

## BALLOT BATTLE BEGINS

*By Bryan Wachter*

### THE 2014 BALLOT BATTLE OVER THE TEACHERS' UNION-SPONSORED

Gross Margin Tax officially began without much fanfare. To kick off their campaign, the Nevada State Education Association committed one million dollars from the union to help fund their fight. Their one million dollars joins the first almost \$700,000 dollars they spent qualifying the ballot initiative in the first place. The fact that the union has almost two million dollars dedicated to this fight 16 months before voting begins sends a mixed message.

To be fair, it seems the union is very committed to passing this initiative and Nevada's businesses should be cognizant of how much money the union is willing to devote to increase tax revenue to the state. On the other hand, something must be said for the lack of support we've seen publically on the teachers' side. So far, the \$1.7 million has come directly from the union and their C&E reports

from the last years solely lists the teachers as the only monetary supporters.

In contrast, the Committee to Protect Nevada Jobs is a broad-based coalition that represents all sectors of Nevada's economy.

It doesn't take much to guess the union would need to start a year and a half early, or why they might need millions of dollars to attempt to be successful. They have an uphill battle to climb and some very awkward questions to answer. For starters, their signature-gathering campaign billed the margins tax as a way to increase spending for education in Nevada.

In truth, the initiative does not guarantee ANY increase in education spending, and could actually lead to a decrease in money allocated to education from the State's General Fund. The revenue is supposed to be \$1.6 billion dollars over the biennium (an estimation based on the union's own secret calculations) and the current biennial state

budget for education is \$2.2 billion dollars.

As the fight continues, the Retail Association of Nevada and our partners will be on hand to call out the misleading information those supporting this flawed, poorly designed measure are peddling. The margin tax is a job-killing approach that would hurt thousands of Nevada businesses and Nevada's economy. ■

*(To join the effort to fight bad tax policy, please see more information on page 4)*

### INSIDE

Back-to-School Spending Expectations .....	2
Time Clock Rounding.....	3
Las Vegas Health Food Access .....	3
Margin Tax.....	4
VONS Promotes Cancer Screenings .....	5
Walmart Supercenter Opens; Back to School! .....	6
Managing Failure.....	7
Nevada Notes .....	8
National Notes .....	9
Starbucks Secrets to Success.....	11



# NEVADA HOUSEHOLDS EXPECTED TO SPEND \$221 MILLION ON BACK-TO-SCHOOL ITEMS THIS YEAR

SLIGHT DECLINE IN CURRENT YEAR FORECAST ATTRIBUTED TO "SPLURGE" IN 2012

## IN JUST OVER A MONTH, KIDS WILL SAY GOODBYE TO SUMMER

vacation and head back to the classroom in an economy that has modestly improved since last year. According to the latest data, the statewide unemployment rate stands at 9.6 percent compared to 11.4 percent at this time last year.

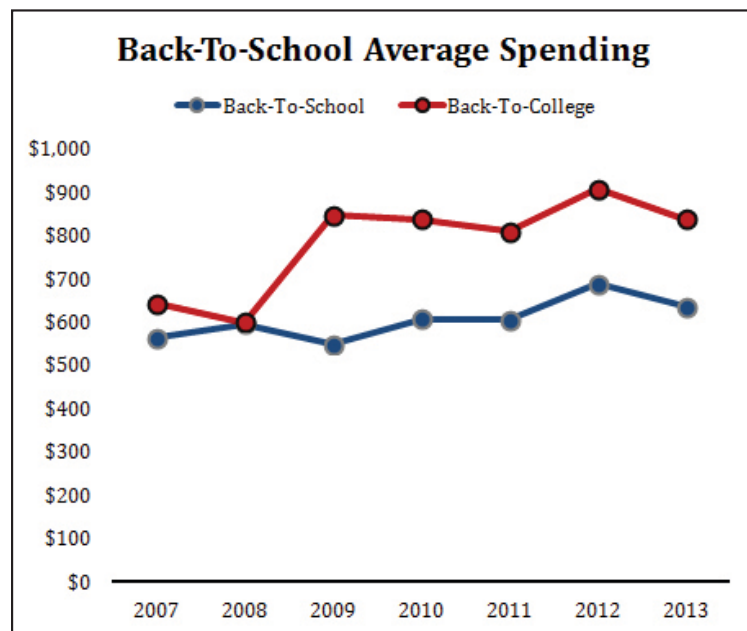
However, parents nationwide are expected to spend less on back-to-school items this year. According to the latest results from the National Retail Federation (NRF), consumers will spend an average of \$634.78 on clothing, supplies and other items, down 7.8 percent from last year's record spending of \$688.62. The spending decline is partially attributed to parents' splurging in the prior year, leaving children with items they can reuse this upcoming school year.

According to Nielsen Marketplace, there are approximately 1.0 million households in Nevada, and 34 percent (347,900) of them have children. Assuming these households follow national

trends, retailers in the state are expected to see \$220.8 million generated from back-to-school sales, down from \$244.7 million last year.

Back-to-school shoppers are making their purchases earlier than ever, with 23.9 percent starting at least two months before school begins. Another 49.0 percent will start three weeks to one month before school starts, while 21.8 percent will wait until one to two weeks before the first day. Most consumers will head to discount stores (67.1 percent), department stores (61.7 percent) and clothing stores (51.5 percent).

Back-to-college sales are also expected to fall this year, with consumers spending an average of \$836.83, down 7.8 percent from last year's average spending of \$907.22. According to the Nevada System of Higher Education, 105,045 students are enrolled in Nevada's colleges. Assuming these students follow national trends, back-to-college sales are expected to reach \$87.9 million in the state, down



from last year's \$95.3 million.

Like back-to-school shoppers, back-to-college shoppers are getting a head start on their purchases earlier than ever, with 29.8 percent starting at least two months before school begins. Dorm and apartment furnishings and food items are the only two categories expected to report increases in spending, up 4.5 percent and 4.3 percent, respectively, which notably comes at a time when more students are choosing to live at home (47.7 percent compared to 42.9 percent last year). Top stores for back-to-college shoppers include discount stores (48.3 percent),

department stores (42.7 percent) and college bookstores (39.3 percent).

Mary Lau, President of the Retail Association of Nevada, noted, "After reaching an all-time high in 2012, back-to-school spending is expected to decline slightly this year, but it remains up 5.2 percent from two years ago. Though slowly declining in importance, the state of the U.S. economy continues to impact approximately 80.5 percent of back-to-school shoppers and 76.5 percent of college shoppers, and we are seeing that concern reflected in the latest estimates." ■



# TIME CLOCK ROUNDING

By Lea Tauchen

## DURING THE LEGISLATIVE SESSION, RAN SUPPORTED

Assembly Bill 193, which was introduced to authorize an employer to round the time worked by an employee to the nearest five minutes, or the nearest one-tenth or one-quarter of an hour.

Unfortunately, this bill failed to be voted out of the Assembly Committee on Commerce and Labor. However, following that outcome, the Nevada Association of Employers requested an Advisory Opinion from the Nevada

Labor Commissioner regarding the use of time clock rounding to calculate employee pay. On June 21, the Labor Commissioner issued his response. He stated that his office had conducted a thorough review of this issue and could find no Nevada statute, regulation, or case law permitting or prohibiting time clock rounding, although such practice is allowed under



the federal Fair Labor Standards Act.

Federal regulation compliance requires that "the policy is neutral on its face and in its application and does not, on average, under-compensate employees." Therefore, the Labor

Commissioner determined that in Nevada "time clock rounding is appropriate so long as the rounding policy is used in a manner that does not result, over a

period of time, in a failure to compensate employees properly for all the time actually worked."

The Labor Commissioner further affirmed that "to take a different position would result in an additional burden on Nevada employers and deny them a practical and effective tool for calculating time worked that is available to all other employers throughout the country." To read the official letter from the Labor Commissioner, please visit his website at **www.LaborCommissioner.com**. ■

# LAS VEGAS HEALTHY FOOD ACCESS

By Lea Tauchen

## AT THEIR MEETING ON JUNE 19, THE LAS VEGAS

City Council passed a resolution committing the city to increasing access to healthy foods. The resolution promises four action items:

- Attempt to increase the number of grocery stores in underserved communities to increase access to healthy foods, including fresh fruits and vegetables.

- Review and revise all laws that may unnecessarily hinder community gardening and farmers' markets, as well as identify any transportation barriers that may prevent access to supermarkets or

- farmers' markets.
- Support community efforts to establish and maintain farmers' markets.
- Adopt a Food Policy and Planning Guide to use to review and revise municipal code to increase access to healthy foods.

The Food Policy and Planning Guide states that approximately 7.2% of Las Vegas residents live within areas that are considered to be "food deserts" because "the distance to a supermarket is more than ¼ mile, the median household income is at or below 185% of the Federal Poverty Level, and over 20% of households have no vehicle available."

To increase access to affordable and nutritious food, this document proposes to "use economic development, land use, and other incentives to attract new retailers and encourage the selection of healthy food options at restaurants, stores, and other food vendors that already exist in the City."

Details are provided for potential initiatives that offer specific direction to future updates of the City's General Plan, Unified Development Code, and all other plans, codes, and regulations. This



report does not address other food policies related to menu labeling, taxation, institutional purchasing, or farmland, as they are outside the scope.

If you would like a copy of this resolution or planning guide, please visit the City of Las Vegas website at **www.LasVegasNevada.gov** or contact Lea Tauchen at **lea@rannv.org**. ■





## COMMITTEE TO PROTECT NEVADA JOBS

*Business Coalition to Oppose the Margin Tax*

### What is the Margin Tax?

The Margin Tax Initiative is a ballot measure created by the Nevada Teachers Union that will be on Nevada's 2014 statewide ballot. It would impose a new 2% tax on the revenues of Nevada businesses.

### Who would pay the tax?

**Every business whose total GROSS revenue exceeds \$1,000,000 per year—regardless of whether any of that revenue is actually a profit.**

For example, if your revenue is only one dollar above the one million dollar threshold, you would pay the tax on all of your revenue (the first million is not a deduction).

Although the Initiative sets the initial tax rate at 2% and sets the threshold for payment at \$1 million in revenue, the State Legislature would have authority to increase the rate or reduce the threshold, as they have done on other state taxes in the past. Thus, if the Margin Tax is passed, the Legislature could later increase the tax rate to 3%, or reduce the revenue threshold to \$500,000 as a way of increasing state revenues, without any additional vote of the people.

### How would the tax be calculated?

The ballot initiative is long and complicated, and many aspects would have to be clarified with state regulations. For example, if a company's total revenue is \$10 million and they chose the standard deduction, the 2% rate would be applied to \$7,000,000, giving that company a tax liability of \$140,000.

**Simply put, on average, for every million dollars in total revenue, your tax liability would be: \$14,000.**

As noted, this tax liability would be based on GROSS revenue, not true NET revenue in the form of an actual profit. In fact, **even an unprofitable business would have to pay the tax.** For instance, a business whose total revenue is \$2,000,000 could have a combination of total expenses (such as rent, utilities, inventory, payroll, healthcare, county, city, state and federal taxes, franchise fees, etc.) that leave it with little or no profit—but it would still be forced to pay the State nearly \$30,000 in new taxes.

### Where would the money go?

The Teachers Union claims their proposed Margin Tax would generate about \$800 million per year in new taxes. This new tax money would be put into a subaccount of the State's General Fund called the "Distributive School Account," which is used to fund education.

Currently, the State puts more than \$2 billion dollars, or a third of the State's budget, into this account every two years. The Teachers Union claims that the State would simply continue to put \$2 billion into the fund in addition to the new \$1.6 billion generated by the Margin Tax. However, there is no guarantee that the State Legislature would do that. And, if the Legislature decided to use this new tax as the primary revenue source for education, funding for schools in Nevada could actually DECREASE by as much as \$400 million dollars.

### Why and how we're going to fight this new tax...

We all want adequate funding for our schools. But the Margin Tax proposed by the Teachers Union is a job-killing approach that would hurt thousands of Nevada businesses. By damaging our state's economy and job market, it could actually reduce the revenues available for education in Nevada, and the jobs available to our students when they graduate. The Teachers Union is planning to spend millions of dollars on a campaign to sell the initiative to voters, by making them think it only affects big businesses and will guarantee more funds for schools. We need to develop a comprehensive and well-funded grassroots, earned media and paid media campaign to make sure Nevada voters understand the potentially devastating impacts the union tax would have on Nevada employers, their employees, our economy, and ultimately, on education funding and future job opportunities for our children.

### Here's how you and your business can help:

- 1) Become a member of our coalition.
- 2) Make a financial contribution to our campaign fund.
- 3) Help us spread the word by providing information to your employees, customers, friends, and neighbors.

To join or for more information, visit [www.ProtectingNevadaJobs.com](http://www.ProtectingNevadaJobs.com) or contact:  
Danielle Cherry: [dcherry@nvfundraiser.com](mailto:dcherry@nvfundraiser.com) Tel: 775-410-0358, Cell: 775-857-7226

***Paid for by the Committee to Protect Nevada Jobs***





# VONS PROMOTES CANCER SCREENINGS

By RAN Staff

**M**ONTHS AFTER THE VONS/SAFEWAY FOUNDATION'S

announcement of a \$300,000 donation to the Nevada Health Center's Mammovan program, the two organizations are partnering to provide safe

and convenient locations for women to receive the care they deserve.

They know that early detection of breast cancer saves lives, however many women in southern Nevada have never had a mammogram. Fear, lack of funds, transportation conflicts,

or no insurance are just some of the reasons women have not accessed a breast cancer screening. The Nevada Health Centers Mammovan, a mobile mammography unit, removes some of those barriers making breast cancer screenings more accessible to uninsured, and underserved women

in need.

Last month NHC and VONS held their first of many events at the VONS in Boulder City. For more information and for future dates/locations please call the Nevada Health Centers at **1-702-307-5414 ext. 1700.**



From left:  
Ignacio Llanas (VONS),  
Carlos Illingworth (VONS),  
Mayor Tobler (Boulder City),  
Tami Wells (NHC),  
Wendy Wood (NHC),  
Tom Nielson (VONS),  
Senator Joe Hardy (District 12)

From left:  
Mayor Tobler (Boulder City),  
Carlos Illingworth (VONS),  
Tami Wells (NHC),  
Senator Joe Hardy (District 12).





# WALMART SUPERCENTER OPENS; BACK TO SCHOOL!

**A** S THE LAS VEGAS REVIEW-JOURNAL REPORTED,

the Walmart Supercenter near McCarran International Airport reopened after a slight remodel added new self-checkout registers and gave the store a fresh look.

During the remodel, the superstore created 25 new full and part-time positions. It already employs approximately 350 full- and part-time associates.

The store celebrated its reopening with a presentation of \$210,000 in grants from the Walmart Foundation and Walmart's Nevada State Giving Program. The money was given to local community organizations, the Las Vegas Rescue Mission, Catholic Charities and the Nevada Youth Alliance, to bring free medical care and improve access to meals in Las Vegas.

## PARENTS REJOICE ... IT'S THAT TIME!

Walmart unveiled its back-to-school lineup designed to save its customers more money and stress this shopping season. The retailer is promising to help customers ring up the savings by focusing on five key areas this back-to-



school season:

1. Gimmick-free pricing all season long, including more than 250 school supplies for less than \$1,
2. Offering the hottest trends in school supplies,
3. Launching a new "Teachers Corner" that puts classroom needs in one location,
4. Bringing back its online school supply and uniform list database, Classrooms by Walmart, and
5. Offering free shipping on uniforms and school supplies purchased on **Walmart.com**.

"This back-to-school

season we will sell 42 million boxes of crayons. That's a lot of crayons, and we're here to make sure parents and students don't feel the pinch. We aren't playing games with our prices," said Duncan Mac Naughton, executive v.p., chief merchandising and marketing officer for Walmart U.S.

Walmart's new "Teachers Corner" offers educators everything they need in one convenient location. From specially priced charts and posters, along with classroom décor and organizational items for all seasons, teachers can now get more for less.

Additionally, for the fifth year Walmart will donate up to \$4.5 million through its Teachers Rewards Program providing 90,000 teachers across the U.S. with reward cards helping offset the cost of classroom expenses coming out of their own

pockets.

Once again, Walmart is making it easy for customers to shop their entire list in the store or online. Classrooms by Walmart are one of the most extensive online databases of school supply and teacher registry lists, and is back by popular demand since its launch last year.

For the first time this year, school uniform lists will be available on Classrooms by Walmart, making it easier for parents to take care of all their back to school needs online. Parents can search for their child's school, find approved uniform styles and colors and purchase them directly online. Also new this year, students, teachers and parents can access lists in Spanish and have the opportunity to earn up to 4 percent cash back for their schools when shopping online. ■





# MANAGING FAILURE

By James Larsen, Ph.D.

**T**HINK  
BACK AND  
ANSWER THE  
QUESTION,

"When have I failed?"

You'll remember big failures right away: getting fired from a job or failing a course at school, but there are other failures that aren't so dramatic: a customer who told you he was taking his business elsewhere;

a prospect that hung up on you or closed the door in your face; a disappointing performance appraisal or a store you were managing that closed.

Failure experiences are pretty common, and as a business owner, part of your job is to manage your people through their own failure experiences.

Dean Shepherd, a professor at Indiana University, is interested in this subject, and he found that people who experience failure have two needs: learning from the failure and resolving negative emotions.

When people experience success, they attribute the cause to internal characteristics. They are brave or smart.

But when they experience failure, they attribute the cause to external sources.

"They" caused the failure. As long as people believe this, they learn nothing. The first need for people going through failure is to rewrite this script. They need an explanation that includes danger signs they missed, mistakes they made, and/

painful to write, and they need to "get over" intense negative emotions that can consume their lives and propel them to self-destructive acts (like quitting a good job). You have a contribution to make.

You can help people rewrite their scripts of what went wrong. Direct their attention to the

is the most likely result, a self-imposed paralysis. One can do nothing about "them."

Rewriting scripts and overcoming negative emotions is hard work, and Shepherd found the best outcome occurred when people occasionally took a break from it.

During these breaks, people avoid thinking

about the failure and focus on the present and future. They

***"When people experience success, they attribute the cause to internal characteristics. They are brave or smart. But when they experience failure, they attribute the cause to external sources."***

or shortcomings they possess that contributed to the failure and may have caused it. It takes time to finish this rewrite, and it's painful to do. People need time and your support.

The second need involves negative emotions. When people fail, they get upset, and the quality of their work can suffer. Sometimes, they move on to another employer, but even if they stay, they can become so unhappy that they withdraw effort and withhold knowledge and insights which could cause your business to repeat the very mistakes that caused the failure.

People need to create an explanation that is

course of events leading up to the failure. Compare performance expectations at the beginning with actual performance at the time of the failure. Speculate with questions such as "What if we had done this?" and "What if this hadn't occurred?"

Consider routines that contributed to the failure. Consider which rules played a role. When you direct an intelligent consideration of the failure, you will help allay negative emotions by showing people a way forward. Without a useful explanation for the failure, there is no way forward. If the reason for the failure remains external ("they caused it"), then paralysis

notice immediate sources of stress and act to relieve them, and when they are rested and ready, they return to the hard work of making sense out of their failure experience.

Shepherd also found that it is possible to reassure people too much that a recent failure is OK. People can become too comfortable with a failure. When this happens, the importance of the failure fades, and learning stops. These people are likely to repeat the same mistakes. ■

Reference:  
[www.businesspsych.org](http://www.businesspsych.org)  
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# Nevada Notes

## NEVADA DMV WARNS OF WEB SCAM

The Nevada Department of Motor Vehicles wants everyone to know you don't need to pay for basic information about vehicle registrations or driver's licenses.

DMV Director Troy Dillard said the agency has received a number of calls and emails from people who thought they were renewing their registration on the DMV website, only to find out too late they were on a private website that charged them for basic information.

The private sites offer to help customers through the registration and licensing process for a fee, he said.

Nevada's official DMV website, found at [www.dmvnv.com](http://www.dmvnv.com), provides all that information for free. Additionally, many common DMV transactions such as registration and license renewals can be done online.

*Press Release*

## U.S. CONSUMERS CAUTIOUS, BUT RETAIL SALES IN NEVADA UP

The U.S. economy appears to be weaker than many economists had thought after a report showed consumers spent cautiously in June at retail businesses. Americans bought more cars and trucks, furniture and clothes. But they cut back almost everywhere else. They spent less at restaurants and bars, reduced purchases at home improvement stores and bought fewer computers and

electronics.

Overall retail spending rose 0.4 percent in June from May, the Commerce Department said. But excluding volatile spending on autos, gasoline and building supplies, so-called core retail sales rose just 0.15 percent. That's the weakest gain since January. Although retail is soft nationwide, retail sales in Nevada have increased for more than two years.

"Obviously our members and all retailers are very cognitive about how mixed the economic recovery has been the last couple quarters," Bryan Wachter, director of public and government affairs for the Retail Association of Nevada, said. With local unemployment still high, though, Wachter said it's hard for any industry to sustain growth, but it's especially hard for retail.

"I think we're going to see retail sales remain reserved in the near future, especially in Nevada," Wachter said.

*AP*

## HILLARY CLINTON TO ADDRESS NACDS...

The August launch of retail's newest and fully integrated tradeshow and strategic exchange will feature an address by former Secretary of State Hillary Rodham Clinton, NACDS announced.

The NACDS Total Store Expo will be held August 10-13, 2013, at Sands Expo and Convention Center in Las Vegas, NV. Secretary Clinton will speak during the Business Program on the morning of Monday, August

12. "Secretary Clinton will bring to the NACDS Total Store Expo first-hand insights on some of the most pressing issues facing the world and the nation today," said Steven C. Anderson, IOM, CAE, president and CEO of NACDS.

"Her remarks will help to deliver on a core promise, that the NACDS Total Store Expo will bring together diverse leaders who can help participants forecast the operating environment and take action together in new and exciting ways."

*NACDS Press Release*

## SALES TAXES

Amazon has reached a deal with Florida to begin paying their 6% sales tax, and to build some large distribution centers. It is unclear when Florida residents will have to start paying taxes on Amazon purchases, but it could be as early as next spring.

Within the past year, Amazon has cut deals with Nevada, Texas and California to begin collecting taxes on its sales.

In 2012, Gov. Brian Sandoval reached an agreement with online retail giant Amazon to collect sales tax on items it sells in Nevada, raising at least \$16 million a year and tacking on 8.1 percent when Las Vegas hit the "checkout" button online. The agreement, calls for the retailer to start collecting the sales tax in 2014 or whenever the federal government passes legislation requiring online

retailers to collect the taxes.

Traditional brick-and-mortar retail stores have complained that online sellers have an unfair advantage because many don't charge sales tax and aren't paying their share for schools, roads and other government services.

Individual buyers are supposed to send in the sales tax to the state Department of Taxation.

*Orlando Sentinel/Las Vegas Sun*

## TAX BATTLE SHAPING UP FOR 2014 STATE QUESTIONS ON THE 2014 BALLOT:

### The Education Initiative

This initiative calls for the imposition of a 2 percent "margins tax" on businesses with the proceeds proposed to go to public schools. The 31-page initiative defines the margins on which the tax is calculated as either 70 percent of a business' total revenue, or its total revenue, minus its costs and the compensation it pays. The initiative spells out a long list of what counts as costs. Conceivably, some unprofitable businesses could be taxed. The first \$1 million in revenue would be exempt from the calculations.

### Senate Joint Resolution 15

This constitutional amendment would change how mines are taxed in Nevada. Now mines pay a 5 percent tax on the value of minerals they sell, minus allowed deductions.

*Continued on page 11*





# National Notes

## CVS JOINS MENTORING PROGRAM FOR MILITARY WOMEN

CVS Caremark has joined the growing list of companies partnering with the Joining Forces Mentoring Plus program to support women veterans and military/veteran spouses as they transition to the civilian workplace.

CVS Caremark will enlist volunteer women employees from across the country as mentors and subject matter experts for women veterans and military/veteran spouses within its "high tech-high touch" online community to provide free employment tools.

The program meets these women where they are and helps them translate their military skills and build self-confidence to find and keep meaningful civilian careers or start and grow their own businesses.

The Business and Professional Women's Foundation identified mentoring as a critical need of transitioning women veterans during its inaugural Joining Forces for Women Veterans National Summit in October 2010. It has since forged partnerships with more than 54 corporations and nonprofit organizations to fulfill this mandate.

For more information on the Business and Professional Women's Foundation, go online to [www.bpwfoundation.org](http://www.bpwfoundation.org), send an e-mail to [foundation@bpwfoundation.org](mailto:foundation@bpwfoundation.org) or

call **(202) 293-1100**.

## CLEARANCE RACKS HELP JUNE RETAIL SALES

Retailers' sales continued to heat up in June amid improving weather and discounting as the chains looked to clear out spring merchandise and prepare for the back-to-school season.

While general-merchandise retailers reported strong results for June, specialty retailers missed market expectations. Discounters showed strength. That suggests overall consumer spending is improving but shoppers are still holding back on discretionary purchases.

As weather got warmer, consumers bought lawn-and-garden products and other outdoor merchandise. Still, retailers said consumers continue to be more focused on what they need than what they want.

Historically, sentiment among consumers isn't quite where it has been but "we're seeing positive trends that then translate into better sales," said Kurt Kendall, a retail strategist at consulting firm Kurt Salmon.

WSJ

## ROGUE INTERNET PHARMACIES DANGEROUS

In their search for cheaper prescription drugs, Americans are increasingly turning to Internet pharmacies, which federal investigators say skirt U.S. and state regulations and sell misbranded, adulterated and counterfeit drugs. These transactions — often without

a legitimate prescription — put consumers at risk, the Government Accountability Office said in a new report.

Most of these rogue Internet pharmacies are located overseas, which often puts them beyond U.S. enforcement action, and are also skilled at avoiding detection and identification, the GAO said. Even when the U.S. has used diplomatic pressure to close their websites, many pop up again under new names.

The problem is big and getting bigger. According to LegitScript, an Internet pharmacy verification service, there were more than 34,000 active rogue Internet pharmacies as of April 2013.

The rogue pharmacies violate state laws as well, including operating without a pharmacy license and shipping drugs to consumers without legitimate medical prescriptions.

But the GAO report says that because most rogue Internet pharmacies operate from abroad, states lack the authority, the ability or the resources to investigate and prosecute the illicit companies.

States are also hampered in trying to take action against Internet pharmacies that operate in other states because of differing laws and regulations. For example, states may define what constitutes a prescription differently. Some may require an in-person examination before a prescription is written while others take no position on

the issue. That incongruity has stirred calls for a federal definition of a valid prescription. The GAO report says educating the public is one of the most effective tools in undercutting the rogue pharmacies. Toward that end, the National Association of Boards of Pharmacy publishes on its website a list of legitimate and illicit Internet pharmacies as a consumers' guide.

*Stateline Magazine*

## WAL-MART AND KROGER ARE LARGEST U.S. RETAILERS

Wal-Mart Stores is first place and Kroger is second on the National Retail Federation's annual list of the 20 largest companies, compiled using data from Kantar Retail. While Kroger's store count decreased 1% between 2011 and 2012, sales increased 6.6%. Also on the list are Target, Walgreen, and Safeway.

NRF

## COURT RULING HAS EMPLOYERS TWEAKING BENEFITS

The Supreme Court's landmark ruling on same-sex marriage has private employers around the country scrambling to make sure their employee benefit plans comply with the law.

The impact of the decision striking down part of the federal Defense of Marriage Act is clear in the 13 states and the District of Columbia where gay marriage is currently legal, or



## Important Information for SIG Members

*The NRS governing self insured groups requires notifying members of all new members to the Nevada Retail Network Self Insured Group. New members for NRNSIG from are listed below.*

CFA, Inc.

Friends of Big Brother Big Sister of Southern Nevada, Inc.

Gymnastics Nevada LLC

The Lighting Guys

Timberline Animal Hospital

**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](mailto:Piper@rannv.org) or  
call the business office  
at 775-882-1700.**

## TAKE CONTROL OF YOUR WORKERS' COMP COST

**Be Part of...**  
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Certificate #5004



• **Self Insured Group** •  
• Membership in RAN Required •

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

**Take Control Today...**  
**Call Mike Olson**  
800-859-3177

**Sponsored by:**  
**The Retail Association of Nevada**  
410 South Minnesota Street  
Carson City, NV 89703-4272

**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)**.



# Barbara Wold's Retail and Consumer Tips

## STARBUCKS SECRETS TO SUCCESS

HOWARD SCHULTZ, CEO OF STARBUCKS RECENTLY SHARED HIS FOUR MUST-DOS  
FOR ACHIEVING SUCCESS IN TODAY'S BUSINESS WORLD.

1. Find something that you deeply love and are willing to sacrifice a lot to achieve.
2. Surround yourself with co-workers who have very specific skill sets beyond your own — but who share like-minded values.
3. Don't underestimate the capital you must amass — and the time commitment needed — to be successful. "Things never go as planned."
4. Don't ignore luck when it comes calling. "As trite as it sounds, you need a little luck."

***"What Starbucks has created around coffee is an extension of the front porch.***

***If you look at the UK, the English pub is an extension of people's homes but for a different beverage.***

***Our stores have become a gathering and meeting place in addition to the coffee."***

— Howard Schultz, CEO, Starbucks

Barbara Wold, International Speaker, Author and Business Strategist

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## NEVADA NOTES *Continued from page 8*

With approval, the Legislature in 2015 would tax mining proceeds as an "excise tax" and could seek far more than what the mining industry now pays. But it would take a two-thirds vote of both houses of the Legislature to implement higher mining taxes. That

always is a high hurdle. Bryan Wachter, of the Retail Association of Nevada, said his organization's poll last winter found the Education Initiative would pass by a thin margin. Additional polls are planned. But the poll also found that if people knew that businesses,

which are losing money, could be taxed and there is no guarantee the funds would go for education, then support fell dramatically, to the 40 percent range, he added. "There definitely needs to be an education component to explain to people what the

initiative does," said Wachter, whose organization is a member of the Committee to Protect Nevada Jobs. "It is going to be hard for people to support the tax if they know it hurts Mom and Pop businesses." *Las Vegas Sun*

## NATIONAL NOTES *Continued from page 9*

soon will be: Same-sex married couples must be treated the same as other spouses under federal laws governing tax, health care, pensions and other federal benefits. But employee benefit experts say the effect of the ruling remains murky in the other 37 states. The court left intact a provision of the federal anti-gay marriage law that allows states not to recognize a same-sex marriage performed elsewhere.

For workers living in states that have legalized same-sex marriage, the Supreme Court's decision means gay spouses are entitled to a host of benefits they were

denied previously. *AP*

### CIGARETTE SMOKING DOWN

Cigarette smoking hit the lowest point ever recorded among American eighth-graders, high school sophomores and seniors last year, a newly released report shows.

Last year, only 5% of high school sophomores said they had smoked cigarettes daily in the last 30 days, compared with 18% of sophomores who were smoking daily at one point in the 1990s. The numbers have also plunged for eighth-graders and high school seniors, hitting

their lowest point since the surveys began. *Chicago Tribune*

### COURT RULES FOR AMEX

The Supreme Court ruled against merchants in June who object to having to accept American Express debit and credit cards along with the company's iconic charge card.

The justices said in a 5-3 decision that the merchants could not band together, but rather must use arbitration to resolve their claims against American Express one by one.

The decision fell along ideological lines, common in cases involving arbitration, with

Justice Antonin Scalia writing for the conservative-leaning majority.

Justice Elena Kagan filed a dissent that was joined by Justices Ruth Bader Ginsburg and Stephen Breyer. The contracts between American Express and the merchants effectively deprive the merchants of any legal recourse, Kagan said.

"And here is the nutshell version of today's opinion, admirably flaunted rather than camouflaged: Too darn bad," she said.

The case is *American Express v. Italian Colors Restaurant*, 12-133. *AP*





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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

# ECONOMIST SAYS SALES TAX FAIRNESS COULD HELP CREATE 1.5 MILLION JOBS

**A PROMINENT CONSERVATIVE ECONOMIST SAID THAT**

the nation could add 1.5 million jobs over the next decade if Congress passes legislation—allowing states to require online sellers to collect sales tax, and the states then use the new revenue to lower other taxes.

“The impact of collecting Internet and remote sales taxes and using additional revenues wisely would be profound,” Arthur Laffer wrote in an op-ed in USA Today. “But in order to capitalize on this opportunity, Congress must first pass legislation

allowing states to act.”

The editorial was published the same day Laffer released a 37-page study that found passage of the Marketplace Fairness Act could lead to a \$563 billion increase in gross domestic product and 1.5 million new jobs by 2022.

The forecast hinges on states using the additional revenue that would be brought in to reduce income taxes or other tax burdens, as promised recently by the governors of Ohio, Wisconsin and Iowa. The lack of online sales tax collection cost states more than \$23 billion in 2012, according to Laffer.

Laffer was a member of former President Reagan’s Economic Policy Advisory Board during the 1980s.

Under a 1992 U.S. Supreme Court ruling, online sellers are currently required to collect sales tax only in states where they have a physical presence such as their headquarters, an office, store or warehouse.

The Marketplace Fairness Act, which passed the Senate in May and is awaiting action in the House, would allow states to require sales tax collection regardless of physical presence. ■

## UPCOMING EVENT

September 8–10, 2013  
Hilton Baltimore  
Baltimore, Maryland

### FMI’S ENERGY & STORE DEVELOPMENT CONFERENCE

is your chance to learn from the best in the food retail industry about energy-efficiency and conservation, as well as store design and merchandising. This is your opportunity for an education and networking experience with the rest of the food retail industry that provides innovative ideas and tactical solutions to develop and maintain your business for years to come.