

November 2003

Serving the Retail Community Since 1969

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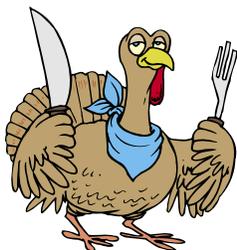
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Paul Enos Joins RAN Staff

After three years of working on Retail Association of Nevada (RAN) issues during the Nevada legislative sessions, Paul Enos has joined the staff.

Paul formerly worked with Sam McMullen, a lobbyist for RAN. He was often assigned to work with Mary Lau, executive director of RAN, and Liz MacMenamin, director of Government Affairs, and became increasingly interested in their focus on business issues. He says when he was offered the position at RAN, "I was ready to gain some depth in retail issues. I see it as an opportunity to gain depth as opposed to the breadth of knowledge on issues affecting the business community." The fact that he loves working with Mary and Liz was an added plus to the job.

Paul is wasting no time at the office. He says he, Mary and Liz have already been meeting with RAN members and attending legislative interim committee meetings to get a head start on the 2005 session. That may seem like the distant future, but the Legislative Study on Tax Policy, which appointed its members on October 19, will be studying policy now and making decisions on what course to take, i.e. bills to introduce into the legislature, in 2005. "This may be the earliest we've ever started planning," Paul says, "but we want to make sure that retail is protected."

Paul committed himself to politics

early in life, probably being influenced by his parents who were involved in local politics in Elko County.

As a 17-year-old, he founded the Young Republican Party in his hometown of Elko. (Paul was born in Elko, fifth generation.) After graduating from high school, he headed to Reno where he earned his political science degree with a minor in history at the University of Nevada, Reno. Even though he was busy with school, he couldn't stay away from active politics and worked on political campaigns. He wasn't a one-note guy, though. He spent time as a D.J. and public service director at KRZQ and The X radio stations. Now he's happily ensconced in the political issues of RAN.

"We need to formulate a tax plan that can work, that's politically palatable. It's a challenge for business to make sure it has enough clout

Paul Enos continued on page 7...

Seen & Noted

Protecting Food in a Disaster

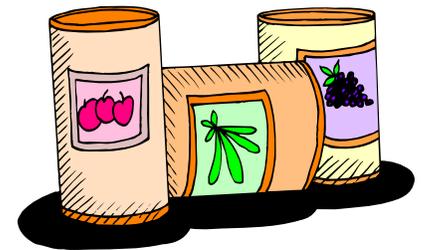
What do you do to make sure the food you sell is safe following a natural or man-made disaster? What can you do to protect yourself and your customers?

The Food Marketing Institute (FMI) has a list of resources for disaster food handling at its website, <http://www.fmi.org/foodsafety/disaster.htm>. The information will help the retail industry to prepare for and recover from a wide variety of disasters and to communicate with their customers on preparation for adverse situations. Included is information on how to deal with floods, fires, hurricanes, snowstorms, earthquakes, etc.

The resources and information available at the FMI website will help supermarkets prepare for

emergencies, assure personnel safety, coordinate with local and federal resources and focus on food and water safety before, during and after natural disasters and emergency situations. Following is a list of what you'll find at the website:

- Federal Emergency Management Agency
- Food Marketing Institute Loss Prevention Services
- Pre-Emergency Planning & Disaster Recovery Manual, *Source: FMI*
- Food Bank Survey, *Source: FMI*
- Resources for Food Safety and Storage in Emergency Situations, *Source: USDA National Agricultural Library*
- Emergency Food & Water Supply,



Source: North Carolina Cooperative Extension Service (NCCES)

- What to do after Natural Disasters, *Source: NCCES*
- National Recommendations for Disaster Food Handling, *Source: University of Tennessee*
- Preparing for Food/Water Shortage, *Source: The National Food Safety Database, University of Florida*

Food Donations May Become Deductible

The Food Marketing Institute (FMI) reports that both the House and Senate are entertaining bills to allow families and private companies to deduct food donations from their income taxes.

The House Bill, (H.R. 7), would allow family and non-C corporations to deduct food donations from their income taxes. The deduction would be limited to the company's top tax rate, which is 35 percent for most companies.

The Senate Bill, (S. 476), would expand the deduction for donated food to the fair market value, not to exceed twice the product's cost basis.

Both the House and Senate bills would codify the Tax Court's ruling in *Lucky Stores, Inc. v. Commissioner of Internal Revenue*, which upheld the taxpayer's right to determine the fair market value of donated food rather than the IRS.

Who's Winning the IT Race?

According to Gartner, Inc./The Globe & Mail, the biggest challengers are Canada, China, Czech Republic, Hungary, Ireland, Israel, Mexico, Northern Ireland, Philippines, Poland, Russia and South Africa.

The up-and-comers include Belarus, Brazil, Caribbean, Egypt, Estonia, Latvia, Lithuania, New Zealand, Singapore, Ukraine and Venezuela.

Those just learning the ropes are Bangladesh, Cuba, Ghana, Korea, Malaysia, Mauritius, Nepal, Benegal, Sri Lanka, Taiwan and Vietnam.

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

How to be Unprofessional

I often talk about how to do things better at work. The subject of becoming a true professional is one that I think is very important in these times of do it faster, and for less money.

A professional really stands out in today's business arena. As you might remember from my previous articles, I have listed many traits of a professional like accuracy, initiative, follow through and consideration. Being a team player, looking the part of a professional and practicing good communication skills are a few more. But I recently came across a book written by Steve Altes that takes another angle.

Altes has written *The Little Book of Bad Advice: 365 Ways to Sink Your Career and Bring Others Down With You* (St. Martin's Press, 1997). It's a backwards look at some of the very things I preach about being professional. Here are some of my favorites along with my added comments. See if they strike a chord with you.

- **Avoid excessive eye contact with people at work.**
It gives people the creeps if you don't look at them or smile at them. Heaven forbid they might smile back!
- **At least once a week, have a good cry at work.**
The absolutely, without a doubt most unprofessional thing you can do is cry.
- **At least once a day, tell co-workers, "That's not how we did it at my old company."**
Don't you just hate people who do that? It shows that you're fairly inflexible, and in this time of change, that is not a good reputation to have.

- **Never prepare a meeting agenda; just let things flow.**
Meetings are one of the biggest time wasters in America today. True professionals make sure that theirs are well organized and move along quickly.
- **Add little smiley faces to your business letters.**
Cutesy just does not make a good impression in the business world. But don't go too much the other way and be ultra formal, either.
- **Wear bow ties to look smarter.**
The image that you project through your clothing is still important. Re-read John Malloy's book, *Dress for Success*.
- **Save paper by printing memos in 8-point type, and the longer the memo, the better. Send lots of useless emails, too.**
Wasting people's time by making things hard to read or sending too much to read will soon give you an unprofessional and bad office reputation.
- **Leave memos on people's chairs, never in their in-boxes.**

Unless, of course, they are so disorganized (read unprofessional) that that is the only way they will see them.

- **Make calls on your cell phone in the middle of business lunches. Worse yet, receive phone calls at that same lunch.**
Go ahead; make everybody feel that they are not important to you.
- **On "Take Your Son or Daughter to Work Day," let your kids play on other people's computers.**
In fact, just let them have free run of the place.
- **Put all of your calls on the speaker phone at full blast.**
I don't know anyone who likes to be on a speakerphone. Do you like to talk on a speakerphone?
- **When leaving messages on voice mail, talk v-e-r-y s-l-o-w-l-y until you leave your telephone number. Then talk real fast.**

Reprinted with permission from Peggy Morrow. Peggy Morrow is a professional speaker, facilitator and consultant. To have her work with your group, contact her via her web page at www.peggymorrow.com.

Business Tips

Business lunches can tell you lots about job candidates.

If you want to gauge how well a job candidate will fit in with the rest of your sales team, take him or her out for a meal. Pay attention to how the person treats people—taxi drivers, waitstaff and others. If the person tends to be pushy or curt with those people, he or she may treat colleagues and supporting staff members the same way when you're not around.

—Adapted from "Larger than Life" by Melinda Ligos, in *Sales & Marketing Management*.

Let gatekeepers ask the questions.

The key to getting past gatekeepers is to answer their questions politely without volunteering too much information. Finish every answer with a call to action: "I'm calling regarding a fax I sent to Ms. Smith—could you please connect me to her?" This gives the gatekeeper the chance to ask more questions and feel in control of the conversation, making it easier for him or her to feel comfortable putting your call through.

Adapted from "Tackling the Gatekeeper" by M. Muhamed, in Business Line. Source: Sales Management Report, 800-878-5331, www.ragan.com.

NACDS Fights Drug Re-Importation

Affected by the latest Food and Drug Administration (FDA) numbers, the National Association of Chain Drug Stores (NACDS) is working harder against re-importation and counterfeit drugs.

In a recent crackdown, the FDA says that 90 percent of re-imported drugs stopped at the border were potentially dangerous. The FDA reports that of the 1,153 imported drugs seized, 1,119 were illegal. The drugs included those withdrawn from the U.S. market, animal drugs never approved for human use, counterfeit drugs, drugs with dangerous interactions, drugs with dangerous side effects and narcotics.

Health officials say there is a rise in fake drugs sold and administered to patients. They blame loopholes in the drug supply chain and poor regulation of wholesalers for the problem. They are calling for increased regulation.

NACDS Leadership Council, which includes CEOs and senior leadership of manufacturers, wholesalers and chain drug companies, is taking on the FDA challenge to combat counterfeit drugs. The FDA outlined a plan that includes identifying risks and threats from counterfeit drugs, establishing a public and private sector to fight counterfeiters and developing new tools to aid in identifying, deterring and combating counterfeiting.

Source: NACDS

Justice Department Gets Involved in Drug Re-Importation Battle

The battle to stop prescription drugs from crossing the border from Canada to the United States just got a boost. The U.S. Justice Department filed suit against Rx Depot and its partner, Rx of Canada, seeking an injunction to close down the stores.

Rx Depot, Discount Rx Connection and other similar operations are not pharmacies, but help people order prescription drugs from Canada. Although people can go online to order the drugs themselves, many prefer the help of the storefront facilitators.

The rising costs of prescription drugs in the U.S. and the ease of buying them over the Internet have fueled cross-border sales of prescription drugs. Americans, especially seniors and others living on fixed incomes, have pushed cross-border prescription drug sales to about \$650 million annually, according to IMS Health, a company that tracks drug sales.

The Federal Drug Administration (FDA) and organizations such as the National Association of Chain Drug Stores (NACDS) see a problem with cross-border drug sales. NACDS signed on to the Cross-Border Communiqué agreed to by the U.S.-based National Association of Boards of Pharmacy and the Canadian National Association of Pharmacy Regulatory Authorities (NAPRA).

NABP and NAPRA have agreed to "work together to protect the citizens each are mandated to service, and to promote compliance with the federal, state and provincial laws and standards of Canada and the United States." States, local governments, pharmacies and wholesalers are prohibited from buying re-imported

drugs. (Re-imported drugs are those U.S. manufactured drugs sold to other countries, then sold back to customers in the United States.)

Some States Take a Different View

Illinois Governor Rod R. Blagojevich takes another view. In an "effort to secure lower drug prices for Illinois taxpayers and consumers," Governor Blagojevich has asked the FDA to reverse its policy that prohibits state and local governments from importing drugs from Canada. He cites the lower prices, from 30 to 50 percent, could help states with

...lower prices could help states with health insurance costs.

*— Rod R. Blagojevich
Governor of Illinois*

health insurance costs. Illinois spent \$340 million last year on prescription drugs for its 230,000 employees and retirees, and a total of \$1.8 billion on prescription drugs for all the state's health programs combined.

Recently, the FDA says they are considering a trial period for importing drugs to determine the feasibility and safety.

Governors of three other states, Minnesota, Iowa and Wisconsin, also want to import cheaper prescription drugs from Canada to save their state budgets and their citizens millions of dollars. Springfield, MA, is already using a Canadian pharmacy for its employee health plan. The state is also considering importing Canadian drugs as an option.

Rx Depot won't stop selling Canadian drugs until the courts shut them down, says Carl Moore, president of Rx Depot. The complaint against the company was filed in the U.S. District Court in Oklahoma.

NRF Forecast: Happy Holiday Sales for Retailers

The National Retail Federation (NRF) says retailers can expect happy holidays in 2003. NRF is projecting that holiday sales will increase 5.7 percent to \$217.4 billion, which would be the largest increase since 1999.

The NRF 2003 *Holiday Consumer Intentions and Actions Survey* found

Consumers plan to shop in a variety of stores for holiday merchandise, but discounters will see the most traffic with 75.1 percent of consumers saying they plan to shop at a discount store.

that the average consumer plans to spend \$671.89 this holiday season, up from 2002 when consumers spent an average of \$648.85. On average, consumers plan to spend \$518.44 on gifts this year—\$339.69 on family members, \$73.27 on friends, \$17.16 on co-workers and \$34.32 on other gifts.

With some retailers seeing between 25-40 percent of their annual sales during the holiday season, "There's still time for retailers to show positive gains in 2003," says Tracy Mullin, president and CEO of NRF. "Retailers can expect a much better holiday season this year than last year."

Displaying all those Christmas goodies before Halloween was probably a good marketing move, as NRF reports that 42.8 percent of consumers planned to begin their holiday shopping in October or before, which is an increase from 39.1 percent last year.

Price is still an important factor for shoppers. Consumers may feel more financially comfortable this year, but

38.9 percent of consumers said they base their decision to shop at certain stores on sales or price discount, and 30.7 percent choose to shop at retailers with every-day low prices. Still, 18.1 percent of those questioned said they plan to shop at stores based on their selection.

Consumers plan to shop in a variety of stores for holiday merchandise, but discounters will see the most traffic with 75.1 percent

of consumers saying they plan to shop at a discount store. Consumers also plan to shop at department stores, 53.1 percent, specialty stores like clothing or electronics, 36.7 percent, grocery stores, 44.4 percent, and online, 36 percent.

BIGresearch conducted the 2003 holiday survey for NRF. They polled 8,234 consumers from October 2-10, 2003. BIGresearch is a consumer market intelligence firm that provides unique consumer insights that are gathered online.

Source: *National Retail Federation*

Dollar Stores Popular Across Incomes

Dollar stores are a hit across income brackets, says an ACNielsen report, *The Dollar Store Consumer*. The report says that low-income households still make up the largest concentration of dollar store shoppers, but the percentage of households shopping the channel is growing fastest among the population's highest income segments.

Several factors fueling the popularity of dollar stores include the rapid growth in the number of stores making the format accessible to more consumers, a tough economy that's prompting more consumers to become bargain shoppers and more appealing stores, made so by retailers cleaning up their sites and improving the product assortment and quality.

According to ACNielsen, shoppers from households making less than \$20,000 per year shopped in dollar stores 18 times in 2002. Shoppers with household incomes of more than \$70,000 a year shopped in dollar stores seven times in 2002.

Another recent study, *Dollar Stores and Other Small Format Value Retailers*, conducted by Retail Forward, a Columbus, Ohio-based research company, found that dollar stores and other small-format value retailers, including one-price general merchandise stores and closeout stores, remain among the hottest and highest growth sectors in retail.

The small-format value retail sector posted sales growth of 6.8 percent in 2002 and 10.9 percent in 2001.

Source: *NRF Stores*, September 2003

Party at the Hilton Bay Bunker

Reserve Now for Holiday Parties

It's the holiday season and time to make merry. But if the thought of making merry means that you have to plan one more office or family gathering and you've run out of good ideas, it might be time to call the Hilton Bay Aqua Range and Bunker Indoor Golf Center.

A golf center, you say? In winter? Yes! Give them a call and you may be voted the best party planner of forever. The Bunker has a variety of activities, including sit-down dinners for up to 80 people that appeal to young and old, business or family friends.

Mark Arnold, owner of the facility, says they offer a unique party setting where they make available all of the games in the facility. The party planner can ask that competitions be set up for the group or just allow everyone to browse from game to game, and there are games for everyone.

If you don't know about the Bunker, it's located at the Reno Hilton and provides year-round simulated golfing and a driving range bordering the giant pond by the Hilton. Inside, there are six golf simulators where you can play on your choice of 36 famous, 18-hole golf courses from around the world. Arnold says that even people who have never golfed before have fun on the simulators.

When you've tired of playing golf, on say Pebble Beach, move to the shooting arcade where you can try your luck at trap or skeet shooting. If you haven't had enough golf, head to the putting green, or take your turn at the pool tables, darts, ping pong or shuffleboard.

Arnold says they just added a shuffleboard center this summer,

and it's already becoming a big hit. Shuffle Town has two courts and a regulation shuffleboard table and is the only shuffleboard center of its type in Northern Nevada. If you're interested in playing regularly, The Bunker is offering shuffleboard leagues for the winter.

The Bunker entertains more than just Christmas parties. They also host birthday parties, anniversary parties—whatever fits your needs.

About 30 kids, 10- to 11-years-old, attended the latest birthday party. They spent about 4-1/2 hours at the Bunker enjoying all the games along with food, cake and ice cream. Wayne Williams, general manager and golf pro at the Bunker, says the kids were busy the entire time and all the parents had to do was enjoy. Parents can arrange to bring their own food, pick up pizza from the Round Table across the hall and ice cream at TCBY next door, or have the party catered by one of the participating hotel restaurants or an outside caterer.

Businesses have also caught on to the possibilities of using the Bunker for business meetings. It's perfect for team training, says Williams. Groups have used the putting green and the simulators for games such as closest to the pin or long drive contest. They've even pitted their teams against one another using the Reno Hilton's bowling alley and the laser tag facility located near the Bunker. Businesses also use the facility for staff parties, training, slide presentations and entertaining clients.

How about that gift list? You might want to consider the Bunker when you're making out your gift list. Know a golfer who goes into a slump when



Golfer practices his swing at the Hilton Bay

the area's winter winds and freezing temperatures keep him or her off the links? Buy that person a gift certificate from the Bunker. It's great for practicing your game on a variety of courses, take lessons from LPGA and PGA teaching pros, or even sign up for a league.

The staff at the Bunker will help you plan the perfect party for your Christmas or New Year's Eve celebration. The facility can be arranged for buffet or sit-down dining, cocktails and hors d'oeuvres, no-host bar, or whatever the client wants.

Call the Bunker at 789-2444. Better call soon, though, before you miss your chance for "doing something you can't do anywhere else. This isn't your average party," Arnold says. "This party will be one they'll never forget."

Paul Enos Joins RAN

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to defeat another attempt at a gross receipts tax, which may return in the next session," Paul says. "We're still in the top three of tax friendly states," he says, and he would like to see Nevada stay that way.

In the interim, Paul will be busy, along with Mary and Liz, covering the statewide meetings of legislative

and board committees that affect retail. But Paul's been given another assignment at the office. He knows computers and now has the distinction of being the first line of defense between the computers and the staff and the chief liaison with RAN's computer guru Keith Barham of DeBug Computer Consulting.

"Future Store" Featured at National Retail Federation January Convention

The National Retail Federation (NRF) will host the Future Store at its 93rd Annual Convention & EXPO, January 12-13, 2004, at New York's Jacob Javits Convention Center.

The Future Store, which will be recreated in a 13,000 square foot exhibit at the January convention, is a real-world laboratory for retail technology established in Rheinberg, Germany. It's the store of the future using the latest applications for retailing, linking them for the first time with one another in complex interaction. Innovations include wireless data transfer, an intelligent scale that automatically recognizes and weighs fresh produce, electronic shelf labeling, automatic self-checkout systems and Radio Frequency Identification (RFID).

Major Future Store experiments include inventory tracking on personal digital assistants carried by store employees and shopping carts using RFID technology that scan merchandise for payment at the checkout. The Future Store is also testing a variety of checkout, in-store information, inventory and shopper comfort technologies. NRF says this is the chance for those in the industry to see these technologies first hand.

The Future Store was established by the METRO Group Future Store Initiative and underlines the leading role of innovation in retail. "We demonstrate the application of the most advanced technologies at all stages of the value chain—an important element in the consistent optimization of our selling concepts," says Dr. Hans-Joachim Korber, chairman and CEO of the METRO Group.

• Seminars •

January – 2004

NRF's 93rd Annual Convention & Expo

January 11 - 14, 2004

New York, NY

Contact: 800-NRF-HOW2

IMRA Logistics 2004

January 11- 14, 2004

Orlando, FL

Contact: rasher@imra.org

IMRA Leadership Forum

January 25 - 27, 2004

Scottsdale, AZ

Contact: Jenny Keehan,

jkeehan@imra.org

February – 2004

IMRA/FMI Markettechnics 2004

February 28 - March 2, 2004

San Francisco, CA

Contact: media@fmi.org

March – 2004

IMRA Marketing Conference

March 24 - 26, 2004

Orlando, FL

Contact: rasher@imra.org

April – 2004

IMRA Loss Prevention, Auditing & Safety Conference

April 13 - 16, 2004

Dallas, TX

Contact: rasher@imra.org

May – 2004

FMI Financial Executive Conference

May 23 - 26, 2004

Orlando, FL

Contact: pshinko@fmi.org or call

202-220-0705

Abbreviations

FMI • Food Marketing Institute

IMRA • International Mass Retail Assn.

NRF • National Retail Federation

Can Congress Can Spam?

Anti-spam legislation in Congress is alive and circulating but not necessarily well. Congress continues to wrestle with anti-spam legislation with nine bills roaming the hallowed halls, but the cynics see little hope of anything substantial or enforceable emerging.

Five bills were introduced or reintroduced in the Senate this year. One made it to the floor and was passed unanimously on October 25. The *Controlling the Assault of Non-Solicited Pornography and Marketing Act*, the long name for the CAN-SPAM Act of 2003, contains the ever-popular do-not-spam list provision, which critics say is weak at best, and at worst, discriminatory and not feasible. The bill also has requirements that unsolicited commercial email messages be labeled, though not necessarily by a standard method—which is a problem—and contain opt-out instructions and the sender's physical address. The bill would also prohibit the use of deceptive subject lines and false headers in such messages.

A host of tech followers have pointed their slings and arrows at the bill. Some say it's easy to pass a popular bill that probably doesn't have a chance of survival. Others suggest that when the House gets the bill, members should beef up many of the measures. The *Nashville City Paper* suggests that opt-out is useless because the receiver still must deal with the flood at the inbox. An editorial from the *San Jose Mercury* says that distinguishing "between the vile stuff that clogs inboxes and legitimate email marketing [simply allows] scores of legitimate businesses [to] use conveniently loose interpretations of what it means to "agree" to receive marketing offers." It notes that the *New York*

Times reports, "A sizable portion of unwanted email comes from America's best known corporations."

Many of the anti-spam bills, which come with hefty names like the *Criminal Spam Act of 2003*, *Computer Owners' Bill of Rights* and *Stop Pornography and Abusive Marketing Act*, include the same provisions such as all commercial email messages be identified, but again, not with a standard label except for sexually explicit messages, and that all messages include the sender's physical street address and an opt-out choice. Many prohibit the use of false headers and deceptive subject lines.

Some of the bills also contain provisions that the naysayers would like to see enacted. Establishing a

do-not-spam registry is a big hit. Critics say that the provision should also mandate the Federal Trade Commission to impose it and provide money for that purpose. Also popular is a requirement that all unsolicited emails contain a standard identifying label, such as ADV or ADV:ADLT, which would allow consumers to easily block unwanted emails.

All the proposed bills would preempt state anti-spam laws. As of this writing, the House had not yet acted on the spam legislation that it received from the Senate. A good source for following current anti-spam legislations is www.spamlaws.com.

Sources: washingtonpost.com, mercurynews.com, wired.com, spamlaws.com

Try Getting Removed from DoNotCall

The *Washington Post* found out the hard way that it's much easier to get a name on the federal do not call list than it is to get removed. *Post* staff writer Caroline E. Mayer reports that while checking the Federal Trade Commission's (FTC) do not call website for information, a reporter inadvertently signed up two phone numbers thought to belong to judges on the 10th Circuit Court of Appeals. Trying to correct the mistake wasn't so easy.

Consumers can remove a number from the list by calling a toll-free number from the number they want taken off the list. When *The Post* tried, they found that neither of the numbers the reporter had registered were the main residence of a judge, and instructions on how to get removed were unavailable. FTC says

they know that getting off the list is problematic, but they plan to include the instructions within a few weeks.

A check on the FTC website, www.donotcall.gov, finds that the list continues to be popular, adding about 2 million more numbers in one week in October. FTC started collecting complaints in early October and had already received more than 15,000. The complaints haven't yet been checked for legitimacy. Telemarketers who violate the list can be fined up to \$11,000 for every time they call a number on the list. Research firms, nonprofits and companies that have an existing or recent business relationship with a consumer are exempt from the do not call list, which is one of the issues that landed the list in court.

Source: Washingtonpost.com & FTC.gov

AG Warns Consumers About Dangers of the Internet & Identity Theft

Using the Internet can be the gateway to identity theft, and Nevada Attorney General Brian Sandoval suggests that Nevada consumers take steps to protect themselves online.

Sandoval says, "The Internet is a popular method to find information and purchase goods, but consumers should know that search engines routinely note the topic or subject matter researched by users before choosing which ads to display on the particular site." When a consumer provides personal information on a website, "the information is often placed in a database that could be sold to a third party for telemarketing or other sales purposes," he says.

The Attorney General's Bureau of Consumer Protection offers tips for consumers to remember when using the Internet:

- **Protect Your Privacy:**
Disclose personal information online judiciously. Online sellers may be collecting information

to market back to you or to sell to other companies. For example, when entering that "free contest" or signing up for a credit card, remember that your personal details could be distributed to others.

- **Protect Your Identity:**
Never provide your Social Security Number, address or other vital information in response to an email exchange that you did not initiate. Genealogy websites can be especially risky because an abundance of personal information is posted that could help an identity thief pose as the victim.
- **Beware of Chat Rooms:**
Many participants are just looking for personal information that can be obtained in a very informal way. An identity thief can learn all sorts of personal information just by asking "small talk" questions.

If you believe that you may be a victim of online fraud or identity

theft or would like more information, please call the Attorney General's Bureau of Consumer Protection at 702-486-3194 in Las Vegas or 775-687-6300 in Carson City. You can also find information at the website ag.state.nv.us.

What's Up With Broadband?

Faster, faster, faster—that's what people want when they're logging on to the Internet. One way of doing that is with a broadband connection. But what should you know about broadband?

The reason broadband offers an almost instant connection to the Internet is because it is always on. Unlike a dial-up connection, broadband doesn't hang up when you get off the Internet. This leaves broadband users more vulnerable to cyber crimes and problems.

A National Cyber Security Alliance study found that most broadband users are unaware that an increased risk from viruses and other problems exists, and because of that, many don't take precautions to protect themselves.

Of the 120 broadband users surveyed, over 40 percent said they didn't have a firewall to protect their computers from intrusion over the Net. But 77 percent of those felt they were protected from hackers.

Most of those surveyed said they use anti-virus software and consider that adequate. However, most of them said they don't regularly update their programs, which exposes them to outside threats.

FCC Gives Temporary OK to Unsolicited Advertising Faxes

Unsolicited advertising faxes are OK, says the Federal Communications Commission (FCC). If a business has an established relationship with a customer, that business can still send an unsolicited advertisement fax to that person's fax machine.

The FCC was set to ban unsolicited ad faxes on August 25 of this year but reversed that decision extending the ban deadline to January 1, 2005.

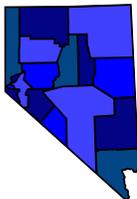
When the rule does go into effect, businesses will have to get a customer's written consent before sending unsolicited ad faxes, even if the business has had an existing relationship with the customer. A customer can provide the permission in a multi-use document, such as his or her sales invoice or receipt or credit account statements, as long as a separate signature is obtained.

TAKE CONTROL OF YOUR WORKERS' COMP COST

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

Be Part of...

The Nevada Retail Network
Certificate #5004



• **Self Insured Group** •

Take Control Today...

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1007 N. Nevada Street
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• 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 October 9 to November 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 unable to list all members on this page.

NRNSIG

Brake Masters 3
Home Treasures LLC
Nevada Equity Ventures, Inc.
Quality Investigations Inc. 1
Quality Investigations LLC 2
Reno OpenAir MRI
Southwest Chem-Dry
The Cracker Box
Valley Lawn Care Co.

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.



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The Pain of Deciding

Research Reveals Feelings Aroused by the Act of Deciding and Explores Their Impact

If you're going to be a manager, you're going to make decisions, so you'd better get comfortable with it. That's what they tell you in college. For some managers, that's O.K.; they can do it. For others, it's a struggle, and few things signal a manager in trouble more clearly than the words "I can't decide," when faced with an important decision.

Researchers have studied decision-making for many years, and slowly but surely, they're learning enough to offer helpful suggestions. Ziv Carmon, now at INSEAD Social Science Research Center in France, made the most recent contribution. Carmon conducted a series of studies and made two important discoveries.

Decision Making Factors

Imagine shopping for a new car and narrowing your choices to two very different models, a sports car and a pickup truck. Each vehicle offers distinct advantages. The sports car offers fun zipping around town. The pickup offers utility in helping you accomplish work.

If you think about these choices long enough, you'll begin to enjoy owning both vehicles in your imagination. One minute you'll imagine impressing people with your flashy car, and the next minute you'll feel the relief of having a vehicle to help you with yard chores. Of course, you don't own either vehicle yet, but with both vehicles offering the potential to deliver these benefits, your imagination can give you many enjoyable fantasies.

Then you choose. You buy one of them.

Once you act on your decision, all the benefits of the rejected choice are

lost, and that loss hits some people pretty hard. They feel bad. They really do. The very act of deciding did it to them, and this bad feeling can be strong or weak.

Conditions of Negative Feelings

Carmon's findings revealed several conditions of decision making that make this negative feeling strong, and two of these are illustrated in the car purchasing decision described above: taking a long time to decide and elaborating on the choices.

People elaborate on decision choices when they imagine themselves enjoying a choice, i.e. zipping around town in the sports car. We elaborate on vacation choices when we imagine the sun warming us on the black sands of Diamond Head Beach or when we feel the cool, thin air in our lungs and see the high snowy peaks of the Rocky Mountains.

Taking a long time to decide and elaborating on choices can easily be corrected. We can limit the time we devote to a decision, and we can discipline our imaginations to limit our daydreams. However, Carmon discovered three additional conditions of decision making that also arouse this negative effect.

Imagine standing before winged mirrors in a clothing store holding two suits alternately under your chin, one in your right hand and one in your left. Both are fine choices, but one will be rejected. Because the rejected choice is close by, right in your hand, it's more likely that the decision will arouse some pain. This is the first additional condition.

Now imagine that you own both suits, but you are giving one to your son who just happens to be your

size. Since you already own the suit and are parting with it, it's more likely that you'll find the decision to be painful. This is the second.

Finally, imagine you are choosing between enjoyable choices, for example skis or golf clubs, rather than useful ones like a lawn mower or a snow blower. Since the choices are enjoyable, it's more likely that the decision will bring discomfort.

Pain in decision-making brings avoidance, so we delay making decisions, which actually increases the pain. It is in this way that people become indecisive.

A Flaw in the Process Revealed

Carmon's final finding revealed a flaw in the process of evaluating choices: once a choice is lost, its value seems to increase. He demonstrated it repeatedly in his experiments, and he believes this effect is caused by the negative feelings revealed in his first finding: because the rejection of a choice hurts, we must have been wrong in our evaluation of it. Since we feel pain in its loss, it must have been a better choice after all.

This process treats feelings as information, information that is important in the decision process, which it is not, and Carmon warns us against its influence. Feelings are feelings, and in this case, they are aroused from the act of deciding, not from a mistake in the evaluation process that preceded it.

Reference: Carmon, Ziv, Klaus Wertenbroch, and Marcel Zeelenberg (2003) "Option Attachment: When Deliberating Makes Choosing Feel like Losing." *Journal of Consumer Research*, 30 (June), 15-29.

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Washington Watch



Streamlined Sales Tax Gets

Boost—Despite a number of set backs, taxing purchases made on the Internet has taken another step forward. Senators Michael Enzi, R-WY, and Byron Dorgan, D-ND, have introduced the Streamlined Sales and Use Tax Act of 2003. The legislation is a companion bill to HR 3184, introduced in the House in September.

The legislation before Congress would allow states that implement the Streamlined Sales and Use Tax Agreement to require that out-of-state retailers collect sales tax when selling to their residents. It would also require that states provide “reasonable and uniform compensation” to retailers for collecting the tax. All remote sellers (retailers not located in the state

where the tax is imposed), including mail order, telephone and online merchants, would be affected. However, companies with less than \$5 million in gross remote annual sales would be exempt.

Amazon.com was ready to sign on to a simplified sales tax bill until sponsors of the House bill refused to change a clause so that the tax rules would apply to merchants who use online malls and sites like eBay if they make more than \$25,000 per year.

In February, Wal-Mart, Target and Toys R Us made deals with many of the states that are part of the Streamlined Sales Tax Project to collect taxes on remote sales. Amazon.com will have to deal with the tax because they operate online stores for Target and Toys R Us.

Retail Association of Nevada

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