state.nv.us.

• Seminars •

June - 2003

PMA Retail Produce Solutions Conference

June 7 - 9, 2003
Monterey, CA
Contact: www.pma.com or
Dianna Garvey at
dgarvey@mail.pma.com

NACDS Marketplace 2003

June 9 - 12, 2003
San Diego, CA
Contact: 703-549-3000 or
www.nacds.org

July - 2003

NRF Best Practices in Online Merchandising Workshop

July 31 - August 1, 2003
Sonoma, CA
Contact: www.shop.org or Ron
Greenly at 202-686-8190 or
GreenlyR@shop.org

September - 2003

NRF Shop.org 2003 Annual Summit

September 24 - 26, 2003
New York, NY
Contact: www.shop.org or phone
at 202-626-8192

October - 2003

FMI Productivity Convention & Expo

October 26 - 29, 2003
Nashville, TN
Contact: Laurel Kelly lkelly@fmi.org
or phone at 703-532-9400

Abbreviations

FMI • Food Marketing Institute
NACDS • National Association of Chain
Drug Stores
NRF • National Retail Federation
PMA • Produce Marketing Association

MasterCard settles • Visa goes to court alone

Retailers have won their anti-trust lawsuit against Visa and MasterCard in an out of court settlement. Retailers sued the two credit card companies for alleged antitrust violations.

Wal-Mart, Sears, Roebuck & Company and other retailers claimed that Visa and MasterCard violated federal antitrust laws by "forcing merchants who accept Visa and/or MasterCard-branded credit cards for payment to also accept Visa and/or MasterCard-branded debit cards."

Consumers like their debit cards. They used them for purchases to the tune of \$13.4 billion last year, and Visa and MasterCard were used for 60 percent of those buys. While a debit card transaction (PIN-based)

costs merchants about 15 cents per \$100 purchase, a signature-based purchase costs about \$1.50 per \$100 spent. Customers generally sign for their goods, which means they're paying more for the merchandise because retailers have to pass along the cost to consumers.

Visa holds the market share of debit signature card spending, 80 percent, while MasterCard has 20 percent.

The two credit card companies have been ordered to pay retailers \$25 million immediately. They will pay \$2 billion more to retailers over the next 10 years.

In August, fees charged to retailers for signature-based debit card

transactions will be reduced by almost a third. Merchants will also no longer have to accept Visa and MasterCard debit cards if they want to accept their credit cards. Retailers could save from \$63 billion to \$100 billion by 2010.



-See November 2002 issue of RAN Nevada News, page 2, for specific information about retailers' class action lawsuit.

Tax reminders for retailers

1. Tips given by a customer to a waiter or waitress as a voluntary return for services rendered are not subject to sales tax. However, assessments made by the seller to cover a tip for the waiter or waitress that is added to the guest check, are considered a part of the sales price and are to be included in the "sales price" subject to sales tax if the funds are not distributed to the waiter or waitress in the exact amount charged. If the funds are distributed in the exact amount charged, the tip is exempt from sales tax as a voluntary return for services rendered.

2. It is unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the sales tax or any part thereof will be assumed or absorbed by the retailer or that it will not be added to the selling price of the property sold or that if added, it or any part thereof will be refunded. (NRS 372.115)

Source: "Nevada Tax Notes," January 2003, published by the Nevada Department of Taxation.

Working with tobacco compliance checks

Nevada Attorney General Brian Sandoval wants retailers to know that compliance checks are fair and not deceptive. All retail outlets in the State that sell tobacco products are checked for compliance at least twice each year.

Nevada uses teens between the ages of 15 and 17 when conducting compliance checks. The youth, male or female, enters a store and asks to purchase a pack of cigarettes, smokeless tobacco or a cigar. If asked by store personnel, the youth will tell his true age. If asked for a photo ID, the youth will present his own photo ID with his true age, say he doesn't have an ID with him, or simply say he doesn't have an ID. At no time will the youth lie.

An investigator always supervises the compliance check transaction. If the clerk sells tobacco to the underage teen, the supervisor will enter the store and issue a citation to the clerk. The supervising investigator will also answer any questions from store personnel about the compliance check and citation.

A report of the incident is always sent to the retailer whether or not a citation is issued. Sandoval says retailers can use a positive report to praise and encourage employees to continue to verify age prior to selling tobacco.

The maximum fine for selling tobacco to a minor is \$500.00 plus court costs. The local justice of the peace ultimately decides on the amount of the fine.

Employees & the office Internet

If employees gathering around the water cooler for a chat is part of a bygone era, that doesn't mean that they're not spending some time at work on personal matters. There doesn't seem to be much need to worry, though, that you're not getting your money's worth from your workforce.

It's pretty much a given that if your employees have Internet access at work, they're probably spending some of their time online for personal reasons. Maybe what's not so clear, though, is just how much time they're really spending.

ComScore Networks, Inc. tracks online sales. The most recent study conducted by ComScore found that employees spend a little less than 1.5 hours a month shopping on the Internet from the office. A broader study, the fourth annual National Technology Readiness Survey released in February, found that workers use the office Internet about 3.7 hours a week to check email and conduct other non-job related activities. But the study also found that those with Internet access at home spent 5.9 hours a week on job-related activities.

There is technology available to track employee use of the company Internet connection, and many businesses are putting it to use. Fed up with employee use of the Internet, a Pueblo, CO, car dealership banned visits to online retailers and auction sites. Using technology from Vericept Corp., Shawn Vidmar, manager of the family car sales business, tracks the use of all computers on the company network. It's an unpopular job, she says.

The Washington-based mortgage financier, Fannie Mae, also tracks employee Internet use. Gabrielle Barry, media relations manager for Fannie Mae, says her company isn't too worried. They estimate that its 4,700

Internet as employee recruitment tool

The Internet has become a valuable tool for recruiting employees, but relying solely on Net-based recruitment could make a business vulnerable to charges of employment discrimination. After conducting a nationwide recruitment effort for a client, that's the conclusion of Pearson Reid London House, a national workforce recruitment, assessment and survey company with offices in Chicago, Atlanta and Arlington, VA.

A client contracted with Pearson Reid London House to hire thousands of employees across the U.S. Pearson Reid London House combined web-based and interactive voice response (IVR) methods and found that had they not included IVR, they would have missed a disproportionate number of minorities in the recruitment effort. (IVR is a telephone-based system.)

While only 11.6 percent of all white applicants used the telephone-based method, 25.3 percent of Native Americans and 24.7 percent of African Americans used IVR.

David Arnold, vice president of development and professional compliance with Pearson Reid London House, says that if they "had forced people to apply over the Internet, they wouldn't have done a good job of recruiting racial subgroups."

A Pew Internet and American Life Project survey released this April found that 60 percent of white Americans are online, while only 45 percent of African Americans and 54 percent of English-speaking Hispanics use the Internet. Moreover, 42 percent of Americans don't go Online, and a majority of those say they neither want nor need Internet access.

Pearson Reid London House says to best recruit from all relevant subgroups, employers should not rely on web-only technology. "The use of IVR may greatly facilitate efforts to recruit minorities and avoid charges of employment discrimination."

Contact Pearson Reid London House at 800-922-7343 or www.pearsonreidlondonhouse.com.

employees devote about 85 percent of their Internet time to business. And the other 15 percent? Barry says they think that much of it has a quasi-business aspect to it.

Lee Rainie, director of the Pew Internet and American Life Project, gives it a philosophical twist. "Most employers are getting their money's worth from their employees.... If you can do a little shopping during your lunch hour, it's better than getting in your car and going down the street to the mall."

-ComScore Networks, Inc., is an Internet measurement firm in Reston, VA. They use a panel of more than 1.5 million Internet users who allow monitoring of their online use.

-The National Technology Readiness

Survey is conducted by the Center for E-service at the University of Maryland and Rockbridge Associates, Inc.

Executive recruitment down

Executive demand has dropped and with it, a decreased need for business search firms. Demand fell 26 percent and 19 percent in the first two quarters of 2002. The result:

- 47% introduced discounts on multiple assignments
- 31% offer career coaching
- 28% offer an unbundled search process
- 21% offer background checks
- 20% offer competency testing and assessment

Source: "Quick Bites," by Sam Geist. 800-567-1861. <http://www.samgeist.com>.

Take Control of Your Workers' Comp Cost

Take Advantage of...

- ☛ Greater management control that cuts overhead costs
- ☛ Pre-employment screening at a small co-pay for NRN members only
- ☛ Team Safety/Loss Control Program for all members
- ☛ Investigation and defense of claims
- ☛ Direct savings that give members greater incentive to control losses

Be Part of...

The Nevada Retail Network

Certificate #5004

or

The Nevada Casino Network

Certificate #5008



• Self Insured Groups •



TAKE CONTROL TODAY

Call Willeta Kerschner

775/882-1700

or

800/690-5959

Let's discuss qualification criteria and the benefits of membership for you personally.

Sponsored by THE RETAIL ASSOCIATION of 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 as of May 1, 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

- Purfect Auto Services #72
- Quintus Resorts LLC
- Regent Care Center of Reno
- Sign-A-Rama
- Silver State Coffee & Water
- Sound Tracs
- Star Chem Dry, Inc.
- Stars Enternational LLC
- Tricolour, Inc.
- Utopia Day Spa
- Wiggin Out Wigs, Inc.

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.

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.

Global Payments™

THE BANKCARD PROCESSOR ENDORSED BY RETAIL ASSOCIATION of NEVADA

Cut the wait. Cut the hassle. Use Global Payments' processing services and offer your customers what they want—quick service using their credit, debit, EBT or purchasing card.

• Card Processing Services

Global Payments authorizes your credit, debit, EBT and purchasing card transactions in seconds.

• Check Services

Global Payments guarantees 100% payment of check's face value within three days if returned by your financial institution. You'll have check guarantee, verification, and recovery services.

• Reporting

Global Payments provides features such as standard terminal and paper reporting, electronic reporting, online merchant statements, daily notification of retrieval requests and chargebacks and data export for further analysis.

• Superior Terminal Management & Support

• POS Options, eCommerce Services

Take advantage of the low rates available exclusively to Retail Association of Nevada members. Call Tim Jensen, 1-800-234-7800 ext. 3053, or email tim.jensen@globalpay.com



THE PUZZLES

An analogy for goal setting

By Donald F. Hadley, CFP, ChFC, MSM

A teacher had a room full of excited 12-year-old students. They were excited because they had a chance to win a prize if they were part of the group that put together the most puzzle pieces in a 30-minute period. The students were divided into 3 groups, given their puzzle and sent to different corners of the room.

The first group was given a 500-piece puzzle in its box; the second group was given a 500-piece puzzle in a brown paper bag (there was no box with a picture); and the last group was given a puzzle in a box, but the box had the wrong picture on the lid for the puzzle pieces.

The teacher called on the groups to begin and let them know that in 30 minutes, time would be called.

Not knowing what their final picture would look like, the group that got their puzzle in a brown paper bag soon got frustrated because it was hard to match up the pieces. The boys began to flick pieces of the puzzle at each other like Frisbees.

The group that got the wrong box lid for their pieces also got frustrated because none of the pieces matched the picture on the lid. They ended up tossing the pieces into the corner and complaining to one other.

The third group had the most success because they knew what the final result was supposed to look like and had the right pieces along with the right picture to work from.

When the teacher called time, he explained that it had been an unfair contest and gave all of the students a prize. More importantly, the students got an understanding of why it's important to have a picture of where you're going in life and have the right pieces (resources) to get there. Without a picture or with the wrong picture, you can end up very

“The story about the puzzles, though, is the best analogy I’ve heard of why it’s important to verbalize, clarify and draw a picture of your vision for your business and your family.”

**–Donald F. Hadley
Fidelity Financial Group, Inc.**

frustrated and could get into a bad situation such as drugs, alcohol, bad marriage, the wrong career, etc.

One of the most difficult jobs I have is persuading businesses to develop a mission, a set of business objectives, annual goals, etc. Sometimes owners don't want to develop these areas because they haven't defined or clearly defined their personal goals. Sometimes they are uncomfortable with committing to specific goals or practices. Particularly in the last few years, business owners have focused on maintaining and surviving more than on growing.

The story about the puzzles, though, is the best analogy I've

heard of why it's important to verbalize, clarify and draw a picture of your vision for your business and family.

You need to have a picture of where you're going and where your business is going to know if you have the right pieces to get there. Your picture also needs to be detailed, not just “We want to grow,” or “We want to improve our cash flow,” and in writing.

The picture also needs to be regularly and persistently communicated to employees, suppliers, customers, bankers and family with a vision that makes sense. This can excite people around us because they have an opportunity to feel they're on and be more involved with a “winning team”.

We live in an age of change, but one commonality I keep seeing in successful men, women and businesses is that they have a picture of where they're going, they know the pieces and resources they need and they can easily communicate their picture to those around them.

Can you easily explain your vision and resources to those around you? Which group of students would you want to be involved with?

*Donald F. Hadley, CFP, ChFC, MSM
Donald Hadley is with Fidelity Financial group, Inc. He can be reached at 800-786-4332.*

*Washington
Watch*



DOT drivers' hours-of-service rules—

The U.S. Department of Transportation's Federal Motor Carrier Safety Administration has issued substantial changes to its hours-of-service rules, designed to reduce commercial motor vehicle driver fatigue. It hopes that the new rules will improve highway safety by reducing truck crashes and related fatalities and injuries.

The new rules include allowance for drivers to drive 11 hours after 10 consecutive hours off-duty. Also, drivers may not drive more than 14 hours in a single on-duty period, following 10 hours off-duty. As in existing rules, drivers may not drive after being on-duty for 60 hours during a seven-consecutive-day period or 70 hours during an eight-consecutive-day period. The on-duty cycle restarts after a driver takes at least 34 consecutive hours off-duty.

The rule governs drivers transporting freight in interstate commerce in a property-carrying commercial vehicle with a gross vehicle weight rating of 10,001 pounds or more, and those operating vehicles transporting hazardous material in quantities that require vehicle placards.

DOT also plans to expand its research initiative on electronic on-board recorders (EOBR) and other technologies, including ways to encourage their use in HOS record keeping and compliance. The agency says that at present, it lacks the safety and economic data to justify requiring EOBRs.

The new rule takes effect on January 4, 2004. Information can be found on the American Trucking Association's website, <http://www.trucking.org/insideata/press/042403>.

Retail Association of Nevada

Mary F. Lau, Executive Director
Willeta Kerschner, Account Executive/Workers' Comp
Elizabeth MacMenamin, Office Manager/Government Affairs
Joan Morrow, Editor

Nevada News is an official publication of the Retail Association of Nevada.

Retail Association of Nevada is a nonpartisan, nonprofit corporation founded in 1969 representing the Retail Community, the Chain Drug Council, and the Grocery Industry Council



Nevada News

Retail Association of Nevada

1007 N. Nevada Street
Carson City, NV 89703-3937
775/882-1700
Website: www.RANNV.org