

The Retail Review

The Voice of Vermont Retailers

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Vermont Retail Association Announces New Partnership with Efficiency Vermont

The Vermont Retail Association (VRA) and Efficiency Vermont announced the launch of a new partnership to target and meet the needs of Vermont's retail community.

"We're very excited to work with Efficiency Vermont in support of our members," stated Tasha Wallis, VRA's Executive Director. "This is a golden opportunity for retailers statewide to save energy and money, and strengthen their bottom lines."

As part of this new partnership, Efficiency Vermont will be sponsoring four regional meetings with VRA this year. The first will take place on Wednesday March 30th, beginning at 8 a.m., at South Station restaurant in Rutland. Susan Thompson, Efficiency Vermont Planning and Development Manager dedicated to the retail market is equally pleased with the new partnership. "In today's marketplace, energy efficiency is an important part of creating a winning retail setting. We are committed to delivering programs and solutions that are especially suited to the needs of retailers statewide."

"Retailers want to show products in the best light and provide a comfortable environment for their customers. Good, energy-efficient lighting and HVAC equipment will help do this," noted VRA's Wallis.

Working with Efficiency Vermont can produce significant immediate benefits for retailers as well

as long-term dividends. Bonnie Hawley, a Rutland florist who is also president of VRA's Board of Trustees, recently worked with Efficiency Vermont to make her store more energy-efficient.

Some FAQs from Efficiency Vermont

What is energy efficiency?

Energy efficiency refers to products or systems using less energy to do the same or better job than conventional products or systems. Energy efficiency saves energy, saves money on utility bills, and reduces the demand for electricity.

Are there some easy and inexpensive things I can do to lower my electric bills?

Absolutely. While the greatest savings can be found by looking at your whole facility, there are simple ways to reduce energy on a daily basis such as:

- ◆ Turn off lights in unoccupied areas, or install occupancy sensors to do the job automatically.
- ◆ Make sure the building's exterior doors and windows have tight seals and keep them closed when running your air conditioning system.
- ◆ Install ENERGY STAR[®] qualified programmable thermostats and locking covers to prevent tampering.
- ◆ Create a start-up and shut down schedule for equipment such as lights, break room coffee machines, and office equipment.
- ◆ If you sell refrigerated products, maintain refrigerator door seals, clean condenser coils monthly, and defrost appropriately.

(Continued on page 3)



President's Corner

Bonnie Hawley, President
VRA Board of Trustees

Legislative Day

One event I look forward to all year is our Legislative Day in Montpelier. This year's event was, as usual, co-hosted with our friends from the Vermont Grocers Association at the Capitol Plaza Hotel in Montpelier on February 24th. One of the great joys and benefits of living in Vermont is having such close contact with our legislators. It is truly a rarity these days, as retailers from other, bigger states will affirm.

I really enjoy getting the feel of the Legislature in session. This year, of course, we have not only the new legislature but a whole host of new faces in the executive branch, starting with Governor Peter Shumlin. That may account for the fact that the statehouse seems even more bustling than usual, with senators and representatives and citizens and lobbyists huddled in countless small groups, conversing in low tones about one deal or another.

Our day began with remarks by Governor Shumlin, Speaker Shap Smith, and Senate President Pro Tem John Campbell. The Legislative Luncheon's Keynote Speaker was Lt. Gov. Phil Scott. He told a very amusing story about Senator Mazza that had everyone chuckling (and that I won't repeat just now. You had to be there!). The Vermont retailers and Vermont grocers were so well represented that we had to have a larger room this year.

We then met with the Economic Development Committee chaired by Senator Vince Illuzzi, one who is always interested in how the Legislature can help those of us in retail and grocery businesses. It's easy to criticize legislators from

afar, but by attending these legislative days you realize how hard they work to balance all the needs of the people of Vermont. Senator Illuzzi is one of the hardest workers of all.

Just when our stomachs were starting to growl a bit, it was time (4 p.m.) to attend the Vermont Specialty Foods function. It's always a highlight of the day, with an eclectic sampling of great edibles and our fine, Vermont-made wines and beers.

You've heard the old saying that business and pleasure don't mix. But events like Legislative Day prove that they do, and quite well, thank you very much. At least in Vermont!



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(Continued from page 1)

"Efficiency Vermont helped me determine that the store's lighting was using far too much energy," said Hawley. "They provided the information I needed to make my lighting upgrade a reality and were very easy to work with. The financial incentives were helpful to get the project done. I'd highly recommend them to every retail business owner."

Vermont retailers can take advantage of Efficiency Vermont services, including recommendations for energy efficiency improvements in their businesses, as well as financial assistance in the form of standard rebates, by calling toll-free at 888-921-5990 or visiting the newly redesigned, easy-to-use www.encyvermont.com.

About the Vermont Retail Association

For more than 40 years, VRA has helped

thousands of Vermont businesses do business better. Any Vermont business is welcome to join. VRA's mission is serving the needs of Vermont businesses with a wide variety of programs, services, benefits, and advocacy in Montpelier. (www.vtetailers.com)

About Efficiency Vermont

Efficiency Vermont was created by the Vermont Legislature and the Vermont Public Service Board to help all Vermonters reduce energy costs, strengthen the economy, and protect Vermont's environment. Efficiency Vermont is currently operated by Vermont Energy Investment Corporation (VEIC), an independent organization under contract to the Vermont Public Service Board. VEIC is a Vermont-based nonprofit organization founded in 1986. (www.encyvermont.com)

State Leaders Address Association Members

The annual Vermont Grocers and Vermont Retailers Association legislative day in Montpelier experienced what was probably its best attendance ever this year. In the morning meetings members heard from Governor Peter Shumlin, House Speaker Shap Smith and Senate President Pro-Tem John Campbell.

Over 200 members and legislators attended the luncheon at the Capitol Plaza, which included recognition of Krystal Smith of Hannaford, the new national bagging champ, VGA Retailer of the Year Currier's Market, and VRA Retailer of the Year **Allen Pools & Spas**. Keynote remarks were given by Lt. Governor Phil Scott. Scott, a close friend of Senator and storekeeper Dick Mazza, used the opportunity to share a number of stories about his "volunteer" experiences as a weekend clerk at Mazza's Store in Colchester.

Here are some pictures from the event.



Business, Audit Thyself

As an added service to VRA members, we will be offering in each newsletter a regular column by James Tabor, President of Gillen Tabor Communications, Inc. Jim's current and former clients for marketing and public relations have included IDX Corp., the State of Vermont, Burlington International Airport, the Lake Champlain Regional Chamber of Commerce, and many others. You can learn more about him and his services at www.gillentabor.com.

Last time, I discussed ways to identify your business's Unique Selling Points, or USPs. Some approaches included:

- Seeing the most obvious differences that distinguish your business from the competition
- Identifying your specific niche
- Listening carefully to customers

I concluded by pointing out that you can retain an agency or consultant to help identify your USPs and use them to the fullest marketing advantage. But I also said that it's possible to audit yourself. Here are some suggested ways to begin.

1. ASK THOSE WHO KNOW YOUR BUSINESS BEST

In the course of my consulting work for businesses as big as IDX and as small as B&Bs, I'm continually surprised by how much valuable information resides in the memory banks of employees, regardless of their place on the org chart. It's a truism that people love to talk about what they know best, and employees—especially those with longer service—know your (and their) business inside and out. Ask them what's unique and you'll be surprised at what you can learn.

2. ASK YOUR MEMBER ORGANIZATIONS

You probably belong to one or more organizations such as VRA. Your state and local chamber of commerce, trade organizations, Rotary, etc. etc. Each of these will have a point person familiar with your business who can offer insights.

3. ASK YOUR DISGRUNTLED CUSTOMERS

"Terrorist" is a loaded word these days, but before 9/11, it was used by marketers to describe customers who were the opposite of the "apostles" I talked about last week. *Really* unhappy customers, in other words, disgruntled customers tell, on average, a dozen people how dissatisfied they were with your product or service. It's worth looking closely at their complaints, because they might reveal something that, if done better, could constitute a USP.

NEXT TIME: USPs are only as good as the use we make of them, most often in advertising and public relations. Businesses often assume they know about ads and p.r., but I'll treat you to some surprising new information.

Vermont Sales Tax

By Tasha Wallis

Vermont's Blue Ribbon Tax Commission, created by the legislature, recently presented the findings of their review of the Vermont tax system. The commission made recommendations covering a range of issues.

A crucial issue in the report is the collection of sales tax on Internet commerce: "It is increasingly clear among the states that the explosive growth in e-commerce presents a devastating threat not only to state sales tax collections but to the health of retail commerce in their downtowns." The Commission estimates a loss of \$30 to \$40 million in tax revenues through e-commerce.

Collecting the sales tax on Internet sales does *not* create a new tax. Vermonters are now obliged to pay such taxes when filing. Currently, however, only 25,000 Vermonters report making out of state purchases and the state collects about \$850,000 from these filers.

For Vermont, the vast loss in uncollected taxes is significant. For retailers, the issue is one of survival. Economist Art Woolf has documented the decline in retail in Vermont towns along the New Hampshire border since the introduction of a Vermont sales tax. Towns all over Vermont now face a challenge to their retail sectors from online sales. Many local retailers have stories about customers who visit their stores to learn about a product and then go home to buy it online. In the most recent holiday season, retail sales grew around 3%. Online sales grew in the double digits and are now over 10% of all retail sales.

Online sales have created wonderful growth opportunities for some Vermont businesses. At the same time, brick and mortar stores are squeezed by the unfair advantage of sellers who do not charge sales tax. Paul Bruhn of the

Preservation Trust of Vermont has identified online sales tax collection as a key issue in protecting the unique nature of our Vermont downtowns. Local stores are part of the heart, soul and character of our downtowns and part of what makes Vermont special.

The challenge to collecting online sales tax is a court case that determined that a company must have a 'nexus' or business presence in a state for that state to collect sales tax from it. Thus, if you make an online purchase from a company with a store in Vermont they will collect sales tax on the purchase. Retailers had hoped that the 'Main Street Fairness Act', which would have created a nationwide framework for collecting online sales tax, would make headway in Congress last year. The 'no new taxes' outcry stalled that effort, even though the bill would establish a process for collecting taxes that online sellers can currently avoid.

With the pervasive shortfalls in state tax revenues around America, suddenly state revenue departments are struggling to capture online sales tax revenues in the absence of national action. Some states have moved independently to pass Internet tax laws, often called "Amazon Taxes." New York passed an "Amazon Tax" in 2008 and continues to collect sales tax on Internet sales, even though the law is in litigation. Rhode Island passed an "Amazon Tax," only to see Amazon sever business relationships in the state.

Illinois recently passed an Amazon tax. Other large states are contemplating the same move. The premise of the larger states is not "too big to fail" but "too big for Amazon to leave." Amazon taxes in the large states will force online retailers to collect sales tax in those states, but small states like Vermont must take

(Continued on page 9)

Every Successful Store, Every Successful Business, *Must* Have a Website.

That's right ***must***. As in "not optional". It's as basic to your business as a sign on your storefront.

When I ask retailers why they don't have a website I usually get an answer like "I'm working on it." or "I'm looking for a site designer." or "I'm halfway through but I can't find the time to finish it." or "I just don't know where to start."

I get it. A website can seem like an overwhelming task.

But your website doesn't have to be big, or fancy, or expensive. It just has to exist.

Here are the 3 website pages we consider the MINIMUM for retail store owners:

'Home' page

Very simply, this is the page that tells visitors basic information about your store. It should include at a minimum 1) your logo, 2) your store name in text, 3) your basic contact information, and 4) a short paragraph about what your store is. A photograph of your store would also be good.

Of course, there are lots more things you could do with your home page, but don't get bogged down by that. Do the 4-5 things listed above.

'Our Merchandise' page

On this page simply talk about what merchandise you carry. You might organize this page by department (mountain bikes, road bikes, accessories, gear and clothing) or by vendor if that's more important to your customers (Patagonia, Mountain Hardware, North Face, Kelty, Keen).

Write a couple of sentences about each. Of course, just like on your home page, some pictures that represent your products are good, but not required. Especially if taking the photos is going to keep you from launching your site!

You can name this page something other than 'Our Merchandise'. you might call it 'BIKES' or 'What you'll find at <store name>' or 'For Your Pampered Pets'. But the idea is to explain specifically what kind of merchandise you carry.

'About Us' page

This page should tell a little bit about the history of your store and should have, at a minimum, 1) your name, 2) your picture and a 3) short bio about you. It's even better if you can do that for all your permanent staff. This page should also have directions to your store.

Three additional MINIMUM website requirements:

Your basic store Information on EVERY page.

Yep, every single page and preferably in the top header (or at least viewable on the screen before

(Continued on page 8)

(Continued from page 7)

any scrolling down) This should include, in order of importance:

- your phone number
- your store hours
- your complete address including state and zip code
- your email address

In the most perfect world, this information should be repeated in the bottom footer of every page, too. The number one reason people are visiting your site is to get your phone number or your hours. Make them easy to find.

A readable font type, color, and size.

Select a font that is very easy to read on the web, like Arial or Verdana. This email is Arial. Select very dark type on very light backgrounds. This email is black on white. Make sure the font size is big enough to read easily on a computer screen. What's OK on a printed page may be too small on your website. This is 12pt. type.

A good domain name (also called URL).

The best domain name for your site is the name of your store. So if your store name is Michigan Memories you'd want your domain name to be www.michiganmemories.com.

If your store name is already taken, try adding your city or your industry to your name. So if your store name is Mayflower (already taken by the giant moving company) try www.mayflower-evansville.com. Or www.mayflowergifts.com.

There you have it... a simple domain, 3 pages with just a little bit of readable text, a few pictures, and your logo.

You can do it.

But this is the minimum you **MUST** have.

Get *FREE* business building ideas delivered to your "inbox" every week. Sign up for your "WhizBang! Tip of the Week" at www.WhizBangTraining.com.

VRA STAFF

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(Continued from page 6)

action too. Some are considering legislation that requires notification to consumers of their requirement to pay tax every time they shop online. Others have undertaken taxpayer education efforts to remind taxpayers of their obligation to pay sales tax on online purchases.


Vermont decision makers need to take up this issue and Vermont's sales tax must be applied fairly and equally to all sellers. Otherwise, the retailers in Vermont downtowns will struggle and the unique quality of downtown shopping in Vermont will disappear.



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NRF Forecasts 4.0% Increase in Retail Sales for 2011

-Retailers Lead the Recovery despite High Unemployment/Legislative Uncertainties

The National Retail Federation released its 2011 economic forecast, projecting retail industry sales (which exclude automobiles, gas stations, and restaurants) will increase 4.0 percent from 2010. The cautiously optimistic outlook comes on the heels of seven consecutive months of retail sales growth and better than expected holiday sales.

With retailers ending last year on a strong note, thanks to robust holiday spending figures, the prospects for economic growth are starting to look better. However, with small businesses continuing to hold back on hiring and expansion plans and consumers facing higher energy costs, questions remain about the speed and strength of the retail spending momentum.

“With retailers leading the charge, the economic recovery appears to be gaining some steam,” said NRF President and CEO Matthew Shay. “The fate of the Main Street resurgence ultimately rests with policymakers on Capitol Hill. As Congress begins tackling key issues like deficit reduction and tax reform, it is critical we support policies that encourage job creation, consumption and business investment.”

According to NRF’s latest Retail Sales Outlook report, while consumers are once again showing a willingness to spend, inflation from rising commodity prices and continued high unemployment could become obstacles to economic growth.

As the world's largest retail trade association, NRF has the unique ability to represent the full breadth and scope of the retail industry. NRF's global membership includes retailers of all sizes, formats and channels of distribution including department stores, discount retailers, grocers, chain restaurants and drug stores. Membership also includes industry partners from the United States and more than 45 countries abroad. In the United States, NRF represents the breadth and diversity of an industry with more than 1.6 million American companies that employ nearly 25 million workers and generated 2010 sales of \$2.4 trillion. www.nrf.com

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