MARY LAU, PRESIDENT OF THE RETAIL ASSOCIATION of Nevada, sounded an optimistic note on what Nevada retailers might expect for the upcoming holiday season. “Based on the performance witnessed in the first eight months of the year, we expect the trend of improving performance to continue throughout the balance of 2013, with holiday sales in the state exceeding nationwide growth,” Lau said.

According to the first Gallup holiday spending poll for 2013, consumers nationwide expect to spend an average of $786 this holiday season, up 2.1 percent from last year’s average of $770 and the highest level since 2007. Overall spending nationwide is expected to grow by between 3.7 percent and 4.0 percent in 2013, which is similar to the annual growth witnessed in 2012 and in line with the 3.9-percent growth forecasted by the National Retail Federation earlier this month.

If Nevada consumers follow national trends, holiday spending in the state would be expected to reach $1.63 billion this year. However, assuming the annual growth rate in retail-specific taxable sales for the state for the year-to-date ending in August (latest available data) continues into the holiday season, Nevada retailers are likely to see growth of up to 7.0 percent this year, resulting in total spending of $1.70 billion. Either way, holiday spending in Nevada is expected to be higher than the roughly $1.59 billion forecasted last year.

Lau pointed to historical performance in the state’s retail sector, saying, “Retail-specific taxable sales in Nevada reported a devastating 16.2-percent decline for the year in 2009 when compared to 2008. Since then, annual growth rates have been increasing steadily, reaching 7.0 percent in 2012, all the while consistently meeting or beating nationwide retail-sector performance.” The latest projections come as a relief following the partial government shutdown that left consumer confidence plummeting. It appears consumers' shopping plans have not been negatively affected by the shutdown. In fact, the percentage of consumers planning to spend less this year than last dropped from 28 percent in 2012 to 25 percent in 2013.

See accompanying chart on page 2.
REMINDER: NEW LAWS TAKE EFFECT ON JANUARY 1

By Government Affairs Team

BILLS THAT PASS OUT OF THE LEGISLATURE AND ARE SIGNED INTO LAW BY THE GOVERNOR TYPICALLY TAKE EFFECT ON JULY 1, OCTOBER 1, OR JANUARY 1. THIS IS A BRIEF REVIEW OF BILLS THAT BECAME EFFECTIVE ON JANUARY 1, 2014, THAT MAY IMPACT YOUR BUSINESS. FOR MORE INFORMATION ON THESE BILLS AND OTHER 2013 LEGISLATION, PLEASE REFER TO THE NEVADA LEGISLATURE’S WEBSITE AT WWW.LEG.STATE.NV.US. IN ADDITION, YOU WILL RECEIVE A MORE DETAILED ANALYSIS OF THESE BILLS AND MORE IN OUR PUBLICATION OF IT’S THE LAW WHICH WILL BE SENT OUT SOON. AND, AS ALWAYS, IF YOU HAVE A QUESTION CONCERNING GOVERNMENT AFFAIRS IN THE RETAIL INDUSTRY, PLEASE CALL THE RAN OFFICE.

GENERAL BUSINESS
Assembly Bill 89 allows a new class of corporation, a Benefit Corporation (B-Corp), that creates a material positive impact on society and the environment while still generating profit and shareholder return. B-Corps will be required to meet higher standards of accountability and transparency in reporting their performance than traditional corporations.

GENERAL MERCHANDISE
Senate Bill 433 requires the State Board of Agriculture to adopt regulations requiring a warning label to be affixed on any motor vehicle fuel pump in which the fuel contains or has contained manganese or any manganese compound (MMT) within the preceding 6 months. The bill will also require the person selling fuel that contains manganese to the retailer to provide documentation stating such.

Assembly Bill 354 prohibits the manufacture, sale, or distribution of bottles and cups that contain intentionally added BPA and are intended for use by children under four years of age. Additionally, on July 1, 2014, this bill will also prohibit the manufacture, sale, or distribution of baby food or infant formula containers that contain intentionally added BPA and are intended for use by children under four years of age.

PHARMACY AND HEALTHCARE
Senate Bill 266 requires coverage for chemotherapy in a policy of health insurance or health care plan. This mandate may increase the cost of health care to smaller businesses in Nevada. Many of the health trusts (unions) and Medicaid have been exempted.

Assembly Bill 40 addresses the certification process of assistants in a “medical laboratory”. Penalties for violating regulations increase to $10,000 per violation. Additionally, the Health Division is authorized to require any person or medical laboratory that violates the provisions governing medical laboratories to take any action necessary to correct the violation.

TAXATION
Senate Bill 165 gives a transferable tax credit to movie production companies who meet several criteria, including length of production in Nevada, number of Nevada employees hired, and total number of dollars spent in Nevada, among others. The bill limits an individual production company’s credit allowance to 15% of their liability.

Cover Story Chart
Growth in Taxable Retail Sales By Category

<table>
<thead>
<tr>
<th>2013 vs. 2012 (August YTD)</th>
<th>Nevada</th>
<th>Clark</th>
<th>Washoe</th>
<th>Rural Nevada</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicle and Parts</td>
<td>12.0%</td>
<td>12.3%</td>
<td>16.5%</td>
<td>5.2%</td>
<td>-</td>
</tr>
<tr>
<td>Dealers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture/Home Furnishings</td>
<td>8.4%</td>
<td>8.7%</td>
<td>8.5%</td>
<td>5.6%</td>
<td>-</td>
</tr>
<tr>
<td>Electronics and Appliances</td>
<td>7.2%</td>
<td>7.3%</td>
<td>14.0%</td>
<td>-11.2%</td>
<td>-</td>
</tr>
<tr>
<td>Bldg Material/Garden</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Equipment</td>
<td>8.8%</td>
<td>8.7%</td>
<td>11.1%</td>
<td>7.0%</td>
<td>-</td>
</tr>
<tr>
<td>Food and Beverage Stores</td>
<td>2.5%</td>
<td>3.5%</td>
<td>-0.2%</td>
<td>0.7%</td>
<td>-</td>
</tr>
<tr>
<td>Health and Personal Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Stores</td>
<td>4.8%</td>
<td>4.8%</td>
<td>6.4%</td>
<td>1.5%</td>
<td>-</td>
</tr>
<tr>
<td>Gasoline Stations</td>
<td>-2.4%</td>
<td>-0.6%</td>
<td>3.7%</td>
<td>-12.2%</td>
<td>-</td>
</tr>
<tr>
<td>Clothing/Clothing Accessories</td>
<td>5.3%</td>
<td>5.8%</td>
<td>0.2%</td>
<td>-2.0%</td>
<td>-</td>
</tr>
<tr>
<td>Sporting Good, Hobby, Book</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Music</td>
<td>11.0%</td>
<td>9.3%</td>
<td>13.1%</td>
<td>21.4%</td>
<td>-</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>3.5%</td>
<td>3.3%</td>
<td>3.3%</td>
<td>4.9%</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers</td>
<td>5.9%</td>
<td>6.7%</td>
<td>6.9%</td>
<td>-2.5%</td>
<td>-</td>
</tr>
<tr>
<td>Nonstore Retailers</td>
<td>15.8%</td>
<td>17.2%</td>
<td>17.0%</td>
<td>10.3%</td>
<td>-</td>
</tr>
<tr>
<td>Total Retail Categories</td>
<td>7.0%</td>
<td>7.1%</td>
<td>8.8%</td>
<td>3.9%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>
Nevada Pays Back Federal Loan
By Bryan Wachter

Enabled by legislation passed during the 2013 Nevada Legislative Session, Nevada last month issued bonds to repay the state’s unemployment insurance debt it owed the federal government. At the height of the recent economic recession Nevada’s Employment Security Division had borrowed $846 million dollars to cover the cost of providing unemployment benefits to, at the time, Nevada’s more than 14% unemployed workers.

“By issuing bonds to pay off this debt, the state is estimating employers will save approximately $24 million,” Employment Security Division Administrator Renee Olson said. “Because the cost of borrowing was reduced, employers will see their tax rates stabilize over the course of the bond repayment period. What’s more, while the state was paying about 2.5 percent interest to the federal government, the bond interest rate is less than 1 percent, a savings of approximately 1.5 percent. This will go a long way in helping to rebuild the health of the state’s unemployment trust fund and prepare us in case of future economic downturns.”

In light of the expected savings, the Nevada Employment Security Council has recommended a reduction in Nevada’s unemployment tax rate. While the rate for each individual business is determined by an experience factor—a rating based on a company’s employment turnaround rate—the average unemployment tax rate will decrease to 2.1 percent from 2.25 percent.

In the latest announced unemployment figures (October) from the DETR, Nevada’s unemployment rate stands at 9.3%.

FIAE Annual Meeting Recap
By Lea Tauchen

The Food Industry Association Executives (FIAE) 86th Annual Convention “Behind the Mask — Accomplishments, Innovations, and Opportunities” was held in New Orleans, Louisiana. FIAE is the professional association representing local, state, and regional food association executives, who in turn represent over ninety-five percent of the grocery retail industry. The organization facilitates the exchange of information on important state and federal legislative and regulatory issues affecting the food industry. FIAE also provides a forum for the state executives to discuss association management operations, as well as other topics of significance to the associations or to the members that they represent.

This year’s meeting was well attended with representations by approximately 30 state associations, 10 national trade associations, and 25 member businesses. Attendees were provided several enlightening seminars: “The Mindful Leader” presented by Janice Marturano from the Institute for Mindful Leadership, “From the Drawing Board to the Dashboard” and “Achieving Success in your Chief” presented by Bill Pawlucy from Association Options, and “Dealing With Change Without Going Up In Flames” presented by Denise Ryan from FireStar Speaking. There were also discussions regarding emergency management, technology and social media, alcoholic beverage issues, WIC issues, SNAP restrictions, and labor law issues. Additionally, the association executives shared information on various “pearls and perils” that the industry has encountered across the country.
 Flu Awareness Week
By Liz MacMenamin

VACCINATE NEVADA WILL BE DOING A STATEWIDE outreach campaign that will run during National Influenza Vaccination Week, December 8–14, 2013. The purpose of this campaign is to highlight the importance of continuing the Influenza vaccine during the holiday season into January and beyond. This will also provide an opportunity for businesses, public health professionals, health care professionals, and health advocates to work together to promote flu vaccinations. Many RAN members, such as Walgreens and CVS, will be involved in the promotion and will be offering immunizations to many in Nevada.

Flu vaccination can reduce flu illness, antibiotic use, doctors’ visits and lost time from work, as well as prevent hospitalization and death.

If you would like to partner with the coalition for the events during National Influenza Vaccination Week, you can contact Heidi Parker with Immunize Nevada at Heidi@immunizenevada.org or 775-624-7114.

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More Proposals for More Cops
By Amanda Schweisthal

ENABLING LEGISLATION FOR AN AMENDMENT to the Clark County Sales and Use Tax Act of 2005 for “More Cops” is widely believed to be one of the prime motivations for the special session following the 2013 regular session of the Nevada Legislature. The bill, SB 1, passed with an overwhelming majority in both the Nevada Assembly and the Nevada Senate, and was signed by the Governor.

Since its passage, there have been months of debate on public safety, economic recovery, the arbitration process, and government transparency in the chambers of the Clark County Commission. On October 1, two separate proposals were presented, debated, and ultimately rejected due to lack of super-majority support. The first would have increased the sales tax from 8.1 percent to 8.25 percent, and the second, proposed by Commissioner Susan Brager, would have increased the tax by half—0.075 percent.

While Commission Chairman Steve Sisolak has been adamantly opposed to any and all potential increases for additional funding to the police departments in Clark County’s jurisdiction, a frustrated Commissioner Tom Collins proposed his own initiative. This third “More Cops” proposal would phase in the sales tax to the full 0.15 percent over several months. Commissioner Collins’ proposal was tabled at the November 19th meeting. An additional presentation of the Las Vegas Metropolitan Police Department’s financial situation has been requested before a public hearing for the third proposal can be scheduled. It remains to be seen, what action, if any, the Clark County Commission will take, but many expect this issue to continue to surface until the 2015 legislative session.

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Smith’s Las Vegas Customer Wins National Sweepstakes

Las Vegas Resident Vera Conley won $5,000 in Smith’s Food & Drug gift cards simply by filling out an online shopping survey about her experience at the store. This lucky local shopper was the first in the country to win the monthly national grand prize sweepstakes of $5,000 sponsored by Kroger Co, Smith’s parent company.

“I fill out the customer...”
SNAP Benefits Reduced

By Lea Tauchen

THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP), formerly known as the food stamp program, is the largest food assistance program in the United States, serving over 46 million Americans. In Nevada, there are about 362,000 SNAP benefit recipients. SNAP benefits are administered jointly by the U.S. Department of Agriculture Food and Nutrition Services and the Nevada Division of Welfare and Supportive Services.

Recent news stories have described how funding for the program has been reduced. During the recession, the American Recovery and Reinvestment Act of 2009 raised SNAP benefits to better assist people affected by the economy. However, on October 31, those increased benefits expired.

On November 1, benefits reverted back to what they were before the stimulus. SNAP recipients have seen about a 5.5% decrease in their monthly benefits. For an individual, this means a cut of $11 each month, from $200 to $189. For a family of four, benefits will be cut by $29 each month, from $668 to $632.

With this reduction of benefits, the grocery industry is anticipating an impact, as SNAP benefits are usually redeemed immediately for food products. Additionally, food banks and food pantries throughout the state are expecting an increase in families seeking assistance. Please be aware that these organizations always appreciate volunteers and contributions.

Smith’s

Continued from page 4

survey every time I shop to get 50 points towards my fuel savings. I was shocked when I found out I also won $5,000!” said Ms. Conley.

Smith’s shoppers frequently receive an invitation on the register tape upon check out to participate in the online survey giving feedback to the store on their service and merchandise. Once completed, participants automatically receive 50 extra fuel points, but then are also automatically entered into the sweepstakes drawing where seven Smith’s shoppers each month are randomly selected to receive a $100 gift card.

In addition, one shopper is selected from the 2,600 Kroger stores’ completed surveys from across the country to receive a $5,000 grand prize. Las Vegas resident Vera Conley was the first national sweepstakes recipient.

“We utilize customer feedback in many forms to help us make the right decisions,” said Colleen Juergensen, Smith’s Vice President Operations.

“Store associates work hard to deliver a great shopping experience and immediate feedback is key.”

Smith’s is a division of the Kroger Company (NYSE:KR), one of the nation’s largest retail grocers. From its division office in Las Vegas, Smith’s currently operates 40 stores and 7 fuel centers. For more information visit www.smithsfoodanddrug.com or https://www.facebook.com/Smiths to learn more.

Vera Conley
October Retail Sales Increased 2.5 Percent

POSITIVE RETAIL SALES NUMBERS IN THE MONTH OF October point to a good holiday sales season ahead. According to the National Retail Federation – the world largest retail trade association – October retail sales, excluding automobiles, gas stations and restaurants, increased 2.5 percent seasonally adjusted over September, and 4.2 percent unadjusted from 2012.

“Consumer spending is growing as we head into the holiday shopping season and the timing couldn’t be better,” NRF President and CEO Matthew Shay said. “Consumers seem to have found some sense of confidence, driven, in part, by lower gas prices. While positive gains were seen in most retail categories, retailers will continue to rely on heavy promotions to drive traffic and sales this holiday season.”

“We remain optimistic that retailers will experience a healthy holiday season, but we also remain steadfast in our belief that Congress and the administration need to work together on policies that bolster confidence in our economy, spurring capital investment and job growth by business owners large and small,” Shay said. “This is key in order to sustain long term economic recovery that is currently being led by the retail industry.”

October retail sales, released today by the U.S. Census Bureau, which include non-general merchandise categories such as automobiles, gasoline stations, and restaurants, increased 0.4 percent seasonally adjusted month-to-month, and 3.9 percent adjusted year-over-year.

As the holiday season draws closer and closer, NRF remains confident in a good holiday shopping and sales season, which will be in line with our forecast.

In October, NRF released its holiday sales forecast, which indicated a 3.9 percent increase in sales over 2012. NRF believes that holiday sales will reach $602.1 billion this year.

Other findings from the September retail sales report include:

- Building material and garden equipment and supplies dealers' sales increased 1.9 percent seasonally adjusted yet increased 4.7 percent unadjusted year-over-year.
- Clothing and clothing accessories stores' sales increased 1.4 percent seasonally-adjusted month-to-month and 4.7 percent unadjusted year-over-year.
- Electronics and appliance stores' sales increased 1.4 percent seasonally-adjusted month-to-month and 5.6 percent unadjusted year-over-year.
- Furniture and home furnishing stores' sales increased 1.0 percent seasonally-adjusted month-to-month and 8.2 percent unadjusted year-over-year.
- General merchandise stores' sales increased 0.2 percent seasonally-adjusted month-to-month and 1.4 percent unadjusted year-over-year.
- Health and personal care stores' sales increased 0.5 percent seasonally-adjusted month-to-month and 5.9 percent unadjusted year-over-year.
- Nonstore retailers' sales increased 0.4 percent seasonally-adjusted month-to-month and 8.1 percent unadjusted year-over-year.
- Sporting goods, hobby, book and music stores' sales increased 1.6 percent seasonally-adjusted month-to-month and 5.4 percent unadjusted year-over-year.

“The ever-resilient consumer continues to deliver better economic news,” NRF Chief Economist Jack Kleinhenz said. “Various retail segments contributed to this month’s growth showing that there is an ongoing pent-up demand by consumers. Confidence and sales should continue to improve. As the holiday season draws closer and closer, NRF remains confident in a good holiday shopping and sales season, which will be in line with our forecast.”
Closing, Closing, and Closing

By James Larsen

There is a moment of choice in retail sales when customers stand on the brink of action, and they pause. Their next action will be to either commit to a purchase or walk away. Everyone in retailing can testify to the maddening feelings engendered by customers when they walk away. Retailers watch backs leaving their stores empty-handed, and online retailers count abandoned shopping baskets on their websites. These customers didn’t come to this point by accident. They were considering an action that would enrich their lives, but releasing their tight grip on their dollars was too difficult, and this reluctance convinced them to abandon the purchase. It is not a new problem in retailing. Professional salespeople employ closing techniques when they encounter customers at the point of purchase, which help them release their grip on their dollars and enrich their lives. Closing is very useful in retailing, and whole books have been written on the subject, but there are problems. Inexperienced salespeople are often reluctant to attempt to close, and even when they try, they may do it poorly or at the wrong time and actually drive customers away. Experienced, skillful salespeople try to help them, but it’s difficult. Closing is part intuition, and that’s hard to teach. Fortunately, researchers also study the psychology of purchasing and occasionally make contributions that can help, and that’s exactly what Ofer Mintz recently did at Louisiana State University.

Mintz studied the actions of 895 shoppers on an online retail site and looked at three factors. The first was simple. Did they complete the purchase? The second was also easy. Did they select higher price choices or lower price choices to explore (price category)? The third factor is more difficult to explain. Did they complete the purchase? The second was also easy. Did they select higher price choices or lower price choices to explore (price category)? The third factor is more difficult to explain. It was the thinking strategy the shoppers employed. Mintz looked for evidence of two thinking strategies employed by the shoppers. The first was an alternate-based strategy. The second was an attribute-based strategy. Of 895 shoppers, 878 used one of these two thinking patterns as they reached the point of purchase.

With alternate thinking, shoppers consider specific choices, i.e. brand A or brand B. With attribute thinking, shoppers examine attributes of several brands (or models within one brand) for specific features, i.e. performance, color, price, and so on. When Mintz examined purchase, price category, and thinking strategy simultaneously, he found two clear patterns. First, shoppers are more likely to actually buy a product when they are using alternative thinking strategies, and second, shoppers who choose the lower-priced category are more likely to use alternative thinking strategies and to actually complete the purchase.

In the past, we’ve told our salespeople to probe for objections. All of a customer’s reasons not to buy a product must be satisfactorily answered before an attempt is made to close the sale. Now, we can add two more things. Notice what price category the customer is exploring (low or high), and notice the thinking strategy the customer is using (alternate or attribute). Probing questions about expected use of the product give salespeople a window into the experience of the shopper. They allow salespeople to be present as customers approach that pause in the purchasing process that closing helps to overcome. Mintz’s work suggests that when we find shoppers using alternate thinking strategies, they are nearing a purchasing decision, and a trial close may be appropriate, especially if they are in the lower price category of the product. If shoppers are using attribute thinking strategies, then asking expected-use questions and making suggestions to the customer should aim to move customers’ thinking processes beyond attribute thinking to consider specific alternatives that will fill their needs. That’s when probing for objections and movement toward a trial close will be likely to succeed.

Reference: businesspsych.org/articles/353.html
WALMART ADDING STORE IN LEGENDS/RENO
The developer of the Outlets at Legends is applying for a special use permit to build a 180,000-square-foot WalMart Supercenter at the shopping plaza. It would be the region’s 10th supercenter.

Although WalMart would receive no special tax incentives, and no STAR bond revenue would be used to build the store, some worry about the possibility the retail giant would close an existing store, just as some of its new neighbors have done.

In this case, WalMart officials said they have no intention of closing any existing stores. Rather, the Legends location would close an existing store, just as some of its new neighbors have done.

Continued on page 11

LOCAL RETAILERS BRACED FOR BRIEFER HOLIDAY BLITZ
It’s here.

The holiday shopping season, the time when retailers make a large chunk of their annual revenue, is upon us.

A shorter shopping season this year from Black Friday to Christmas has pushed promotions further up the calendar. And most businesses are in full marketing mode.

With Black Friday so close to December this year, retailers lost some of the biggest November shopping days to December. So, many are hoping to maximize their November spreadsheets with as many sales as they could garner during the turkey-laden month.

The National Retail Federation’s holiday consumer spending survey, conducted by Prosper Insights & Analytics, showed the average holiday shopper would spend $737.95 on gifts, décor and greeting cards, 1.9 percent less than the $752.24 they spent last year.

The federation is forecasting holiday sales will increase 3.9 percent to $602.1 billion.

The survey also found 13 percent of U.S. consumers planned to shop on Thanksgiving and 46 percent would make purchases on Black Friday.

The younger the consumer, the likelier that person was to shop during the Thanksgiving period: 73 percent of Generation X, those born between 1965 and 1980, and 84 percent of generation Y, born between 1981 and 1993, were forecast to shop in the period following Thanksgiving.

PLASTIC REPLACING PAYDAY CHECKS
It’s payday: Will that be paper or plastic?

More companies in Las Vegas are offering their employees the option of being paid with plastic instead of traditional direct deposit or paper checks. Those payroll debit cards are automatically loaded with money each pay period.

The payroll cards are used at a number of companies including MGM Resorts International, as an option for check or direct deposit. The card proves handy for those without a bank account.

In 2012, employers loaded more than $34.1 billion in wages onto 4.6 million payroll cards, and that number is expected to grow to 7.1 million cards and $51.5 billion next year, according to Aite Group, a business-research firm.

The cards are especially popular with the Millennial Generation, also known as Generation Y, which have birth dates from the early 1980s to the early 2000s. Some employees use the cards to send money home, while others are simply not eligible for bank accounts but want the convenience of direct deposit. The debit cards can make purchases at a point of sale and be used at ATMs to withdraw funds loaded on them.

SCOUTS GATHER FOOD TO FILL SALVATION ARMY’S PANTRY
A Cub Scout wearing a hat much too big for him hands a yellow bag to a woman walking into Smith’s, hoping she’ll bring it back with at least one can.

A few seconds later, an older man drops off a few cans in a yellow bag the boy handed him 10 minutes before.

More than 8,000 Boy Scouts and Scout leaders handed out 425,000 bags and worked 27,000 man-hours in November for the 25th-annual Scouting for Food Drive. In the Smith’s parking lot, nearly 100 Boy Scouts from Troop 99 unloaded yellow bags and rearranged cans and cereals into cardboard boxes that will feed 55,000 people for three months.

With unemployment payments being reduced and an economy still recovering, more people have frequented the Salvation Army’s food pantry this year.

With unemployment payments being reduced and an economy still recovering, more people have frequented the Salvation Army’s food pantry this year.
CHRISTMAS STAYS SACRED, SO FAR

Thanksgiving is slowly becoming just another shopping day as at least a dozen major retailers opened Thursday, Nov. 28. Roger Beahm, professor of marketing at the Wake Forest University School of Business, expects that it’s just a matter of time — he estimates five years — before most chains open all day on Thanksgiving. As for Christmas, he says that day is still sacred among shoppers.

Black Friday, which typically is the year’s biggest shopping day, for a decade has been considered the official start to the busy holiday buying season. Stores opened in the wee hours of the morning with special deals called doorbusters and stayed open late into the evening. Meanwhile, Thanksgiving and Christmas remained the only two days a year that stores were closed.

Now Thanksgiving is slowly becoming just another shopping day. Over the past few years, major retailers, including Target, have pushed opening times into Thanksgiving night to compete for holiday dollars. Some initially resisted, saying that they wanted their employees to be able to spend time with their families. This year, Macy’s, Wal-Mart and Kohl’s are among at least a dozen major retailers that are opening on Thanksgiving.

Retailers say they’re just doing what shoppers want. And they know that opening earlier gives them a chance to be the first to grab shoppers’ dollars. That’s an important opportunity for chains, which can make up to 40 percent of their annual revenue during the last two months of the year.

But so far, it’s unclear whether opening on Thanksgiving boosts retailers’ top line or simply pushes forward sales from Friday. Last year, it was the latter: Sales on Thanksgiving were $810 million, an increase of 55 percent from the previous year as more stores opened on the holiday, according to Chicago research firm ShopperTrak.

But business dropped 1.8 percent to $11.2 billion on Black Friday, though it still was the biggest shopping day last year. That day accounted for about 4.3 percent of holiday sales last year.

AP/NYT

SANTA TO DELIVER GAME SYSTEMS, IPADS TO CHILDREN THIS YEAR, ACCORDING TO NRF SURVEY

2013 Top Toys for Boys
1. LEGO
2. Video Games
3. Cars & Trucks (generic)
4. Hot Wheels
5. Xbox One
6. PlayStation 4
7. Skylanders
8. Remote Controlled Vehicles
9. Action Figures
10. Bicycle (T)
   Teenage Mutant Ninja Turtles (T)

2013 Top Toys for Girls
1. Barbie
2. Dolls (generic)
3. Monster High Dolls
4. Disney Princesses (T)
   Tablet/Apple iPad (T)
5. American Girl (T)
   Lalaloopsy (T)
6. Furby
7. LEGO/LEGO Friends
8. Elmo/Big Hugs Elmo
9. Hello Kitty
10. My Little Pony (T)
   PlayStation 4 (T)

National Retail Federation

SCAMMERS GET A JUMP ON HOLIDAY SHOPPERS

As we move into the holiday season, expect even more pitches by email, text and other digital means to encourage people to put their purchases on plastic.

Yes, credit cards have protections, but you don’t want to be at risk for ID theft or face the headache of clearing up fraud.

Take time to search for any complaints about a site or a product before buying.

Don’t fall for any phishing emails telling you that your computer has a virus, and you can get free security software by clicking here.

Always use a password to unlock a smartphone. If a phone isn’t password-protected, the phone thief could have “a very fast shopping spree on you.

Go to sites directly to ensure shopping at a protected site.

Public computers and Wi-Fi areas that aren’t protected by a password are not good places to buy holiday items on your credit card.

Do not carry a Social Security card or a copy of it in a wallet or purse.

Do not put your PIN on the back of your debit card or keep that PIN in your wallet with a debit card.

Here’s another clue: A car’s glove compartment isn’t a secret hiding place.

USA Today

Continued on page 11
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.

- Bugsy's Blind
- Gymcats West Inc.
- J&L Enterprises dba Hickory Farms
- Nevada Hotel & Lodging Association
- Northwest Associates Inc. dba Northwest Mini Storage
- Oneida Enterprises LLC dba MV Cleaning & Janitorial
- Slidin Thru LLC
- Staana Enterprises dba Bar-Kada Avenue
- Tahoe Cheese, LLC
- The Sausage Factory Inc.
- Window Sparkle LLC
- Zephyr Point Presbyterian Conference Center

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.

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.
I-TEAM: THIEVES COST RETAILERS, SHOPPERS MILLIONS

The mob is long gone from Nevada, but organized crime is alive and well, according to law enforcement. Nationally, organized theft rings are responsible for stealing an estimated $30 to 40 billion worth of merchandise each year.

For a long time, Las Vegas ranked in the top 10 of cities hit hardest by organized crime rings, but Nevada retailers are fighting back, and lawmen are mobilizing.

If you have ever wondered why stores keep razor blades under lock and key or why a pair of jeans costs $55, the answer is theft. The millions of dollars stolen locally translate into thousands of jobs that were not created.

It’s estimated that the state loses about $20 million per year in ungenerated sales tax revenue because of these increasingly sophisticated theft rings that have ties to much larger criminal enterprises, including drug cartels and terror networks.

“The numbers are pretty large,” said Bryan Wachter with the Nevada Retail Association. He said organized theft rings have hit 96 percent of Nevada retailers. They’re not only more brazen, but more violent. They just walk out with the goods. When confronted, they fight back with fists, knives, and guns. A Metro officer who tried to apprehend a credit card thief was shot.

“Twenty percent of the folks that are apprehended tend to be violent so we don’t want that kind of violent occurrence to happen in our stores,” Wachter said.

Ultimately, the way to stop the theft is for consumers to quit buying suspicious goods.

KLAS-TV

ONLINE SHOPPING

Some of the world’s largest retailers are turning their stores into mini-distribution hubs to help them to better compete online against Amazon.com. Instead of fulfilling Web orders from warehouses hundreds of miles from shoppers’ homes, companies including Walmart and Best Buy are routing orders to stores nearby.

Store employees pick products from shelves, pack them into boxes and drop them into waiting FedEx and UPS trucks that zip off to homes a few miles away.

The trend, known as ship-from-store, saves money through shorter delivery routes. More important, it speeds deliveries, avoids costly markdowns and recoups sales that have been lost to the world’s largest Internet retailer.

Walmart, the world’s largest retailer, has been shipping online orders from some stores for about two years, and about 35 stores do this now. Two-thirds of the U.S. population lives within five miles of a Walmart store, so the company is using these locations as “nodes” in a broader distribution network that includes storage warehouses and specific fulfillment centers for online orders, Ashe said.

Best Buy gets about one billion online visits a year and in 2 to 4 percent of those cases shoppers cannot buy products because they are out of stock in the company’s e-commerce warehouses.

But in 80 percent of those cases, Best Buy has the products in one of its physical stores. Shipping online orders from Best Buy stores could generate an extra $5.8 billion in sales and $168 million in profit next year for the company.

Other retailers that have started doing this in recent years include Target, Macy’s, and Lowe’s.

Another big benefit: When stores have a lot of unsold products, online orders can be routed to locations with the most inventory. That helps limit costly discounts on unsold merchandise.

USA Today/RGJ

STORES ADDED PERKS FOR THANKSGIVING DAY WORKERS

Retailers including Wal-Mart, Target, Best Buy and Sears are offered perks including extra pay, store discounts and meals to encourage workers to sign up for Thanksgiving Day shifts. At Macy’s, where any shift that starts on the holiday comes with overtime pay, 90% of the shifts on the holiday were filled with regular workers who volunteered.
WASHINGTON RETAIL INSIGHT

NRF Comments on New Government Report on Online Sales Tax

The National Retail Federation issued the following statement from Senior Vice President David French on the release of a new government report analyzing the impact of the small seller exemption in current online sales tax legislation:

“This objective, non-partisan and peer-reviewed academic analysis and report from the Small Business Administration confirms what local retailers have been saying for decades: the lack of a level playing field between brick-and-mortar stores and their online and remote competitors is blatantly uneven and unfair, and continues to place them at a competitive disadvantage. “The $24 billion sales tax gap, which is expected to grow with the rise of online shopping, will continue to disadvantage local retailers and employers, threaten Main Street communities and neighborhoods, and put additional policy and political pressure on state and local officials to increase non-sales tax revenue, like property or income taxes, to compensate for the growth in online sales.

“As retailers and merchants prepare for the all-important holiday shopping season, which NRF predicts will reach $602 billion this year, it is time for Congress to address this online tax loophole once and for all. We have made great strides this year with the Senate passage of the Marketplace Fairness Act and the release of Chairman Goodlatte’s Principles on Internet Sales Tax, but more must be done to level the playing field so all retailers can compete fairly and without bias.”

As the world’s largest retail trade association and the voice of retail worldwide, NRF represents retailers of all types and sizes, including chain restaurants and industry partners, from the United States and more than 45 countries abroad.