



# RAN

Retail Association of Nevada

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LOOKING OUT FOR BUSINESS

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# NEVADA NEWS

## MY VIEW

By Mary Lau

**WHEN BRYAN WACHTER, OUR DIRECTOR OF PUBLIC AFFAIRS**

suggested I write an opinion piece highlighting my views of the state of our State, economy and political outlook for 2014, it made perfect sense to consider this type of article. What I didn't realize was that it would be an almost impossible task.

Have you ever stood in the middle of an Aspen grove and tried to look at the entire forest from a 360-degree perspective? Not easy, each view along the way suffers from a branch, leaf, or even a full tree trunk being in your line of sight. You become mesmerized by detail and sometimes lose the most important sight and/or perspective. Right now, I'm concentrating on all things tax – Margin Tax and taxes in general.

From my particular grove the biggest "tree trunk" blocking my line of sight is the Margin Tax Initiative that has been qualified for the ballot in November 2014. It was interesting to note that business people in Northern Nevada at The Chambers' Directions 2014 Economic Summit were pleased with the Northern Nevada economic outlook — 47.6% felt that our local economy was on the right track; however, those same businesses were unaware of the

elephant in the room (Margin Tax) at a ratio of 3:1. Once informed during this panel discussion, with limited time for explanation of the cumbersome thirty-one pages Initiative, the business audience recognized the job-killing effects of this tax. Bear in mind that the businesses that attend "Directions" are the smaller businesses located in our community. These are the employers, the service providers, and consumers of business-to-business transactions, who, once informed, were opposed by 75.7%.

There is a lot of misunderstanding about what this Margin Tax Initiative is, what it will do to our state, and how it will stifle the economic development gains that have been accomplished by Governor Sandoval's team at GOED. There is a misconception that only a small percentage of big businesses will pay this tax, which isn't the case. Any business with a gross income of one million dollars will be subject to the tax from 0 dollars up, the million dollars is a qualifier – not a deduction! Also, you pay even if you're losing money.

Bryan Wachter and the RAN team will be contacting all of our members individually to assist them in understanding what this tax does, what it will do, and what it actually won't do. One

big "won't do" is guarantee any new tax revenue stays in the DSA (Distributive School Account) and gets into the classroom.

Please feel free to discuss this issue with Bryan in depth — this is about your business' survival and RAN knows how much you put into day-to-day operations. You need to become informed and knowledgeable about this tax grab.

The Margin Tax is just one tree-trunk blocking view into 2014, but along with that is the question: "What do we do about taxes and the states' needs"? Nevada must look further than

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Mary Lau, President/CEO  
Retail Association of Nevada

education as it plans for the future. Nevada does have needs, and education has to be part of the conversation, but anyone who reads a paper or listens to news knows that our mental health system is on the needs list too. So too, is infrastructure, including our information technology needs in the state. Realistically, all citizens of Nevada know that state

government, along side of our businesses, had to cut during the recession. RAN agrees and supports the legislators that are taking careful consideration and time to study how to fix the problems associated with our needs and then looking at funding requirements.

Just as most of us have done in our personal lives these past six years—

determine what you need as opposed to want, fix how you acquire those needs, and then see where and how you can fund it. So, too, we need to address our current tax system and fix those areas that are underperforming, poorly written, and therefore unenforceable—loopholes that prevented the intended taxation. Only then can we talk about new taxes. ■

# TECHNOLOGY MIGHT HELP LEVEL RETAIL'S ECONOMIC ROLLER COASTER

*By RAN Staff*

**T**HE YEAR 2013 HAD ITS UPS AND DOWNS. INCONSISTENCIES and fluctuations are found across economic statistics, but this is especially true in terms of retail market trends. Similarly, tracking differences in number of employees, work weeks, number of store locations, and new technology over both 2012 and 2013 can help us better predict what 2014 will look like, and some of the challenges that might be posed in coming months.

According to the Nevada Department of Employment, Training and Rehabilitation (DETR), there was an average of 136,500 retail trade employees in Nevada. This is a positive trend—an increase of 4,200 jobs (+3.2 percent) since 2012, and an increase of 9,300 jobs (+7.3 percent)

since the recession's low in 2010. Specifically in the month of December alone, 2013 saw 8,000 more jobs in the retail trade sector than the previous year; RAN had initially predicted 7,500 new jobs. Emblematic of our new economic reality, the positive trends seem to be counterweighted with equally discouraging data.

DETR also reports average work week hours and wages are slightly down in 2013 from the previous year: employees in the retail trade sector in Nevada worked an average of 30.0 hours per week in 2013, down 1.5 hours from 2012 data, at an average weekly wage of \$398.59 in 2013, down 2.4% from 2012. This fluctuation is not surprising, given the cyclical nature of the state of the economy. However, retailers can acknowledge this fluctuation

and use it in positive ways in 2014.

According to Gruen Gruen and Associates, a group of urban economists that specialize in fiscal and economic impact analysis and survey research, "Differentiated, experiential locations with retailers offering luxury goods will withstand the onslaught of e-tailing." In addition, traditional retailers located in markets with limited barrier to entry will face challenges.

Deloitte's 2014 Retail Industry Outlook report spells out some of those challenges. They list one of the biggest challenges facing retailers this year will be the online versus brick and mortar retailers dynamic. They suggest retailers create an Omnichannel experience, utilizing this technology to continue to try to understand

how customers expect to be engaged. This costly technical infrastructure, while potentially challenging for some retailers to acquire, will help them meet customers' needs. Similarly, brick and mortar retailers will face the challenge of additional competition with online retailers who have and will continue to offer near-real experiences through augmented reality applications, which takes away the advantage of brick and mortar stores to offer consumers the opportunity to experience the product before purchasing. The third challenge Deloitte lists is the increase use of same-day delivery and free shipping as expected incentives rather than a perk, which may cause retailers to re-think their supply chains.

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# A PEEK AT HEALTHCARE IN 2014

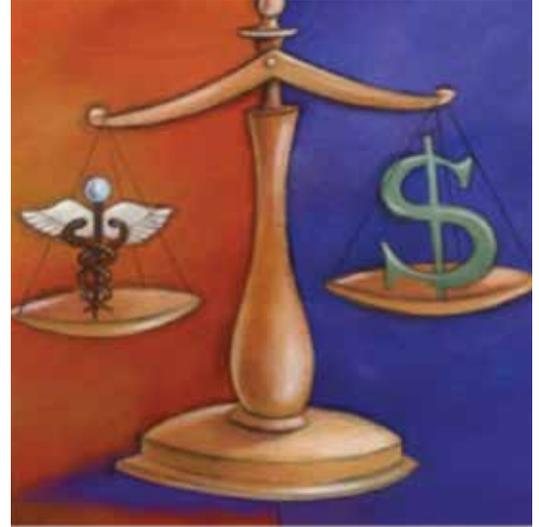
By Liz MacMenamin

## IT IS VERY EASY TO PREDICT THAT MANY LEGISLATORS WILL BE FOCUSING ON

health care going into the elections and then into the 2015 legislative session. One issue that will consume a great deal of their focus will be the state's mental health care problem, especially in southern Nevada. The governor has assembled a committee of elected officials and others within this field to recommend solutions for this concern. There is also a subcommittee of legislators and industry representatives in southern Nevada that is meeting to discuss possible legislative solutions. RAN will be following this committee and will be providing the

members with updates. Another issue that will be addressed in 2014 will be the substance abuse epidemic in Nevada. This has been an issue that Attorney General Katherine Cortez Masto has been championing during both of her terms and is diligently working to find solutions. With her guidance, and the help of many others in the field of law enforcement and in the medical community, the state of Nevada has seen a reduction in the production and use of methamphetamine. During 2014, Speaker Marilyn Kirkpatrick (D-NLV) and the Attorney General, will team up with legislators and the medical community to seek

solutions to the prescription drug-abuse challenge the state is experiencing. In 2014, RAN will continue to follow the implementation of the Affordable Care Act and the financial impact it may have on RAN members. Attention will be on any changes — whether positive or negative, that may occur in the delivery of health care to patients, not only in Nevada, but on a national level. The national affiliates that RAN works with have provided updates to



our members, as portions of this legislation have been implemented, and they will continue to offer regular webinars upon full execution of the Act. ■

## TECHNOLOGY *Continued from page 2*

Overcoming these challenges, however, is not an impossible task. New technologies are constantly changing the retail industry and can be used to keep up with the growing use of online purchases. 3D printers are growing rapidly, and can be used in businesses. Additionally, new technologies are becoming available to show retailers what is taking place in their store. This can be useful in analyzing behavior—how shoppers walk through stores, the effects of how items are placed on a shelf, etc. Price

checkers, self-checkout lanes, information kiosks, and other self-help technologies can then be strategically placed as just one of the many innovative ways in-store retailers can please their customers. It is important for retailers to understand past economic trends, and the increase of technology, to modify their 2014 objectives. The 2014 Shop.com/Forrester Research Inc. State of Retailing Online Survey shows retailers are placing a larger importance on mobile efforts—more than half (53 percent) are

making them a top priority, focusing on identifying responsive design, mobile site optimization, and tablet redesign. This is not only important in the competition with online retailers, but is also a key to understanding how consumers shop: retailers' average smart-phone revenue in 2013 grew 113 percent as compared to the previous year, and tablet revenue was up 86 percent in the same period, according to the National Retail Federation. 2014 will be a year of transitions. As technology becomes less a tool and more

of an experience in and of itself, retailers will have to continue to adapt to the new customer and the economic normal. Retailers will have to increase their interactions with governments, and their regulatory bodies, to better draw a new map that outlines the evolving landscape of the retail industry and its operations. RAN will continue to shine light on Nevada's retail industry, its challenges and its economic indicators, and the increasingly important role retail plays in the health of Nevada's economy. ■



# MORE TO WATCH IN 2014

By Lea Tauchen

## THROUGHOUT 2014, RAN WILL MONITOR MANY

committees, agencies, and municipalities whose activities may impact the business community in Nevada. Legislative committees and commissions will generate bill draft requests for the 2015 Legislative Session. State agencies will create regulations corresponding to legislation that passed during the 2013 Legislative Session, as well as explore bill ideas for next year. And local municipalities will discuss a variety of issues that may develop into amending or adding local ordinances.

The Legislative Committee on Energy will meet throughout the interim to evaluate energy policy in the state. Committee members will review matters addressing the production, consumption, and use of energy, as well as infrastructure, transmission, construction, and generation

of energy, including renewable sources. The effect on ratepayers, economic development, and the environment will also be examined. This committee was formed through Assembly Bill 428 during the 2013 Legislative Session. Six legislators sit on the committee, which is chaired by Senator Kelvin Atkinson (D-Clark) and vice-chaired by Assembly Speaker Marilyn Kirkpatrick (D-NLV).

The Advisory Commission on the Administration of Justice will meet throughout the interim to study various elements of the criminal justice system in the state. This commission was formed during the 1995 Legislative Session and has met each interim since. Senator Tick Segerblom (D-Clark) chairs the committee, Nevada Supreme Court Justice



James Hardesty vice-chairs, and fifteen other members representing various aspects of the justice system serve as members.

RAN participates in the meetings, workshops, and hearings that are held by state agencies such as the Board of Agriculture, Dairy Commission, Division of Consumer Equitability, Labor Commissioner, Board of Health, etc. Additionally, for local government issues, RAN attends meetings in both northern and southern

Nevada, including the City of Reno, the City of Sparks, the Washoe County Commission, the City of Las Vegas, the City of North Las Vegas, the City of Henderson, and the Clark County Commission. RAN provides industry perspective on issues related to privileged licenses, inspection fees, design standards, sales restrictions for graffiti implements, abatements, glass beverage sales, and more. ■

## NRF AND UNIVERSITY OF PHOENIX TO AWARD 20 RETAIL WORKERS WITH FULL-TUITION "DREAM BIG" SCHOLARSHIPS

### FOR A SECOND YEAR, THE NATIONAL RETAIL FEDERATION AND

University of Phoenix are providing the opportunity for U.S. retail workers to make

their career dreams a reality through the Dream BIG scholarship program. Dream BIG will award 20 full-tuition scholarships for any University of Phoenix bachelor's or master's degree program

applicable to retail workers who want to further their professional goals through education. The flexibility of the program will allow recipients to continue to work and live at home while

pursuing a degree. In 2013, hundreds of retail workers from more than 80 companies across the United States applied for the Dream BIG Scholarship, and 10

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# THE EXPERIENCE OF POWER

By James Larsen

**O**CCASIONALLY, PEOPLE IMAGINE WHAT THEY'D do with wealth. They'd pay debts, travel to exotic destinations, and buy family members expensive gifts, cars, and houses. They'd stop worrying about money, and they wouldn't have to work for a living. Alas, wealth comes to few.

But what about power? As a retailer, it's much more likely that you will gain power than wealth. Remember, every employee calls you "boss." You control critical resources for people, their jobs, and you reward and punish employees for things they do. Control of resources and the responsibility to reward and punish defines power.

What's that like? What's it like to possess power? That's a question every retailer ponders, and it's also been the subject of research. Researchers want to understand the effect power has on the people who have it, how it changes the way they think and what they do. The people who possess power are also interested. Scott Wiltermuth, from the University of Southern California, is the most recent scientist to make a contribution in this field.

Wiltermuth worked with 418 adults and conducted four experiments. He began

by provoking a sense of power in half of his subjects by asking them to recall and write about a time in their lives when they felt powerful. The rest of the people wrote about neutral experiences. Next, he introduced moral dilemmas. These involved settings, characters, and actions that presented competing interests and contradictory principles, i.e. loyalty versus telling the truth. Finally, he required them to act. He wanted them to recommend a specific course of action that the researchers themselves would follow in responding to moral dilemmas they encountered in their work.

When Wiltermuth's subjects had completed the task, he asked them to complete questionnaires that would reveal their thinking as they worked through and completed their recommendations. By analyzing these and comparing the group induced to feel powerful with those who did not feel powerful, he was able to make conclusions about the experience of power for his subjects.

First, the experience of writing about power did provoke a sense of personal power. That was the first thing he checked. Second, he found that those feeling powerful had a sense of clarity in the murky realm of moral dilemma, a clarity that they

alone experienced. Finally, he found that those feeling powerful recommended the harshest punishments. Their punishments were much harsher than others recommended in his experiments. Wiltermuth's analysis allowed him to conclude that moral clarity was the key change in thinking, and punishing others was the key change in behavior that an increased sense of power brought to those who experienced it.

An inflated sense of clarity in moral questions and a proclivity to punish others more severely than less powerful people would do... these are interesting effects of the experience of power. These are troubling effects of the experience of power, and they give those who have power something to think about.

It could be that issues that are perfectly clear to

you aren't as clear to others. Perhaps you should check. Perhaps you should ask a few people whom you trust before you take an action that might blow up in your face... an action based on an inflated sense of clarity and certainty that no one else has... a sense of clarity not justified by the facts.

We trust retailers to act responsibly. We all depend upon it, especially employees. Now, thanks to Professor Wiltermuth's contribution, responsible action will include finding ways to temper an inflated sense of moral clarity that leads to unnecessarily harsh punishments of others. It also might improve the quality of decisions retailers make in a whole host of problems and decisions they face where an inflated sense of certainty leads to inferior decisions. ■

Reference: [businesspsych.org](http://businesspsych.org)

**WHAT'S hot**  
2014 Culinary Forecast  
NATIONAL RESTAURANT ASSOCIATION

**Top 10 TRENDS**

1. Locally sourced meats and seafood
2. Locally grown produce
3. Environmental sustainability
4. Healthful kids' meals
5. Gluten-free cuisine
6. Hyper-local sourcing (e.g. restaurant gardens)
7. Children's nutrition
8. Non-wheat noodles/pasta (e.g. quinoa, rice, buckwheat)
9. Sustainable seafood
10. Farm/estate branded items



# SMITH'S LAUNCHES COMMUNITY REWARDS PROGRAM

CUSTOMERS' SHOPPING NOW GENERATES COMPANY DONATIONS TO NONPROFITS

## SMITH'S FOOD & DRUG IS ROLLING OUT THE NEW SMITH'S

Community Rewards program that lets customers select the charities to which Smith's will donate, based on dollars they spend in stores. It is estimated that hundreds of local schools, churches and other nonprofit organizations will earn part of the \$1.4 million Smith's will contribute in 2014 through Smith's Community Rewards. The program is in addition to the fuel savings points Smith's offers and will not impact customers' fuel savings.

Customers and organizations will find enrollment information as well as program details and FAQs at [www.smithscommunityrewards.com](http://www.smithscommunityrewards.com). To participate customers

will need to go online to link their rewards card number to a local nonprofit. Smith's Community Rewards program is open to any 501(c) 3 serving the company's seven western states of operation. Nonprofit organizations wishing to participate must register for 2014. Contributions up to \$350,000 will be issued quarterly in 2014.

"We are constantly seeking ways to enhance our customers' shopping experience and create more loyalty," said Marsha Gilford, Smith's vice president public affairs. "Smith's Community Rewards offers a way for customers to support causes that are most important to them individually, without

affecting their fuel point savings." Schools participating in Smith's Earn & Learn



program along with their supporting enrolled customers have been automatically enrolled into the Smith's Community Rewards program for 2014. Earn & Learn will no longer be offered as a separate fundraising option. Smith's will continue to make grants and food donations to nonprofit groups' within the company's focus areas.

A division of the Kroger Co. (NYSE:KR) one of the nation's largest grocery

retailers, Smith's operates 131 stores and 81 fuel stations throughout seven western states. Smith's charitable giving, in partnership with 15,800 associates, generous customers and suppliers, totaled \$9 million in cash and food products to local organizations in 2013. For more information visit: [www.smithsfoodanddrug.com](http://www.smithsfoodanddrug.com) or <https://www.facebook.com/Smiths>. ■

## WASHOE, RENO, AND SPARKS SHARED SERVICES

By Fred R. Turnier, AICP, Community Development Director w/City of Reno

### THE CITIES OF RENO AND SPARKS, WASHOE COUNTY, AND

the Health District have partnered to provide regional business license and permits. The customer-centric focus is any business license/permit,

anytime, anywhere. A business license purchased in Reno would be applicable to Washoe County and/or Sparks. The entities are looking to purchase a regional license and permit program. The program includes an updated permit and license

software application, regional data sharing, and customer service focused applications. The benefits to the customer are online, 24/7 service, reduction of duplication between jurisdictions, and overall cost savings. "The customer is expecting this

of the local jurisdictions and we see great benefits to our customers and the region," Reno City Manager Andrew Clinger has stated. The local jurisdictions will be reviewing the proposed inter-local agreement in the first quarter of 2014. ■



# NATIONAL RETAIL FEDERATION URGES MODIFICATION OF THE AFFORDABLE CARE ACT

## TRAUTWEIN TESTIFIES THAT RETAILERS AND CHAIN RESTAURANTS NEED ACTION

**NATIONAL RETAIL FEDERATION (NRF) VICE PRESIDENT**

and Employee Benefits Policy Counsel Neil Trautwein testified before the House Ways and Means Committee on the impact of the Affordable Care Act, where he reiterated the retail industry's strong support for modifying the health care law's employer mandate and 30-hour requirement for coverage.

"Many retail and restaurant employees do not fit neatly into full- and part-time categories and compliance with the

unprecedented levels of change under the ACA will be particularly challenging," Trautwein testified.

The health care law is especially burdensome for small employers who cannot afford the sophisticated and expensive strategies needed to fully-comply with the law's multitude of mandates, requirements and penalties. "The law that reforms health care coverage should not advantage larger employers to the detriment of smaller ones," Trautwein said.

Although NRF opposed the enactment of the Affordable Care Act, it has worked closely with Congress,

the Administration, and its diverse membership of retailers and chain restaurants to make the law more workable for employers and employees.

"Given the complexity of requirements under the ACA, we strongly urge this Committee and Congress to consider specific changes to the ACA, including the definition of full-time employment," Trautwein said. "NRF stands ready to help the Administration and Congress make the ACA more workable, so long as it remains the law of this land."

NRF supports specific, common-sense reforms to

the health care law, including bipartisan legislation aimed at repealing the employer mandate, changing the law's definition of a full-time employee to 40-hours a week and increasing the coverage requirement from 50 employees to 100.

Retail is the nation's largest private sector employer, supporting one in four U.S. jobs — 42 million working Americans. Contributing \$2.5 trillion to the annual GDP, retail is a daily barometer for the nation's economy. ■

## DREAM BIG SCHOLARSHIPS

*Continued from page 4*

scholarships were awarded.

Given the success of the program in 2013, University of Phoenix and NRF decided to double the number of scholarships available for 2014.

"Retail offers richly rewarding and diverse career opportunities to millions of hard-working Americans, and NRF is committed to fostering career growth for those who want to achieve great things in our industry," said NRF Foundation Executive Director Ellen Davis.

"Connecting the skills and

expertise of working learners with a degree program that will take their personal and professional goals to the next level is what we do," said Barry Feierstein, executive vice president at University of Phoenix. "The Dream BIG Scholarship represents our commitment to align higher education with the needs of both our students and their employers."

### HOW TO APPLY:

The scholarship program is open to any applicant who resides in the U.S. who works

full-time or part-time for any retail or restaurant company beginning January 7, 2013. The scholarship opportunity is limited to the first 1,000 qualified applicants who meet all of the eligibility requirements and admissions requirements, and submit a complete application by April 8, 2014. The application includes three short essays that highlight the applicant's educational goals, aspirations within the industry, and a personal reflection of what inspires them.

The applicant must

also submit a letter of recommendation from a current retail professional with knowledge of the applicant's skills and work ethic. For complete scholarship eligibility requirements, terms and conditions visit: <http://www.phoenix.edu/dream-big.html>.

The Dream BIG scholarship program is provided through NRF's nonprofit arm, the NRF Foundation, and University of Phoenix. ■



# Nevada Notes

## WAL-MART FOUNDATION GIVES \$465,000 TO NEVADA GROUPS

Six Nevada organizations received \$465,000 in funding from the Wal-Mart Foundation. Recipients of the Wal-Mart Foundation's Nevada State Giving Program include the Minden Rotary Club Foundation, which received a \$30,000 grant for its Backpack Buddies program.

The Food Bank of Northern Nevada also received a \$75,000 grant for outreach efforts.

Communities in Schools of Nevada earned a \$75,000 grant to implement a hunger prevention plan in Elko and Las Vegas, including distribution of breakfast meals, snacks, and weekend food backpacks to students in need.

RGJ

## LAS VEGAS MARKET HAS RECORD WEEK

The World Market Center is in the midst of the 2014 Winter Las Vegas Market, bringing together professional buyers and sellers of furniture, gifts and home décor.

The Las Vegas Convention and Visitors Authority is estimating attendance at 50,000 bringing a nongaming estimated economic impact of \$62.9 million to Las Vegas. Bob Maricich, president and CEO of International Market Centers, said

this could be a record for the once-ailing furniture mart.

Qualified buyer attendance is up 20 percent and registrations were up overall.

LVRJ

## GROWTH FOR SHOPS AT SUMMERLIN

Howard Hughes Corp. announced more tenants for the Shops at Summerlin, a new retail mall being built in western Las Vegas.

A 200,000-square-foot Dillard's and 180,000-square-foot Macy's were previously announced.

Shops at Summerlin is part of a planned urban center called Downtown Summerlin. It's near West Charleston Boulevard and the 215 Beltway, south of Red Rock Resort.

Construction began last year on the 106-acre, 1.6 million-square-foot development, which is the first phase in the urban center. Plans also call for a nine-story office building.

When complete in late 2014, the Shops at Summerlin will include more than 125 stores and restaurants.

LVRJ

## STATE LOOKS TO GUN STORES FOR HELP IN SUICIDE PREVENTION

Firearms are used in more than half of Nevada suicides. To help reduce that statistic, the Nevada Office of Suicide Prevention looked to a New Hampshire program that

educates gun storeowners to identify customers who may be suicidal.

In December, the state office began to offer suicide awareness training to interested gun storeowners, employees, and gun owners in partnership with the Nevada Firearms Coalition. The program is off to a slow start. Not many store personnel in Clark County were willing to comment publicly about the program.

Nevada has the nation's fourth-highest suicide rate, about 20.3 suicides for every 100,000 people. In the Silver State, suicide is the sixth leading cause of death, according to the most recent available statistics from the U.S. Centers for Disease Control and Prevention. About 53 percent of the 547 Nevada suicides in 2010 involved firearms.

The program in Nevada provides training on top of informational packets to participants.

LVRJ

## FUNERAL AND CASKET OUTLETS ARE HEADING TO THE MALL

We eat there, buy our clothes there and some people suspect teenagers may actually live there. So perhaps it was just a matter of time until funeral homes began moving into the local shopping mall.

Over the past two years, Forest Lawn has been quietly putting movable kiosks in

several of the malls that dot Southern California's suburbs.

The move, by one of the funeral industry's best-known operators, expands on a marketing innovation that appears to have begun at the dawn of the decade when a company began opening casket stores around the country.

But if they're strolling past a funeral outlet at the mall, where happy, lively people surround them and maybe clutching a bag of Mrs. Field's cookies, the thought is that they'll feel differently.

So if they do happen to see a place peddling coffins or urns while they're pricing T-shirts and hoodies, it will look far less intimidating.

Forest Lawn's effort began modestly, with just one kiosk (one of those movable things that usually sell stuff like calendars or ties) in a mall in the Los Angeles suburb of Eagle Rock.

When no one was creeped out, the program expanded to about a half-dozen malls.

LV Sun/LA Times

**RGJ WINNER:** The efforts of the following organization have earned mention as a winner:

Raley's donates \$15,000 to Independent Living Raley's Family of Stores, for donating \$1,500 to the Northern Nevada Center for Independent Living to be used for upgrades to NNCIL's kitchen. RGJ



# National Notes

## NLRB TO SILENCE WORKERS AND EMPLOYERS WITH AMBUSH ELECTION RULE

The National Retail Federation today issued the following statement from Senior Vice President for Government Relations David French on the National Labor Relations Board decision to reissue its ambush election rule:

"The National Labor Relations Board has issued its 'new' ambush election rule that seeks to limit employees and employers' participation in union elections by reducing the timeframe between the filing of union petitions and the actual election. What's not new is the NLRB's desire to support union activism over sound public policy.

"The rule will limit the freedom of speech and expression of workers and businesses alike, and is part of NLRB's coordinated campaign to tilt union elections toward their friends and allies in Big Labor. NLRB's proposed ambush election rule is an answer in search of a problem.

"The National Retail Federation maintains that employers should be given ample time and opportunity to make their case on unionization and intends to file its formal objections to the ambush election rule. NRF urges the NLRB to live up to its obligation to be an objective arbiter for both employees and employers."

www.nrf.com

## CVS/PHARMACY STORES ENDS SELLING CIGARETTES

CVS/pharmacy stores will no longer sell cigarettes and other tobacco products beginning October 1, 2014, its parent company CVS Caremark, says.

Ending tobacco sales "is the right thing for us to do for our customers and our company to help people on their path to better health," Larry J. Merlo, president and CEO of CVS Caremark, said in a statement.

The company also announced that it plans to launch a national smoking cessation program in the spring.

The retailer estimates it will take an annual loss of \$2 billion from tobacco shoppers. CVS Caremark hasn't reported its year-end results yet, but it took in nearly \$94 billion in revenues in the first nine months of 2013, according to its most recent earnings report.

CNN

## RETAIL GROUPS URGE 40-HOUR FULL-TIME DEFINITION IN ACA

Several retail groups, including Food Marketing Institute (FMI) and National Grocers Association (NGA), this week renewed their calls for changes in the definition of "full time" for the purposes of the Affordable Care Act (ACA).

Their calls came as the

House Ways & Means Committee was scheduled to discuss the matter. The ACA originally set a 30-hour-per-week threshold for workers to be considered full-time — and therefore offered health insurance — but retailers are pushing for a definition that is "more in line with employment practices," FMI said in a letter to the committee.

"The law's definition of full-time as 30 hours of service per week does not reflect employers' workforce needs or employees' desire for flexible hours," the letter stated.

Peter J. Larkin, president and CEO of NGA, noted, "The ACA's definition of a full-time employee at only 30 hours per week will have an enormous impact on the independent grocery industry, which creates over 944,000 direct jobs. It is critical for Congress to work together and pass legislation to amend this section of the ACA before its impact is felt by both employers and employees across the country."

NGA said it supports amending the definition of full-time in the ACA and "continues to urge Congress to pass S. 1188, the Forty Hours is Full-Time Act; H.R. 2575, the Save American Workers Act; and H.R. 2988, the Forty Hours is Full-Time Act."

Supermarket News

## RETAILERS CALL FOR COORDINATED AND COMPREHENSIVE RESPONSE TO RECENT CYBER THEFTS

The National Retail Federation urged Congress to take a comprehensive approach as it contemplates a national response to criminal cyberattacks in which millions of consumers' credit and debit card numbers were stolen. NRF said retailers are willing to do their part to improve security, but that banks and card companies must also take major steps to shore up the current fraud-prone payments system.

"Retailers take the increasing incidence of payment card fraud very seriously," NRF Senior Vice President and General Counsel Mallory Duncan said.

"We have every reason to want to see fraud reduced, but we have only a portion of the ability to make that happen. We did not design the [payments] system, we do not configure the cards and we do not issue the cards. We will work to effectively upgrade the system, but we cannot do it alone.

Every party in the payment system, financial institutions, networks, processors, retailers and consumers, has a role to play in reducing fraud."

In the short term, Duncan said the banking industry needs to replace current cards that store consumer data on

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## Important Information for SIG Members

*NRS requires all existing members of a self-insured group to be notified of all new members. NRNSIG new members are listed below.*

- Bethlehem Lutheran Church & School
- Craig Hemovich
- Creature Comforts, LLC dba Creature Comforts Animal Hospital
- Dreamdealers USA LLC dba Exotics Racing
- DTZIP LLC
- Housing Solutions, Inc dba Easy Living
- Jamil Ali Psyd LLC
- KIKN Inc. dba ILoveKickBoxing.com-Henderson
- KNR Assisted Living, LLC
- Las Vegas Pizza LLC dba Pizza Hut
- Masco Paint Manufacturing Inc dba MPM Inc
- Melissa Hemovich dba Melissa's Store
- MJ & HJ Management, Inc. dba Petiquette Pet Grooming
- Monsen Engineering Inc., dba Monsen Engineering Supply of Reno
- Nevada Gaming Partners LLC
- Nevada Health CO-OP Performance Rhino LLC dba Guns and Ammo Garage
- Nevada Restaurant Services dba Hacienda Hotel and Casino
- Peak Performance Personal Training
- Rancris, Inc.
- S&S Fuel Management LLC dba 7-11 C-Stores
- Sheeler Ventures Inc. dba Mattress Outlet
- Sierra Management, Inc dba Extreme Pizza
- Steve Sowers dba West Coast Entertainment
- Unique Signs, Inc

**NRNSIG** members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

## NOTE FOR MEMBERS

**If you would like us to profile your business in our newsletter, or have any questions about RAN or the NRF Partnership, please contact Piper at Piper@rannv.org or call the business office at 775-882-1700.**



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**MEMBERSHIP INFORMATION:** Find out more about RAN's self insured group. Call Mike Olson, **800-859-3177**, 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](http://www.RANNV.org).



# NRF FORECASTS 4.1% INCREASE IN RETAIL SALES FOR 2014

## ONLINE SALES TO GROW AS MUCH AS 12% IN 2014

### THE NATIONAL RETAIL FEDERATION (NRF) RELEASED ITS

2014 economic forecast projecting retail industry sales (which exclude automobiles, gas stations, and restaurants) will increase 4.1 percent\*, up

from the preliminary 3.7 percent growth seen in 2013. NRF also announced today it expects online sales in 2014 to grow between 9 and 12 percent.

"Measured improvements in economic growth combined with positive expectations for continued consumer spending will put the retail industry in a relatively good place in 2014," said NRF President and CEO Matthew Shay.

"Though headwinds in the form of the looming debt ceiling debates, increased health care costs,

and regulatory concerns still pose risks for both consumers and retailers, we are cautiously optimistic and hopeful that the economic tides will change in 2014. "As the industry tackles

***"Measured improvements in economic growth combined with positive expectations for continued consumer spending will put the retail industry in a relatively good place in 2014," said NRF President and CEO Matthew Shay.***

important issues in 2014, such as immigration and tax reform, we will continue to push our nation's leaders to support policies that promote growth and create jobs for hard-working Americans," said Shay. A number of factors contributed to NRF's 2014 economic forecast, including:

● Economic growth is expected to be above its long-term historical average. Early estimates for growth in the economy as measured by real GDP could fall between 2.6 and 3 percent, a noticeable

improvement from the estimated 1.9 percent rate for 2013, and the fastest pace in the past three years.

● The labor market is expected to continue its modest recovery averag-

ing approximately 185,000 jobs per month, helping decrease unemployment to near 6.5 percent or lower by the end of 2014.

● Inflation as measured by the CPI is predicted to inch higher to as much as 1.7 percent in 2014.

● The housing sector is expected to continue to improve in 2014, and stronger household and business confidence should spur more consumer spending overall.

"The economy remains susceptible to buffets as we are already witnessing

in the New Year, thanks to harsh winter weather, domestic and global financial issues," said NRF Chief Economist Jack Kleinhenz. "While we are careful not to ignore the challenges, we are optimistic and

hopeful that future disruptions will be limited, allowing employment and business investment to grow all the while giving retailers and their customers the confidence in the economy they need."

### WHAT LIES AHEAD IN 2014

Retail is an ever-evolving industry, making new strides toward innovation for the customer every day. Check out the slideshow to see what retailers are working on in 2014, <http://thisisretail.org/article/what-lies-ahead> ■

## NATIONAL NOTES *Continued from page 9*

1960s-era magnetic strips, and have users sign their name with modern cards that encrypt data on an embedded microchip and require

use of a secret Personal Identification Number, or PIN. Instead, banks and card companies have pushed so-called EMV — Europay, MasterCard

and Visa — proprietary cards that use a chip but remain open to fraud by allowing the use of a signature. Duncan said replacement of easily

forged signatures with a PIN and Chip card is essential to security.



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# NEVADA NEWS

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

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## WASHINGTON RETAIL INSIGHT NRF SAYS MINIMUM WAGE HIKE WOULD BRING “MINIMUM OPPORTUNITIES”

### THE NATIONAL RETAIL FEDERATION ISSUED THE

following statement from President and CEO Matthew Shay in response to the announcement the State of the Union address that President Obama will sign an executive order increasing the federal minimum wage to \$10.10 per hour for workers on new government contracts, and ask Congress to approve the same increase for all workers:

“If you want to create minimum opportunities, then raise the minimum wage. We welcome the president’s focus on the

economy and jobs, but a minimum wage hike runs counter to that goal. Raising the minimum wage would place a new burden on employers at a time when national policy should be focused on removing barriers to job creation, not creating new regulations or mandates. It’s simple math — if the cost of hiring goes up, hiring goes down.

“Fewer than 5 percent of hourly workers are paid the minimum wage. It’s really a starting wage that allows teen-agers or others with little job experience to enter the workforce. A mandated hike in labor costs would negatively impact businesses

that employ people in entry-level jobs, and ultimately hurt the people it is intended to help. This isn’t economic theory — when the minimum wage went up in 2009, half a million part-time workers lost their jobs. That’s a risk our economy can’t afford to take.”

NRF is the world’s largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. ■

## UPCOMING EVENTS

**2014 NRF LOSS  
 PREVENTION  
 CONFERENCE & EXPO**  
 Jun 11–13, 2014  
 Ft. Lauderdale, FL

**NACDS ANNUAL  
 MEETING**  
 Apr. 26–29  
 The Phoenician  
 6000 East Camelback  
 Road  
 Scottsdale, Arizona  
 85251

**2014 FMI FOUNDATION  
 RETAIL FOOD SAFETY  
 FORUM**  
 Jun 9 (1pm)–Jun 10,  
 2014 (5pm US/Central)  
 J.W. Marriott Chicago  
 Chicago, IL