

The Retail Review

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What Fortune Holds **Six fearless predictions for 2006**

Forecasting is risky business. Remember all the predictions about how the Internet would bring about the demise of traditional retailing? The decree issued by a handful of tech execs that Apple's retail stores would be shuttered within two years? Or perhaps the slam-dunk forecast that RFID chip prices would tumble by 2005, allowing that technology to overhaul the front and back ends of most retail operations?

Making predictions almost always means that you end up with at least some egg on your face, but it's a chance STORES has opted to take. As it ushers in a new year and moves into the second half of the decade, the retail industry stands on the brink of enormous change. The customer base is shifting, and its expectations are ever-changing. Technology continues to rewrite the retail script — from how consumers interact with a retail store to how companies reinvent the shopping environment.

For our forecast, we looked at market trends, stirred in some speculation about emerging consumer patterns and the economy and added a healthy pinch of optimism.

Here's what we think is likely to unfold in 2006.

1. DEBT: THE BIG UNKNOWN

Consumers will have trouble spending in '06 because they're in hock up to their ears. Rising expenditures fueled by higher gasoline prices, the expectation of staggering heating costs and escalating property tax bills are squeezing consumers' household budgets, and statistics show that Americans' wages have not kept pace with inflation. In 2006, companies will need to get creative if they intend to post comparable-store gains.

Purchasing power may also be pinched by rising debt. Economists figure that Americans have amassed more than \$800 billion of credit card debt with an average interest rate of 13 percent. And, with new Treasury Department regulations allowing minimum monthly credit

card principal payments to double to 4 percent, consumers will have no choice but to cough up even more cash. For someone carrying a \$10,000 balance on a credit card, the minimum monthly payment will increase from \$200 to \$400.

Egged on by low interest rates for nearly four years running, consumers took on record levels of debt. They bought bigger houses and fancier cars and treated themselves to exotic vacations, often borrowing against the equity in their homes to secure low-interest-rate loans. But that ship appears to have sailed. The last 12 meetings of the Federal Reserve have resulted in small-but-steady hikes in funds rates, reflecting the Fed's concerns about inflation. Economists speculate that funds rates will be 4.5 percent by the end of January.

How will this affect consumer spending and, in turn, retailers' bottom line?

The good news for retailers is that U.S. shoppers seem to have an insatiable appetite for consumption. When

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VERMONT RETAIL ASSOCIATION



President's Corner

Nancy Foley

Support Needed

This month's "Retail Review" features an article entitled "2006 Vermont Legislature Preview." With the Vermont Legislature set to reconvene on January 3, 2006, we should take a moment to remember the most vital mission of the Vermont Retail Association is to represent you before our state government.

VRA needs its members to raise their voices. We need to hear from you about what legislative issues are important to you. We need your participation in surveys that we use to support positions we present in Montpelier on behalf of retailers. And we need you to occasionally contact your elected representatives when issues of particular urgency are at hand. Nothing has quite the impact on a legislator as a direct communication from a constituent.

The 2006 Session is sure to be contentious as the political parties dig-in on a number of important matters, including but not limited to taxation, health care, product restrictions, gift certificates, and more. Please be ready to pitch-in when VRA asks your help in fulfilling its most vital mission.



Minimum Wage to Increase in January

The Vermont minimum wage will increase to \$7.25 per hour on January 1, 2006 due to legislation passed by the legislature earlier this year. The legislation also added an automatic cost of living index to the minimum wage effective January 1, 2007 and every year thereafter. Beginning in 2007, the minimum wage will increase by an amount equal to either 5% or the percentage increase of the Consumer Price Index, CPI-U, US city average, not seasonally adjusted, whichever is lower.

A copy of the new Vermont minimum wage poster can be obtained from <http://labor.vermont.gov/sections/uiwages/wge/posters/> 

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**PROTECTING AND PROMOTING
THE RETAIL INDUSTRY IN VERMONT!**


Help Your Employees: Earned Income Credit and Child Tax Credit

A new, free outreach kit is available to help employers provide low- and moderate- income employees with information on how they can apply for the Earned Income Credit (EIC) and the Child Tax Credit (CTC) – tax benefits they have earned by working to support their families. The kit is provided by the Center on Budget and Policy Priorities (the “Center”).

The kit is available online at <http://www.cbpp.org/eic2006>. You can print-out copies of posters and handouts from this website. To request a copy by mail or for questions or assistance, contact the Center at: 820 First Street, NE, Suite 510, Washington, DC 20002, 202.408.1080, Fax 202.408.1056, Email eickit@cbpp.org.

For workers throughout the nation, this year the EIC is worth more than ever — \$4,400 for some families. In Vermont the EIC story does not end there. An additional state EIC equal to 32% of the federal EIC is available for workers who qualify for the federal EIC. Like the federal EIC, Vermont’s EIC is “refundable,” meaning that where the credit exceeds tax liability, the IRS and Vermont Tax Department will actually send a check to the tax filer. Tell your employees to contact the Vermont Department of Taxes at 866-828-2865 for information on how to apply for the Vermont state EIC.

Many families also may qualify for the CTC, worth up to \$1,000 for each child. Yet, millions of eligible workers risk missing out on these important federal tax benefits because they do not know they qualify, do not know how to claim the credits, and do not know where to find free tax filing assistance.

This kit can provide everything you need to help workers get the federal tax credits they’ve earned. Whether you put up a poster, pass out flyers or run a full-fledged campaign, your efforts to promote the EIC and the CTC can make a dramatic difference in the lives of low-wage workers. 



the signs of a healthier vermont.



**When a patient has the
knowledge to ask his doctor
the right questions...**

...when health support and information are just a phone call or click away, these are the signs of a healthier Vermont. Blue Cross and Blue Shield of Vermont’s Your Health Program provides subscribers with state-of-the-art tools including a handbook, website and 24-hour, nurse-staffed phone line, to help them make informed decisions about their health. For information about Blue Cross and Blue Shield of Vermont coverage, call 800-255-4550 or visit us at www.bcbsvt.com.



**BlueCross BlueShield
of Vermont**

Blue Cross and Blue Shield of Vermont is an independent licensee of the Blue Cross and Blue Shield Association.

Fortune

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they're happy they shop; when they're down in the dumps, they head to the mall for a quick pick-me-up; and when they're bored, they buy something to amuse themselves. The real unknown here is how much they'll be spending. History has shown that when it's time to tighten the belt, a new shade of lipstick qualifies as a substitute for a new pair Manolo Blahniks.

The trick for retailers may be in the marketing. Wallet-stretching deals and value pricing, married to a message that acknowledges how tough it is to make ends meet, may be what it takes to make the registers ring.

2. DIY: R.I.P.?

Forget about do-it-yourself; consumers want retailers to do it for them. For Baby Boomers — particularly those who've already celebrated their 50th birthday — the prospect of hiring a contractor to do the work for them has become increasingly appealing.

Not surprisingly, the nation's two biggest home improvement chains have already identified the shift and are rolling out a plethora of services intended to cater to those who would rather have someone else install that tile or repave the driveway.

Atlanta-based Home Depot has been expanding its breadth of installation services over the past five years — it now offers 24 — and reports that do-it-for-me services grew 28 percent last year. Mooresville, N.C.-based Lowe's currently offers 40 categories of home services, and this segment is growing at twice the rate of its traditional business.

Another retailer that's reaching out to shoppers with a "let us do it for you" message is Best Buy. The company's Geek Squad is ready to solve tech problems, while Magnolia Home Theaters will handle the installation of that new audio/video gear.

Other segments will be challenged to find ways to snag a piece of the do-it-for-me action. For apparel retailers, this may translate into more custom-tailoring services. Supermarkets might take their cues from Fresh Direct, the Long Island City, N.Y., online grocer that has managed to combine the convenience of home delivery with a flair for gourmet, top-quality and prepared foods that, shoppers say, rival the fare at top New York

restaurants.

Cosmetics and beauty products retailers may have the biggest opportunity as the Spa Effect — typified by women willing to spend beyond their means for a service that makes them feel part of the privileged set — takes root. Retailers who can weave these services into their mix are likely to experience a Botox effect on their bottom line.

3. FOOD: THE NEW FASHION

Wide-cropped pants and embellished jeans may adorn the pages of Vogue, but if you want to preview the hottest trend for '06, buy a copy of Bon Appetit. Food is the new fashion. Shoppers are less concerned about the latest look and more likely to linger over organic produce, imported truffle oil or gluten-free indulgences.

Americans have embraced the shift toward an upscale supermarket shopping experience, complete with eye-candy interiors, exotic offerings and a new emphasis on all things healthy. Retailers that cater to this trend will be rewarded; those that don't are likely to be rebuffed.

The proliferation of organic choices has been championed by the success of Whole Foods, Wild Oats, Trader Joe's and a handful of local players committed to "going green." Organic food sales at retail are nearing \$15 billion, according to the Organic Trade Association, which expects that figure to double by 2009.

With that in mind, traditional supermarket operators like Giant Foods, Marsh Supermarkets and Safeway are looking to carve a piece of this pie for themselves. They're also paying more attention to sprucing up the selling environment and infusing it with increasing amounts of technology.

The new Giant Food store in Carlisle, Pa., raises the bar. Along with organic and natural-brand products, the store has a full-time nutritionist providing shoppers with advice and suggestions for leading healthier lifestyles. The store pushes the envelope on customer-friendly technology beyond self-checkout and kiosks to solutions that answer shoppers' battle cry for improved efficiency. Also in this store is a culinary school for those looking to kick their cooking skills up a notch.

Catering to ethnic consumers is another trend that has graduated from fad status. Publix' Sabor grabbed headlines this year, delivering finely honed assortments

that cater to the specific tastes of Hispanic shoppers. Sabor features a full-service custom-cut meat case to accommodate special requests, a deli department selling authentic Hispanic favorites such as seafood rice, chicken fricassee and ox tail and an expanded produce department featuring a variety of sliced or chunked tropical fruits and salads.

Look for others that operate stores in areas of the country where there are dense pockets of Hispanic consumers to consider following Publix' lead. Statistics show that Hispanic families visit grocery stores three times as often as general U.S. shoppers, and their purchasing power is expected to reach \$1 trillion by 2010.

4. IS 50 FINALLY FLATTERING?

Watch out for the 50-something set; they're the new cool kids on the block and they will rule retailing. As anyone who has studied this demographic can attest, Baby Boomers are unlike any previous generation. And as the leading edge of boomers begin celebrating their 60th birthdays, it's clear that getting older will never be quite the same. Nor will the retail industry, which will fully awaken to the golden opportunities that boomers represent.

Boomers account for 42 percent of U.S. households and control half of all consumer spending, according to American Demographics magazine: As their tastes change, so, too, does the marketplace.

Chico's, Talbots and Coldwater Creek are leading the way in women's apparel. All claim to target women over 35, and each has managed to win over these coveted shoppers with styling that is fashion-inspired yet age appropriate. Gap's Forth & Towne, a new entry in this space, suggests that the industry's arbiter of hip has gotten the message. Expect others to follow — and quickly.

Statistics indicate that by 2010, people 40 and older will be spending a trillion dollars more than those between 18 and 34. That's a metric even youth-obsessed fashion retailers can't ignore. Still, the challenge for most will be figuring out how to reach older shoppers without alienating younger ones.

Boomers have been flaunting their Dorian Gray complexes for nearly two decades, and companies committed to helping them turn back the clock are winning their favor.

Have you seen the "new" face of Cover Girl cosmetics? It's Christie Brinkley, making a return

engagement at 51. A mother of two, Brinkley's fit, healthy and as beautiful as ever.

5. THE DISAPPEARING MIDDLE CLASS

Retailers that market to the middle class will feel squeezed in '06. With luxury retailers like Neiman Marcus, Fred Segal and Bergdorf Goodman on one end and value-oriented retailers like Dollar General, Save-A-Lot and Wal-Mart on the other, retail companies that pitch their wares squarely to middle-income consumers will be jockeying for elbow room.

Economic statistics paint a telling picture. The percentage of households with middle-class incomes has declined from 51.9 percent in 1980 to 44.9 percent in 2003. And, while politicians insist the country is in its third year of recovery, the fact remains that poverty rates — and those of the medically uninsured — continue to inch upward. On the flip side, there are millions of Americans who appear to be financially well off. The nation has never had more millionaires — or so many consumers living beyond their means.

This societal bifurcation is having an impact on retailing. The coming year will see increasing growth at both ends of the spectrum — and continued pressure on those sitting in the middle.

Extreme value retailers such as Aldi Group, Save-A-Lot and Big Lots are likely to boost the number of store openings; likewise, the future continues to look bright for Tiffany & Co. and Ralph Lauren.

What will be particularly interesting to watch is how the two players that sit squarely in the middle and have managed to post solid sales gains — JCPenney and Kohl's — continue to keep the game fresh. Kohl's expects to maintain shopper interest with new brands, and it's a good bet that Penney's Myron Ullman has something up his sleeve, as well. Wal-Mart is wading into the middle with its Metro 7 clothing collection and rumors of a high-profile brand acquisition. And can the department store segment — now virtually the sole province of Federated — recapture the middle-class shopper? And does it really want to?

6. NO EXCUSES

Sub-par customer service will not be tolerated. Shoppers don't want to hear any whining about the lack of help or the associate turnover rate. Save the long-winded explanations about the high cost of training for

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another time. And don't hide behind some souped-up kiosk. Shoppers are smarter and better informed than ever, and retailers will need to do a better job of training their store associates in 2006 or shoppers will walk.

Today, competitive price points and reliable customer service are merely the price of admission. Empowered by their ability to access data online, shoppers are extremely knowledgeable about everything from wine to widgets. They have different expectations of service based on where they're shopping and varied levels of tolerance for using technology to make the experience more efficient. The trick is to find out what shoppers expect of you, and then delight them by delivering more.

Retailers that want to stand out in a sea of mediocrity will spend the coming months delivering on the promise of a customer-centric environment. In short, they need to design the retail organization and the store around the needs and expectations of their target audience.

Doing business in multiple channels is not enough: The challenge for '06 is making sure that those channels are truly integrated. The shopper who arrives at a store with data that she's printed from the retailers' website should be able to find the item, have some additional questions answered and complete the transaction. In a reversal from the formative days of e-commerce, many shoppers now use the store as a showroom — a venue to see and touch a product — rather than the place to buy it.

Technology will continue to add value at the store level — provided associates use it to engage, educate or augment shoppers' knowledge and not as an excuse for "not knowing." Assisted selling solutions that guide a shopper through a project and to a purchase are perceived as having real value for shoppers; so are solutions, like self checkout, that allow them to speed up their purchase.

Leading-edge retailers are expected to begin delivering on the promise of customer relationship management in 2006. After years of amassing data, it's time for retailers to truly connect with shoppers and bring more personalized selling to bear. It goes beyond cultivating loyalty; retailers who will win in '06 and beyond are those that find ways to become part of consumers' lives.



(By Susan Reda, Executive Editor, NRF, Stores Magazine, December 2005)



Are your credit card processing costs spinning out of control?

We can help. VRA's endorsed credit card processing program could save you hundreds of dollars a year!

The VRA has joined forces with the Retail Council of New York State's subsidiary, Retail Council Services Corp. ("RCSC") to offer an innovative credit card processing program. As a result VRA members will benefit from improved customer service and lower processing costs - and all VRA members can save BIG on processing equipment. If you are not yet enrolled in the VRA bankcard program, we urge you to learn more about the advantages in cost and service which are now available to VRA members like you. You can contact the RCSC team directly at 866-350-2652 (please identify yourself as a VRA member). You are entitled to a free-of-charge analysis of the potential savings available to you through this program, so call today.

Discount Rate	Variable
Credit Transaction Fee	\$0.10
Check Card Transaction Fee	\$0.15
Debit Card Transaction Fee	\$0.25*
Monthly Service Fee	\$4**
Application Fee	\$45
Equipment Reprogramming Fee	\$25
Annual Fee	FREE
Training Fee	FREE
Chargeback Fee	FREE
Voice Authorization Fee	FREE
Paper Supplies Fee	FREE
Settlement/Batch Fee	FREE
Postage Fee	FREE

*Plus acquirer's fees **Covers all locations



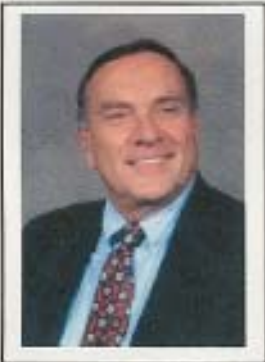


Hertz Member Savings Program

Vermont Retail Association is pleased to announce a new benefit available to its members. VRA members now have the opportunity to take advantage of special savings and services from the #1 car rental company in the world – **Hertz**. With the Hertz Member Savings Program you are eligible for:

- Worldwide discounts for business and leisure rentals
- Coupon specials and other enhancements

When you renew your membership with the VRA you will receive with your thank-you letter a “Hertz Member Discount Card” with the VRA Hertz CDP # listed. Use this CDP # for year-round discounts on daily, weekly, weekend, and monthly rentals in the U.S. or worldwide. Call their toll-free # at 1-800-654-2210 or visit the Hertz website at www.hertz.com to make a reservation, and provide the VRA CDP # for your discounted rate. Present your Hertz Member Discount Card at the time of rental. To receive your VRA Hertz Member Discount Card now, just contact the VRA.



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Membership Coordinator

Donna Audette
Legislative Sec. & Insurance Administrator

Kate Kinney
Bookkeeper

(802) 879-6999 1-800-649-1698
FAX (802) 879-6419

EMail: mail@vtretailers.com
www.vtretailers.com www.vtstores.com

Insurance: An Undervalued and Misunderstood Asset

Bruce Palmer and Brad Fawley, Downs Rachlin & Martin, PLLC

As Liability Exposure Increases, Insurance Coverage Becomes More Important.

Businesses are increasingly exposed to a wide range of legal liability, including tort liability (liability for personal injury or damaged property), environmental liability (under State and Federal environmental laws), employment liability (liability for wrongful discharge, discrimination or harassment), product liability, and liability for infringing the intellectual property rights of others (trade secret or patent infringement liability). Most businesses are insured for tort liability under comprehensive general liability (CGL) policies. However, many businesses are not aware that their CGL policies cover claims in some of these other areas as well. Businesses are also increasingly investigating new insurance products, which specifically provide coverage for employment claims (EPLI coverage), intellectual property claims, and certain environmental claims.

Insurance coverage can be an invaluable tool to protect a company from financially devastating claims. Many business are implementing sophisticated “risk management” programs and are educating their staff to better understand the kinds of behavior which may lead to liability. However, even the best risk management program will not guarantee that a business will not be sued. Because of the enormous expense associated with litigation and the financial exposure of adverse judgments, the only reliable method to protect the company’s assets is to obtain adequate coverage to cover the most likely areas of claim. Unfortunately, both the law and insurance coverage products are constantly changing; therefore, businesses must regularly review their insurance coverages to confirm that they provide adequate protection in the areas of greatest risk.

How to be Sure You Get the Most Out of Your Insurance Coverage.

The insurance that is available to cover tort liability is fairly standard and well understood by both insurers and policyholders. However, insuring against other areas of risk is far more complex. There is a wide variety of products in the market, and the products are often poorly

understood by both the issuing companies and the policyholders. Many of the national insurers have underestimated the risk of exposure in certain areas and have suffered a greater exposure than anticipated in their rate structures. As a consequence, some insurers have taken restrictive positions on coverage which are not justified by the precise language of their policies and by the rules of construction adopted by the courts. In other instances, insurers have denied coverage where coverage was due because of good faith misunderstandings of both the effect of their policies and the nature of the claims asserted against the businesses they insure.

There are a number of steps a business can take to maximize protection that may potentially be available through insurance:

1. Conduct audits to collect and maintain old policies. Policies issued decades ago may provide coverage for serious claims made today, particularly in the environmental area. These documents can be worth millions in some cases and should be treated as an important asset of the business.
2. Put your insurers on notice of claims, even when you are unsure of coverage. Many lawsuits contain multiple “counts,” some of which may be covered by insurance and some of which may not be covered. If any count of a lawsuit is covered by insurance, the insurer may have a duty to defend the entire lawsuit, thereby avoiding significant litigation cost exposure.
3. Have qualified counsel review coverage denials. There can be a high “error rate” in coverage determinations provided by insurance companies. In some cases, there may even be duties created outside the insurance policy (such as in case law or insurance regulations) that can require the insurer to offer a defense or possibly even indemnity against a claim.
4. Consider new insurance products. New types of insurance coverage, such as for EPLI (employment liability) and IP (intellectual property)

claims, may be a wise investment for your business. It might be worthwhile to ask your insurance broker or agent whether these coverages make sense in your case.


Examples of Cases Where Vermont Insurance Policyholders Successfully Asserted Their Right to Coverage.

The following cases, handled by Downs, Rachlin & Martin, PLLC (“DRM,” this article authors’ law firm), demonstrate the key role insurance coverage sometimes plays in resolving business disputes.

1. A business was identified as a “potentially responsible party” under CERCLA (Federal environmental law) based on operations of a predecessor. The business could not find any of its past primary insurance policies and could locate only a few of its “excess” policies. Based on company records and specimen policy forms used in the 1950’s through the 1980’s, the primary insurer was convinced to stipulate to the terms of the primary policies. DRM recreated the excess coverage placed through Lloyd’s of London for virtually all pertinent years by contact with brokerages in England and New York. Using these policies, the business won a judgment requiring the primary insurer to defend the case and a substantial percentage of the site clean-up cost facing the business was covered through a settlement with other insurers.

2. A gravel pit business was sued by adjoining neighbors, and the gravel pit asked its insurers to defend the claim. The insurers refused to supply a defense, saying there was no coverage. The gravel pit sued the insurers, and the court ruled that the insurers were required to fund the defense. The case was ultimately settled in full at no cost to the client.

3. A business was sued for copyright infringement. A law firm that initially defended the business was not aware that there was potential coverage under the business’ CGL policy. The business incurred more than \$100,000 in legal bills before the CGL carrier was put on notice of the claim by attorneys from DRM. The CGL carrier then agreed to hire new defense counsel to represent the business while the carrier litigated the insurance coverage issue. Had the business notified its insurers at the outset, it

is likely the carrier would have provided a defense at the outset of the claim and the business would have saved over \$100,000 in legal bills. 

This article does not constitute legal advice. If legal advice is required, consult an attorney. Downs Rachlin Martin PLLC includes several attorneys with experience and sophistication in the area of insurance coverage who can counsel your organization on insurance coverage matters, including the authors of this article. Bruce Palmer may be reached in St. Johnsbury (802-748-8324; bpalmer@drm.com), and Brad Fawley in Brattleboro (802-258-3070; bfawley@drm.com).

Welcome New Members

Please welcome the following new members to the

Vermont Retail Association
McCullough Crushing, Inc.

Jan LaPerle, Middlesex, VT

Wood ‘N’ Kites

Peter Foy, Alburg, VT

S.D. Williams PC

Steve Williams, Georgia, VT

Brandon Falls Diner

Judy Harris, Brandon, VT

Body Tech Health & Fitness

Jeff Mugford, Barre, VT

Michael Murray Smith Distribution

Michael Murray-Smith, Quechee, VT

Limoge & Sons Garage Doors, Inc.

Ericka Bundy, Williston, VT

The Collection

Tom Fugate, Waitsfield, VT

ICC

Mike Boardman, Montpelier, VT

Mehuron’s Market Ltd.

Tom Mehuron, Waitsfield, VT

Money-Saving Programs For VRA Members

Are you taking advantage of all your VRA membership has to offer? Here is an overview of the various money-saving programs available to VRA members – call us today at 802-879-6999 or 800-649-1698, or email us at mail@vretailers.com, to find out more about any of these offerings.

Dues Rebate

VRA is currently offering a new-member referral benefit. If you refer a new member to us, for a limited time we will thank you with a **\$25 dues rebate** after we receive the new member's dues (only one rebate per dues cycle). If you have a referral for us, let us know and we will send an application form to the potential new member (or an application can be downloaded from our website).

Credit Card Processing

How much can VRA save you on credit card processing costs? It only takes a phone call and a fax to find out. Call the credit card team at **866-350-2652** and tell them you are a VRA member and would like to receive a **free-of-charge, no-obligation analysis of potential savings**. If you have a copy of your current processor's statement available (your statement will be treated confidentially), analysis results are usually provided the same day. The credit card team will even tell you if there would be no savings by making a switch. Over the last year, the **average savings** for VRA members who have switched from another processor to this program has been **13.2%**.

These savings result from the innovative program under which VRA has joined forces with the Retail Council of New York State (through its bank card subsidiary, Retail Council Service Corp. ("RCSC")) and the Retail Merchants Association of New Hampshire. The combined buying power of these associations permits favorable processing rates and transactional fees (in many cases fees are eliminated).

Local and Long Distance Telephone Services

Are you paying more than **3.9¢/minute** for local or long distance telephone service? If so, then you should join the many VRA members who have saved by switching

to BCN/Norcom for their local and long-distance telephone service. This program also features 10¢/minute to Canada, low international rates, internet service, and low conference call rates. All these savings are available without a contract, though a contract may result in even lower rates. Call VRA's office at 802-879-6999 or 800-649-1698 to sign-up for these great rates.

Discounted Business Products

VRA has teamed-up with Corporate Express, a leader in the business products industry, to bring you another valuable member benefit. Set up a new VRA account with Corporate Express and SAVE on office supplies, office furniture, computer supplies, facility, break room and janitorial supplies, promotional items, and more. VRA members receive the following benefits:

- Exclusive **5% Discount** on already low-priced "Office Product Essentials"
- Deep **Discounts on custom-tailored "Hot Lists"**
- **Free Next-Day Delivery** throughout Vermont
- Free case of copy paper for opening order of \$100 or more
- Plus free electronic label maker for opening order of \$200
- Vermont-based customer service/sales representative

To learn more about or sign up for our Corporate Express program, please contact Ceil at the VRA or Tom Juiffre at Corporate Express at 800-562-3684 x6758, thomas.juiffre@cexp.com. Be sure to tell Tom you are a VRA member.

Hertz Rental Car Discounts

VRA's newest member benefit is substantial **savings on car rentals from Hertz**, the #1 car rental company in the world. The Hertz Member Savings Program includes:


- Worldwide discounts for business and leisure rentals
- Coupon specials and other enhancements
- Meeting Savings Program
- Promotional fee paid to your organization

As an example of potential savings, VRA's executive director recently received a **21% discount** on a 4-day rental through our Hertz Member Savings Program.


VTstores.com – Internet Directory

VTstores.com is a one-stop Internet directory listing VRA member stores, many with links to members' websites. The site appears on major search engines such as Google, and VRA advertises VTstores.com in various ways. There is even a link to VTstores.com on the State's tourism website, www.vermontvacation.com. By listing your store on VTstores.com, you can reach potential customers looking for an easy way to find Vermont retail shops on the Internet. The site is visited by **1000 online shoppers per month!**

Here is the best news: having a listing/link to your business on VTstores.com is **FREE with your VRA membership!** No website = No problem — VRA can either list simple contact information about your store on VTstores.com or we will create a basic web page for you. The cost to you is the same either way: Zero.

These are just examples of some available savings and benefits. We are always working to find new ways to save on our members' cost of doing business. If you have any suggestions on areas where VRA might provide a member benefit not currently offered, please contact us with your idea. 

3-Year Minimum Expiration for Gift Certificates

Based on our personal shopping experience during the holidays, we are still finding Vermont retailers issuing gift certificates with 1-year expiration dates. 1-year expiration dates are now prohibited under Act. No. 39 passed in 2005 (effective July 1, 2005), although there are a few limited exceptions. In general, the minimum expiration date now permitted for a gift certificate and gift card is 3 years. Contact VRA for more information about the new gift certificate/gift card law. 



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Lighting technology has come a long way since Thomas Edison invented the light bulb back in 1879. We can show you energy efficient lighting that will lower your operating costs while providing a more productive and comfortable work environment. We're Efficiency Vermont, created to help Vermonters use less energy. We offer financial incentives and technical assistance to help you buy energy-saving equipment, renovate existing structures, build more efficiently or simply change a few light bulbs. Call today to see how we can help you.

**Efficiency Vermont**
I-888-921-5990 • www.encyvermont.com *your resource for energy savings*

Want a fresh look for your retail space in 2006?

ReCycle North can help you get started. Our Deconstruction Crew will "softstrip" your retail space, salvaging usable items so you'll pay lower disposal costs. Then, stop by the Building Materials Center to see our creative array of architectural items for displays. Our prices are hard to beat!



Building Materials Center
339 Pine Stret
Burlington, VT 05401
Open Mon-Sat 8:30-5:00
802.846.4015

Local & Long Distance Services

The Vermont Retail Association has endorsed BCN / Norcom for local and long distance services since 2002; we've been using the service, and it's great! Compare these features with your current carrier:

- **3.9¢/minute** of state (continental US)
- **3.9¢/minute** in state
- **10¢/minute** to Canada
- **low** International rates
- **dedicated** Internet service available
- **low** Conference Call rates
- **no contract required***

*Contract available if desired, may result in lower rates.

Available for all Verizon service area. (Non-Verizon service areas, rates vary and no local service discount applies). For more information call the VRA at (802) 879-6999 or 1-800-649-1698.



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**VERMONT RETAIL
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