

BENEFIT FROM THE VALUE.

THIS ISSUE
INSIDE

Board member gives Congress retail view on overtime rule



— The National Retail Federation named Alabama Retail Chairman George Wilder as one of the top five

America Retail Champions. He and other board members traveled to D.C. this summer to make the voice of retail heard.



— Raymond, Michael and David Cohen pride themselves on the personalized attention their family business

offers. It is all about the customer at Cohens Electronics and Appliances.



— Beginning Jan. 1, the only valid proof of a sales or lodging tax exemption for statutorily tax-exempt organizations will be a

certificate of exemption.



— This year, ARA and UAB recognized 13 retail businesses with operations in 51 Alabama cities and 30 other states

as Alabama Retailers of the Year.



— Alabama Retail Comp will return \$7.6 million to qualified participants in 2016. The annual return can represent as

much as a 20 percent to 30 percent credit toward a participant's contribution.

When Terry Shea stepped off the plane Oct. 7 in

THE VOICE OF RETAIL

Washington D.C., she knew the next several hours would be a whirlwind. In less than 24 hours, the co-owner and vice president of Wrapsody in Hoover and Auburn and a member of the Alabama Retail Association board of directors, would be testifying before a congressional subcommittee on behalf of retailers across the country. The issue at hand – the U.S. Department of Labor's proposed overtime rule change.



“As soon as I got to D.C., I went directly to the National Retail Federation’s headquarters to begin finalizing my remarks. I was very passionate about the issue and had a lot to say. We were there late into the night shortening and preparing my remarks for the morning ahead. I definitely walked away with a new appreciation of the process,” Shea told us as she described her experience.

The next morning, inside the Rayburn House Office Building, she told members of a subcommittee of the

PHOTO BY ERICA AQUILINA / NRF

Alabama Retail board member Terry Shea testifies.

continued on Pages 8 and 9

ALABAMARETAIL ASSOCIATION

ALABAMA RETAIL ASSOCIATION

Holiday Forecast 2015

% Growth TAXED SALES **Total Sales**

ALABAMA ▲ 4.38% \$10.8 BILLION

Learn more on Page 5

VOLUME 15, NUMBER 2
HOLIDAY EDITION

PUBLISHER:
RICK BROWN

EDITOR:
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ALABAMA RETAIL QUARTERLY is the official publication of the Alabama Retail Association, 7265 Halcyon Summit Drive, Montgomery, Alabama 36117-3502. Telephone (334) 263-5757; FAX (334) 262-3991.

ALABAMA RETAIL QUARTERLY is published four times a year. Views and conclusions expressed in articles herein are those of the authors, not necessarily those of the editors or officers of the Alabama Retail Association. Opinions expressed in this magazine do not necessarily reflect the policies of the Alabama Retail Association.

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Postmaster: Send address changes to ALABAMA RETAIL QUARTERLY, P.O. Box 240669, Montgomery, Alabama 36124-0669.

**FROM THE PRESIDENT
RICK BROWN**



I'm frustrated. You are frustrated. Retailers, including many of you reading this, have visited, talked, emailed, posted and made your voice heard any other way you possibly could.

Sales tax should be collected by the retailer at the point of sale, whether that sale takes place in a store, online, over the phone or through the mail.

Still, Congress doesn't get it.

Once again another holiday season has rolled around with no federal fix for the fundamental issue of sales tax collection in our country. Current law chooses winners and losers. It doesn't treat everyone fairly.

The government still requires the majority of retailers to collect sales taxes at the point of sale, while giving a pass to those that sell exclusively on the Internet.

Those online-only retailers continue to profit from the perception that they are "tax-free" and continue to fight to preserve their special treatment.

FED UP, BUT NOT GIVING UP

The outgoing chairman of your board of directors is fed up.

"Main Street retailers are being penalized" by the current system, Alabama Retail Chairman George Wilder laments. "It doesn't make sense that marketplace fairness hasn't passed."

I'm fed up too.

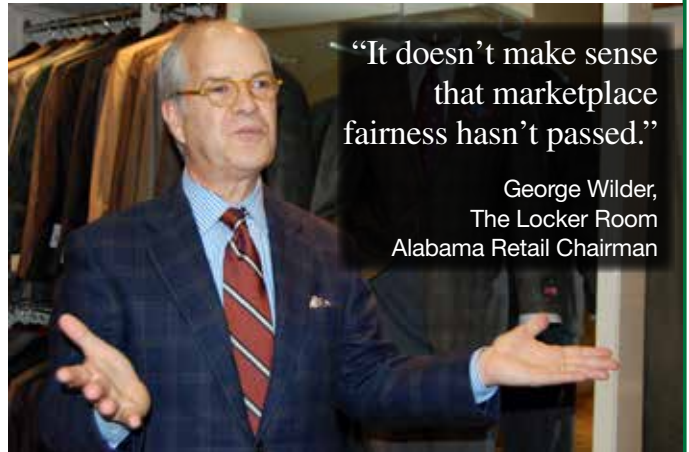
Let's not give up though.

There is a possibility Congress could include e-fairness with another extension of the moratorium on state and local taxes on Internet access. That measure is tied to the continuing resolution to fund government operations. The

current resolution expires Dec. 11.

The U.S. House has a new speaker who may be more amenable to the issue.

Even if Congress leaves for the year and doesn't address e-fairness, retailers still need to continue to speak loudly and clearly on this issue. We here at the Alabama Retail Association plan to keep shouting from the rooftops. We



"It doesn't make sense that marketplace fairness hasn't passed."

George Wilder,
The Locker Room
Alabama Retail Chairman

hope you will join us. Telling your story about how allowing online-only retailers to skip the tax hurts your business resonates best with lawmakers.

For the most part, the Alabama congressional delegation is on board. Your executive committee had great meetings this summer with them (see story Page 3) and most of your congressional representatives get why having all retailers collect sales taxes is so important to their hometown retailers. It doesn't hurt to encourage them to stick with the issue and to convince their counterparts from other states to vote with them though.

Also speak out whenever you can. Those opposing the issue certainly are. Use your web and social media sites to express your views. There are great resources at standwithmainstreet.com and efairness.org

Contact us. We'd love to tell your story.

Rick Brown: rbrown@alabamaretail.org

Alabama Retail members advocate for change in D.C.

By Nancy King Dennis

“It is easy to ignore what is going on (in Washington, D.C.) and to think it doesn’t pertain to you, but it does pertain to you.”

So says Alabama Retail Association Chairman George Wilder, owner/president of The Locker Room in Montgomery and Auburn, who was among five finalists for the America’s Retail Champion Award. The National Retail Federation award honors retailers who make their mark on public policy debates.

Wilder, like Alabama Retail board member Terry Shea, featured on Page 1, and in the centerspread of this newsletter, was among 52 invited to attend NRF’s Retail Advocates Summit this summer in our nation’s Capital.

During the Summit, Wilder, Shea, ARA Vice Chairman Ricky Bromberg and Executive Committee Designee Jacob Shevin met face-to-face with six members of Alabama’s congressional delegation in an effort to make the voice of Alabama retail heard on such issues as sales tax parity, the proposed expansion of overtime eligibility, data security and healthcare reform.

Alabama’s congressional delegation emerged from those meetings better informed on the issues and with a greater understanding how what happens in Washington, D.C. affects their hometown retailers. Some delegation members even changed their positions or took a position for the first time after speaking with the Alabama Retail Association members.

During Alabama Retail’s Annual Meeting in late October, Wilder reiterated. “If (retailers) don’t fight for ourselves, no one is going to do it for us.”



PHOTO BY ERICA AQUILINA / NRF

Wilder gestures during a Capitol Hill office visit with U.S. Rep. Robert Aderholt. To the right of Wilder is Alabama Retail President Rick Brown, Vice President Alison Hosp and Shea.

“If (retailers) don’t fight for ourselves, no one is going to do it for us.”

George Wilder, The Locker Room

ABOUT THE MEMBERS

The Locker Room, which Wilder founded in 1977, employs 14. The two stores sell fine men’s clothing and accessories. Wilder has traveled to Washington, D.C., on many previous trips to make the voice of retail heard in the halls of Congress. He was recognized in 2009 as the Silver Alabama Retailer of the Year in the Annual Sales \$1 Million to \$5 Million category. The Locker Room has been an Alabama Retail Association member since 1993.

The two jewelry and luxury gift stores of **Bromberg & Co.** employ 38 in the Birmingham area. Ricky Bromberg, who is president, was the 2014 Gold Alabama Retailer of the Year Award in the Annual Sales \$5 Million to \$20 Million category. Bromberg’s has been an Alabama Retail member since at least



Bromberg

1992 and was recognized in 2002 as an Alabama Centennial Retailer.

Standard Furniture Co. is a 14-store chain in Alabama and Tennessee that employs 99. Shevin, owner/president, was among the management team honored as the 2011 Silver Alabama Retailer of the Year in the Annual Sales \$5 Million to \$20 Million category. Standard Furniture, an Alabama Retail member since 1989, was recognized in 2012 as an Alabama Centennial Retailer.



Shevin shakes hands with Aderholt.

More information at alabamaretail.org under the headline: **National Retail Group Honors Two of Alabama’s Small Retailers**

More photos at Facebook/Alabama Retail in album titled **Alabama Retail at Retail Advocates Summit**

Best Service and Best Price Can Coexist, Cohen Family Says

By Melissa Johnson Warnke

When you walk through the doors of **Cohens Electronics and Appliances** in Montgomery, the modern showroom has an instant “wow” factor. The front door opens up to a huge, football shaped room of televisions, allowing you to experience the latest and greatest in home theater technology. Just beyond that, Cohens offers another full showroom of major home appliances. Once you look past the shiny, new gadgets, the most important detail comes into focus – the service. Putting customer service at the heart of what they do is how the Cohens have operated their family business for more than 50 years.

Cohens has been an Alabama Retail Association **member since 1983** and received an Alabama Retailer of the Year Award in 2008. Founder Raymond Cohen also serves on our board of directors.

The family’s commitment to customer service is easy to see.

“I’ll be right there, Mrs. Loeb,” called out Raymond Cohen as he posed for a photo. Mr. Cohen saw a familiar customer walk in the door, called her by name and made sure she wasn’t kept waiting.

It’s that kind of personalized attention that Raymond Cohen and two of his sons, Michael and David, pride themselves on in their family business. “When you buy something from Cohens, you’re not just buying a TV, you’re buying us,” said Michael Cohen.

Raymond Cohen opened The Record Shop in 1957 in the Normandale Arcade, selling records and stereos. He learned the retail business from his dad, Eli, who owned Cohen Amusement Co., which sold jukeboxes and vending machines. In 1977, The Record Shop moved to its current location on Montgomery’s East Boulevard. In 1989, The Record Shop became Cohens Electronics and Appliances. Raymond Cohen



‘It’s easier to keep a customer happy, than to find new ones.’

Raymond Cohen

PHOTOS BY LLOYD GALLMAN

Alabama Retail Association Board Member Raymond Cohen poses for a photo in his Montgomery appliance showroom, then quickly goes back to helping customers.

ALABAMA RETAIL

Featured Member

Find this story online at alabamaretail.org

with his sons, David and Michael, now sell high-definition televisions, home theater systems, home automation and major household appliances. They employ their own delivery, install crew and technicians, again adding value through their service.

Cohens offers prices comparable to national chains, but as Michael Cohen admits, that’s not always the perception.

“We’ve heard people say before, ‘We wanted to shop local, but we probably paid too much at Cohens.’ But that’s not the case. We check prices every day; our goal is to be the same price, or lower, than our competitors.

“When you call Cohens,” Michael Cohen adds, “there’s no 1-800 number. In fact, you’ll probably be speaking to a Cohen on the other end of the line. Our



David, Michael and Raymond Cohen

people are empowered to do the right thing because this is our community. This is our home.”

“Years ago,” said Raymond Cohen, “it was all about service. Now it’s about price. So, we make sure that we not only offer the best prices, but we also have the finest service department in this community. We want to take care of our customers. It’s easier to keep a customer happy, than to find new ones,” said the Cohen family patriarch.

Alabama 2015 holiday sales to near \$11 billion

By Nancy King Dennis
and Melissa Johnson Warnke

Alabama should break \$10 billion in taxed sales in November and December for the second year in a row, the Alabama Retail Association predicts. Alabama holiday sales in our state may even reach close to \$11 billion. Through September of this year, our state has averaged 4.38 percent growth in taxable sales each month over the same month last year. If sales continue along that trajectory, Alabama could reach \$10.8 billion in total taxed sales for November and December.



Find this story online
at alabamaretail.org

For the second year in a row, Alabama's holiday growth rate is expected to exceed the national average.

The National Retail Federation expects retailers nationwide will see a 3.7 percent increase in spending during the months of November and December over the same time period last year, based on its 2015 holiday spending forecast.

"In light of positive jobs reports and record September sales in Alabama, Alabama's holiday sales growth should exceed the nation's," said Bob Robicheaux, a professor in the Department of Marketing, Industrial Distribution and Economics at the University of Alabama at Birmingham and a member of the Alabama Retail Association board of directors. Spending in Alabama appears to be "breaking loose, which should lead to a positive fourth quarter," Robicheaux said.

Still, Robicheaux added, "The 2015 holiday season is going to be as price competitive as ever" with continued "downward pressure on prices." He also said "intense price competition among the giant retailers will mean tight margins for smaller retailers as well."



GRAPHIC BY MELISSA WARNKE

Ricky Bromberg, incoming chairman of the Alabama Retail Association and president of **Bromberg & Co.**, America's and Alabama's oldest family-owned retailer, said, "We are planning and have stocked for a moderate sales increase from last year. We are looking forward to the 2015 Christmas selling season."

Alabama Retail projects about 1,000 jobs will be added across the retail and food/beverage industries in Alabama during the months of November and December based on hiring trends over the past several shopping seasons. On the national front, NRF expects retailers will hire between 700,000 and 750,000 seasonal workers this holiday season, in line with last year's 714,000 new holiday positions.

BAM customers donate \$65,000 to support childhood literacy

Customers of **Books-A-Million** donated \$65,500 to Reading Is Fundamental earlier this year. The funds will provide nearly 22,000 books and literacy resources to children and families in economically disadvantaged communities throughout the United States through Reading Is Fundamental.

"We are thrilled to partner with Books-A-Million to provide books for children who need them most," said Carol H. Rasco, president and chief executive officer of Reading Is Fundamental.

MEMBER NEWS

COMMUNITY INVOLVEMENT/ PHILANTHROPY

The donation marked the start of the BAM Brigade initiative, which unites Books-A-Million's customers and associates to support a good cause. The BAM Brigade rallies to support all of Books-A-Million's philanthropic activities, including Coffee for the Troops, The Salvation Army donation

drives, School Book Drives as well as supporting local communities.

"At Books-A-Million, we are passionate about reading, and it's great to know, with the support of our customers, that we can help make a difference in so many lives," said Scott Kappler, vice president of marketing. Birmingham-based Books-A-Million Inc., the second largest book retailer in the nation, has been an Alabama Retail Association member since 1984.

Laws affecting retailers among those passed in 2015; highlights of retail victories in 2015

In the Alabama Legislature's three 2015 sessions (one regular and two special sessions), several pieces of legislation affecting retailers became law.

CIGARETTE TAX / NEW WAY TO REPORT VAPOR TAX

A 25-cent-per-pack cigarette tax increase, which went into effect **Oct. 1**, and a shift of sales taxes for nicotine-containing vapor products to the General Fund, which is effective at the first of year, became law following the Alabama Legislature's second special session of the year. Consumable vapor products must be separately reported in a newly added Column D — "Consumable Vapor Products 4%" — on all state sales tax returns (S&U:2100 and S&U:2105). Sellers reporting retail sales of consumable vapor products on a monthly, quarterly or annual basis must comply with this new requirement beginning with the report due **Jan. 1, 2016**.

See also **How to Remit Sales Taxes**

on **Vapor Products under New Law** at alabamaretail.org

REMOTE SELLERS VOLUNTARY TAX

As of **Oct. 1**, the state began encouraging remote sellers without a physical presence in our state to collect use taxes Alabama customers owe on items delivered to Alabama by allowing them to collect the taxes at a flat 8 percent rate. It is unknown if this voluntary program will result in any new tax revenue for the state.

PRESCRIPTION PROVIDER TAX / DISPENSING FEE

Starting with the September taxes, which were due **Oct. 20**, pharmacists for the next two years will pay a 25-cent provider tax on every prescription filled in Alabama. The 15-cent tax increase will cease to exist if the Centers for Medicare and Medicaid Services determines the tax is not eligible for a federal match. On Nov. 16, Alabama Medicaid increased the pharmacy dispensing fee from \$10.64 to \$13.83 to offset the cost of the extra tax for most pharmacies. At press time, however, CMS was still reviewing the dispensing fee increase.

REPEAL OF PAYCHECK WITHHOLDING EXEMPTION

Since **Sept. 1**, employers should be withholding state income taxes from all employees, including those who were previously exempt. All employees must now file an annual income tax return with the Alabama Department of Revenue and claim a refund, if entitled to one.

See also **As of Sept. 1, Withhold State**

Income Taxes on All Employees at alabamaretail.org

CATFISH NOTIFICATION BROADENED

As of **Aug. 1**, restaurants, grocery delis and other food service establishments must notify customers of the country of origin for the entire catfish species order, Siluriformes.

See also **2015 Second Special Session Wrap-Up**, **2015 First Special Session Wrap-Up** and **2015 Regular Session Wrap-Up** at alabamaretail.org

ALABAMA RETAIL 2015 LEGISLATIVE HIGHLIGHTS



Protected Sales Tax Collection Allowance

Stopped Unitary Combined Reporting



Doubled Small Claims Jurisdiction



WE ALL WIN WHEN SHOPLIFTING STOPS.

Protected Felony Theft Threshold

Tax-exempt sales, use and lodging certification standardized as of Jan. 1

By Nancy King Dennis

Beginning Jan. 1, 2016, the only valid proof of a sales, use or lodging tax exemption for statutorily tax-exempt organizations will be an annual certificate of exemption, known as Form STE-1. With the exception of governmental entities, presenting letters from the Revenue Department or copies of the state statute granting an exemption will no longer be acceptable under state law. Alabama Retail members should have received a Nov. 3 email about this change.

Not all nonprofits are exempt. Those specifically named in the Code of Alabama, include such groups as United Way agencies and volunteer fire departments.

The Alabama Legislature changed the certification process during its August special session. The state notified sellers of the new law Nov. 4, via myalabamataxes.alabama.gov, the Alabama Revenue Department's online tax management portal.

REPERCUSSIONS FOR RETAILERS

Retailers, innkeepers and other businesses that already have programmed exemption numbers into their point-of-sale systems can maintain those processes as is, if the process involves keeping certificates of exemption on file and flagging expiration dates. **For those without a process, now may be a good time to implement one.**

TAX-FREE 'AT SELLER'S RISK'

Without a certificate of exemption on file, sales should be taxed. Under current law, sales to exempt entities are "at the seller's risk," and it is a best practice to have the certificate on file so the seller can meet its burden of proof in case of an audit.

FLAG EXEMPTION NUMBER AND EXPIRATION DATE

All certificates of exemption have a number and expiration date associated with them. Certificate renewal dates come up all through the year, rather than at a uniform time. Consider flagging expiration dates in your process.

See also **Retailers May Want to Review Record-Keeping in Light of New Law For Tax-Exempt Groups** at alabamaretail.org

WHAT YOU NEED TO KNOW

As of 2016, the **only valid proof** of a sales, use or lodging tax exemption for statutorily tax-exempt organizations **will be a certificate of exemption** (Form STE-1).

Examples of statutorily tax-exempt groups: Boy and Girl Scouts, YMCAs, United Way agencies and volunteer fire departments. A more complete, but not all-inclusive list can be found in the Alabama Code under Title 40, Chapter 9.

Exceptions*: Governments, public schools and certain public utilities can continue to present Revenue Department letters as proof of exemption.

Look of exemption certificate: The exemption certificates for statutorily exempt organizations look the same as those for wholesalers and manufacturers.



GRAPHIC BY MELISSA WARNKE

NEXT STEPS

- **Implement some internal process for keeping up with tax-exempt sales** (if you don't already have one) to prove during an audit that your tax-free sales are legitimate.
- **Keep certificates of exemption on file.** Tax-exempt groups don't necessarily have to present a certificate of exemption each time they come through a check-out line or step up to the check-in counter at a place of lodging. Getting a copy of the exemption certificate to keep on file is a best practice.
- **Flag expiration dates in your process.** While the exemptions do not expire, the exemption certificates are annual and have varying expiration dates.
- **Between now and Jan. 1, review your records on the Alabama tax-exempt organizations with which you regularly transact business** to make sure that the proof of exemption on file is a certificate of exemption and that the certificate has not expired.
- **Verify an exemption number and its expiration date** through My Alabama Taxes, or MAT, on the home page, under "I want to ...," click "Verify Exemption Certificate."

EXPECT GROUPS TO PRESENT CERTIFICATES FOR FIRST TIME

The only new certificates of exemption being issued are to entities that previously used some proof other than a certificate and those with multi-year certificates. Still, the number of entities presenting a new certificate to sellers could be large. A single exemption can apply to multiple organizations, such as all of the organizations funded by a United Way agency.

LOOK OF CERTIFICATES

The exemption certificates for statutorily exempt groups look the same as those for wholesalers and manufacturers. Each certificate should contain the exemption number (EXM-number), an expiration date, the name of the person or company to whom the certificate is issued, the reason for the exemption, any restrictions and the signature of a Revenue Department employee.

BOARD MEMBER GIVES CONGRESS RETAIN Alabama boutique co-owner tak

Story by

Melissa Johnson Warnke
and Nancy King Dennis / ARA

Photos by Erica Aquilina / NRF

U.S. House Small Business Committee that the proposal to expand overtime wasn't well thought out and won't work well for Alabama businesses or their employees.

"We pay a very competitive salary and offer a generous benefits package for our type of retail business, which is why we have such an awesome team. However, the overtime rule ignores the fact that the cost of living in Hoover, Alabama, is very different than in New York City," Shea said in her testimony on behalf of the National Retail Federation (NRF). "Such a dramatic, one-size-fits-all increase will have real consequences for my business and my employees."

The proposed rule change would more than double the minimum salary necessary for executive, administrative, professional, outside sales or computer programmer employees to qualify for an overtime exemption. The minimum would go from the current \$455 per week,



"We can't just increase everyone's salaries by such a large amount, nor can we pass the more than 100 percent increase along to our customers in the form of higher prices."

Wrapsody Inc.'s Terry Shea to Congress



Shea poses with Subcommittee Chairman Cresent Hardy, R-Nev.

or \$23,660 annually, to approximately \$970 per week , or \$50,440 per year in 2016. **In Alabama, the proposed rule could bring 48.6 percent of full-time salaried workers under overtime rules.** If the proposed rule becomes permanent, Shea said she will be forced to convert her salaried employees to hourly workers. Off-site retreats, trips to wholesale gift markets and other development and team building also could be off the table under this proposal, she said.

"I'm not saying there doesn't need to be an increase," she said. "There doesn't need to be this drastic of an increase."

"A lot more needs to be done" in terms of research and getting feedback from small businesses before any change is made in the overtime threshold, Shea said.

Spending her time overseeing her gift and accessories boutiques in Hoover and Auburn, Shea was anything but a political insider. In fact, her first trip to our nation's capital had only been three months earlier, when she was chosen as one of 52 Retail Champions across the country invited to attend the National Retail Federation's Retail Advocates Summit.

HER VIEW ON OVERTIME RULE Takes her passion for issue to D.C.

See also [Overtime Rule Change Could Become Effective in 2016](#) at [alabamaretail.org](#)

“That’s how it all started. And I was so thrilled to get to go and talk about issues that affect retail and small business,” Shea said.

It was during that trip that she became passionate about giving a voice to the proposed rule’s impact on small business.

“This issue with the overtime really hit me hard, because it’s one of those things in which (retailers) really had no voice. There was no way to vote on it; no way for our congressional representatives to vote on it. It is a directive from the White House to the Department of Labor,” she said.

After returning home, the NRF followed up with all 40 Retail Champion attendees asking for more feedback on the proposed overtime regulations. Terry’s submission stood out, and they ultimately chose her to testify on behalf of the nation’s retailers. The other two witnesses at the hearing represented restaurants and home builders.

“To be able to speak for small business and small retailers was HUGE. I was so humbled by it,” Shea said.

ABOUT WRAPSODY

Shea and fellow co-owner Sarah Brown founded Wrapsody in 2004. The two gift stores employ four full-time salaried managers and 25 plus part-time associates, depending on the season. Shea and Brown were recognized in 2011 as the Silver Alabama Retailers of the Year in the Annual Sales \$1 Million to \$5 Million category. Wrapsody has been an Alabama Retail Association member since 2005.



Shea tactfully talks with Ross Eisenbrey of the Economic Policy Institute about the real-life consequences of the proposed overtime rule change for her business. Eisenbrey testified in favor of the rule change.



Shea mingles with panel participants prior to the hearing before the U.S. House Committee on Small Business Subcommittee on Investigations, Oversight and Regulations.

Also see [Wrapsody’s Terry Shea to Congress: Overtime Proposal Is ‘Not A Good Fix’](#) on [alabamaretail.org](#)

Listen to an Alabama Retail interview with Shea before she headed to D.C. at [alretail.org/1jadMOi](#)

Read more and access the full hearing here: [alretail.org/1ZIOCx0](#)

2015 Retailers of the Year employ 1,600 at 80 stores in 51 Alabama cities

GOLD

SILVER

BRONZE

ANNUAL SALES MORE THAN \$20 MILLION



'This is a huge honor, and I've got a great team to thank for it.'

Steve Maddox

Wireless Advantage Communications
47 stores, 24 in Alabama, Dothan-based



'We are proud to have been calling Alabama home for over 100 years.'

Terry Finley

Books-A-Million, Birmingham based
258 locations, 20 in Alabama



'We love the area and the market. We think the future is bright.'

Matt Meyer

Hiley Cars Huntsville
Mazda-Volkswagen-Audi

ANNUAL SALES \$5 MILLION TO \$20 MILLION



'This validates what we do every day, which is serving our guests the highest quality product.'

Betsy McAtee and managers
Dreamland Holding Co. LLC
6 locations; 5 in Alabama



'All the people who work with us make this possible.'

Todd and Sonya Jackson
CKJ Eateries LLC
6 Birmingham area restaurants



'In a family business, ... you've got to over deliver and under promise. Do it right ... and learn from the ground up.'

Shane Spiller
Spiller Furniture & Mattress
13 stores, 11 in Alabama

Stories and video at alabamaretail.org/news/2015retailersoftheyear/



AlabamaRetail

More photos of winners in 2015 Alabama Retailers of the Year and 2015 Alabama Retail Day albums

GOLD

SILVER

BRONZE

ANNUAL SALES \$1 MILLION TO \$5 MILLION



'Thank you to my Dad for starting such a wonderful business.'

Melissa McAleer Cross and James S. McAleer
McAleer's Office Furniture, Mobile



'It's all about people for us ... our team as well as our guests.'

Will Haver Jr.
Otey's Tavern, Mountain Brook



'It is great that a locally owned business, a restaurant, can be recognized statewide.'

Marco and Elan Morosini
Silvertron Café, Birmingham

ANNUAL SALES LESS THAN \$1 MILLION



'I will continue to help my customers look their very best and feel their very best.'

Anna Marie Heard*
Jireh's Boutique and Gifts, Gadsden
*Customers' Choice Award



'Taking an award back to Dallas County and Selma means a lot.'

Chet Chappelle
Rountree Outdoors, Selma



'Thank you for allowing us to live a dream.'

Tommy & Ann Messer Glasscock
MorLyn's Fine Jewelry, Clanton

2016 Retailer of the Year nominations due May 16

Want to nominate a Retailer of the Year or Centennial Retailer?

Go to Alabama Retailer of the Year under Awards in the Association section of alabamaretail.org

EMERGING RETAILER OF THE YEAR

Jim Watkins
Steel City Pops
9 locations,
6 in Alabama

'We go to work every day and we do something that we love.'



NEW MEMBERS

WELCOME TO
ALABAMA RETAIL

continued on Page 13

21 Memorial LLC	Hampton Cove	Copper Line Beverages LLC	Huntsville	H&T General LLC	Florence
27 Jones LLC	Hampton Cove	Cotton Valley Wholesale LLC	Tuskegee	Haney Automotive Enterprises	Trussville
55 South LLC	Hampton Cove	Creative Classics Cafe LLC	Jasper	Hieronymus CPAs LLC	Mobile
72 Madison LLC	Hampton Cove	Cullman Funeral Home Inc.	Cullman	Hildegard's Biergarten LLC	Huntsville
Alley Bar LLC	Montgomery	D and D Partnership LLC.	Demopolis	Hook's of Andalusia	Andalusia
Anderson Automotive LLC	Mobile	DataPerk LLC	Birmingham	Horton Wholesale Floral Co.	Montgomery
Anniston Wellness Center P.C.	Anniston	David A Tillery & D Darwin Tyrrell DMD		Isle Dauphine Supper Club	Dauphin Island
Armstrong Law LLC	Tuscaloosa		Bay Minette	J & L Cafes Inc.	Anniston
Athens Diamond Center LLC	Athens	Dental Office of Moody Inc.	Moody	J and M Hotels LLC	Evergreen
Auburn Hospitality Group LLC	Auburn	DJ Sons Inc.	Huntsville	J.H. Berry Risk Services LLC	Birmingham
Bacon LLC	Gulf Shores	Donna & Friends Restaurant	Muscle Shoals	James Enterprises LLC	Addison
Banzai Hospitality LLC	Birmingham	Downtown Brew LLC	Montgomery	JD's Tire and Lube LLC	Gadsden
Bar-B-Quing with my Honey	Mount Vernon	Draft House of Auburn LLC	Auburn	Jeskyl LLC	Montgomery
Barre Investments LLC	Auburn	DWJ Enterprises LLC	Huntsville	JK Co. LLC	Montgomery
Beeker Holdings LLC	Tuscaloosa	Eagle Buildings and Property Inc.	Huntsville	John Allen Baggett, D.M.D., P.C.	Calera
Beverage and Cigar LLC	Auburn	Eagle Rock Grill Inc.	Bankston	Jones Drugs LLC	Montgomery
Big Dog Enterprises LLC	Tuscaloosa	East Gate Cleaners & Textile Restoration		Joydev LLC	Montgomery
Bishop Parker Furniture Co.	Montgomery		Athens	JWax Foods LLC	Moulton
Bob's Downtown Restaurant Inc.	Mobile	Eastside Animal Hospital Inc.	Athens	KSJ LLC	Helena
Boneyard BBQ LLC	Guntersville	Efrain Inc.	Wetumpka	La Hacienda El Mexicano & Restaurant Inc.	
BreKay Inc.	Ozark	Encore Furniture and Decor Inc.	Huntsville		Tuscaloosa
Bridge Street Cafe	Guntersville	Everything Christmas Inc.	Mobile	LaCour Hospitality Management	Mobile
Bruner Holdings Inc.	Vestavia	Express Pharmacy LLC	Talladega	Langcourt Performance Inc.	Auburn
Buckhorn Marketplace LLC	Weaver	Feel Good LLC	Dothan	Lavish Boutique LLC	Jasper
Bushwood LLC	Auburn	Florence Animal Hospital Inc.	Florence	LCN Inc.	Mobile
Capitol City Tire & Auto Sales LLC		Food Sales East - Alabama LLC	Alabaster	Lee Palace LLC	Tuscaloosa
	Montgomery	Front Porch BBQ LLC	Fort Deposit	Little Lavender LLC	Mountain Brook
Capture Your Dreams Inc.	Dauphin Island	GAM-DOMick's Inc.	Mobile	LMG LLC	Auburn
Carney Foods LLC	Enterprise	Gateway Enterprises LLC	Enterprise	Lovett Foods Inc.	Auburn
Cedar Landing LLC	Winfield	Genoa, A QoL Healthcare Co.	Mason	Lozano Inc.	Columbus
Central Auto Care Inc.	Homewood	George Septic Tank Services	Woodstock	M.A.E. Industries LLC	Helena
Chambers Investments LLC	Ashford	Georges 217 Inc.	Sheffield	Macarri LLC.	Auburn
Chelsea Lane Inc.	Chelsea	Givens Industries Inc.	Moulton	Main Street Cleaners Inc.	Opelika
Chen Dynasty LLC	Birmingham	Gracy's Market Inc.	Gardendale	Marengo, L.L.C.	Demopolis
Chicken Kings LLC	Gadsden	Granny's Diner	Samson	Market Town Coffee Co. Inc.	Montgomery
Christina H. Cox, DMD, PC	Opelika	Green Mountain Soap Co. Inc.	Huntsville	Marsh Food Services Inc.	Birmingham
Christo's Dari Delight Inc.	Lester	Griffin Investments LLC	Mobile	Maters Inc.	Gadsden
Chuck Wagon L.L.C.	Guntersville	GRK Investments LLC	Ozark	Matt Dellinger, DMD, L.L.C.	Cullman
City Restaurant LLC	Florence	Gulf Coast Furniture Inc.	Mobile	Mazer Appliance Inc.	Birmingham
Clean Right Cleaners Inc.	Union Grove	Gulf Coast Hotel Group LLC	Chickasaw	McDonald Long & Johnston	Guntersville
Cloud Technologies Inc.	Birmingham	Gulf Coast Interventional		Mia Moda LLC	Vestavia Hills
Coast Diagnostics LLC	Mobile	Spine & Joint Specialists' LLC	Mobile	Mission Mark LLC	Tuscaloosa

NEW MEMBERS

continued from Page 12

Missy's Taste of Home LLC	Fayette
Mobile Yacht Club Inc.	Mobile
Mom's Family Restaurant	Enterprise
Murphy Media Inc.	Birmingham
Nourish Bakery Inc.	Madison
One Shot Industries LLC	Enterprise
One Source RX LLC	Birmingham
Pants Store	Leeds
PCF Foods LLC	Irondale
Phillips Feed Co.	Union Springs
Prattville Pizza Kitchen LLC	Prattville
Precision RX LLC	Vestavia
Puralwala Inc.	Huntsville
R & R Rebuilders Inc.	Mobile
Rayburn Retail LLC	Tuscaloosa
Refrigerant Solutions Inc.	Pelham
Relish 205 LLC	Homewood
Retina Associates of Alabama Inc.	Dothan
River City Senior Living LLC.	Decatur
Ro's Grille, L.L.C.	Athens
Robinson's Wholesale South Inc.	Geneva
Rocket Republic Brewing Co. Inc.	Madison
Ross-Clayton Funeral Home	Montgomery
Russell Turner, D.M.D.	Pelham
Sabrina's Furniture Gallery	Florence
Sannadh Inc.	Huntsville
Selma Urgent Care LLC	Selma
Serendipity Needleworks LLC	Tuscaloosa
Shear Experience LLC	Montgomery
Shivam Hospitality LLC	Gulf Shores
Skelton Chiropractic Center Inc.	Tuscaloosa
Somewhere LLC	Guntersville
Southern Point Co. LLC	Enterprise
State Traditions LLC	Birmingham
Stead & Fuller Insurance Inc.	Homewood
Stephen J. Kelly, M.D., P.C.	Birmingham
Stoners Pizza Joint LLC	Alexander City
Tanjo, L.L.C.	Tuscaloosa
Tennessee Valley Surgery Group	Florence
Teresa Zambrano Investments	Tuscaloosa

The Crazy Little Chicken and Frazzled Boutique & Embroidery	Florence
The Deep Comics & Collectibles	Huntsville
The Heart of the South Restaurant	Lanett
The Laser Eye Center P.C.	Huntsville
The Roost Southern Kitchen LLC	Huntsville
The Sand Bar LLC	Montgomery
The Wellness Group LLC	Clanton
Therapy South - Homewood	Birmingham
Tiger Shipping LLC	Opelika
TJ's Wings LLC	Albertville
Todd Syrup Farm and Country Market LLC	Headland
Total Cell Phone Repair LLC	Gardendale
Troy Country Club Golf Shop	Troy
Troy Pharmacy LLC	Slocomb
Tulip Hospitality LLC	Tuscaloosa
United Way of Morgan County	Decatur
Vascular Associates of South Alabama LLC	Mobile
Venita's Galley Inc.	Haleyville
VH-Tigers LLC	Phenix City
VHSN-Tigers LLC	Auburn
Whillard's Gas LLC	Marion
Wholesome Food Inc.	Huntsville
Wilmer Medical Clinic LLC	Wilmer
Wiregrass Weight Loss LLC	Andalusia
Xiang Xuan Rui Inc.	Tuscaloosa
YP - Homewood LLC	Birmingham

TELL US YOUR NEWS

We'd like to know what's happening at your store or organization. Have you celebrated a major business anniversary? Opened, closed or moved a location? Changed ownership or promoted a key employee? Received an award? Performed a community service?

Let us know! We may use your news in **Alabama Retail Quarterly** or link to your story online. To submit your news, e-mail: ndennis@alabamaretail.org

MEMBER NEWS

AWARDS/HONORS

Democrats honor Decatur jeweler for community service

Jimmy D. Smith, owner of **Jimmy Smith Jewelers** in Decatur, recently received the Judge Newton B. Powell Award from the Morgan County Democratic Party in recognition of his service to the people of Decatur and Morgan County.



Smith's many honors also include being Decatur's 2007 Citizen of the Year. He served as the Alabama Retail Association's chairman from 1996 to 1997 and for 24 years as an Alabama Retail Comp trustee.

Jimmy Smith Jewelers, a family owned and operated jewelry store, has been an Alabama Retail Association **member since 1984**.

WEBSITE: jsmithjewelers.com

Engineering design firm noted for growth and total design fees

Two different business publications this year recognized **Edmonds Engineering**, a Birmingham mechanical, electrical and plumbing engineering design service and an Alabama Retail **member since 2002**. *Business Alabama* designated the company as the sixth largest engineering firm in Alabama based on design fees, while the *Birmingham Business Journal* recognized it as one of the fastest growing companies in Birmingham.

WEBSITE: edmondsengineering.com

MILESTONES

BBB Celebrates 60 Years

The **Better Business Bureau**, an Alabama Retail **member since 2004**, is 60 this year. Founded in Birmingham in 1955, BBB serves 50 of Alabama's 67 counties.

Changes at Checkout: What's Next?

Liability shift ongoing through 2017

As of Oct. 1, a major liability shift took effect at checkout. Retailers who haven't adopted the EMV, or Europay, Mastercard, and Visa, technology face increased liability for any counterfeit fraud losses when chip cards are used.

However, the EMV transition is far from over. You've probably noticed that chip cards being issued today still have the magnetic stripe on the back. For now, businesses can still accept both the new chip cards and traditional magnetic stripe cards and will be able to do so for the foreseeable future. The Oct. 1 deadline was not a law but a liability shift, giving retailers an incentive to adopt the new technology.

The process will continue over a two-year period, not just impacting merchants, but also ATM operators, and fuel resellers. The liability shift for ATMs takes effect on Oct. 1, 2016,

See these articles
at alabamaretail.org

Liability for Fraud Shifts To Entity With Least Secure Cards Or Processing

Who's Responsible? Failing to Upgrade Card Processors Puts Your Business at Risk

New Credit/Debit Card Liability Rules Take Effect Oct. 1

and automated fuel dispensers, or pay-at-the-pump card readers, on Oct. 1, 2017. Retail experts believe that by Oct. 2017, EMV chip cards should be the norm.

With EMV chip technology, instead of swiping a card, a consumer inserts the chip card and leaves it in the reader throughout the authorization process or simply taps the card in the case of a contactless transaction. The embedded microchip, unlike a magnetic stripe, cannot be replicated,



GRAPHIC BY MELISSA WARNKE

making it more difficult for hackers to use stolen card numbers to produce fraudulent credit cards.

Federal ruling opens door for Alabama class actions

Major trial lawyers in the state are actively looking for private, class-actions under the Alabama Deceptive Trade Practices Act, or ADTPA, thanks to a July ruling by the 11th U.S. Circuit Court of Appeals.

The appeals court ruled that federal procedural rules, which permit class actions in federal court, trump Alabama's consumer protection law, which prohibits individuals from filing deceptive trade practices class-action lawsuits and only permits individuals to file a suit for their own claims. The Alabama law allows individuals to recover up to three times actual damages but doesn't allow them to file claims on behalf of a class.

LEGAL ALERT

Under Alabama law, only the attorney general or a district attorney can file an ADTPA class action and then the act only allows them to seek recovery of actual damages on behalf of the class. Consequently, the Alabama Deceptive Trade Practices Act has not been used as a consumer class action weapon.

Because of the 11th Circuit ruling, Alabama will likely begin seeing a proliferation of deceptive trade class actions in its federal courts by out-of-state plaintiffs.

The decision in question involved a class action suit filed under the ADTPA in federal court, which could be done since some plaintiffs lived outside of Alabama. The plaintiffs alleged that pressure-treated wood they had purchased for new fences rotted after three years even though the wood company represented in advertising that it would last 15 to 20 years.

The Alabama Civil Justice Reform Committee, of which the Alabama Retail Association is a member, is examining options to prevent these class actions. In the meantime, retailers and other businesses need to be aware of this litigation threat.

**STAR ID
may be
required as
early as 2016**

As early as 2016, anyone who wants to board a passenger plane — even for a domestic flight — or gain access to certain regulated federal facilities will have to show a STAR ID or a passport. STAR (Secure, Trusted and Reliable) is Alabama's effort to comply with the REAL-ID Act of 2005, which set federal standards for secure identification. The

secure identification cards, which require more than one form of identification, are **issued only at driver license examining offices.**

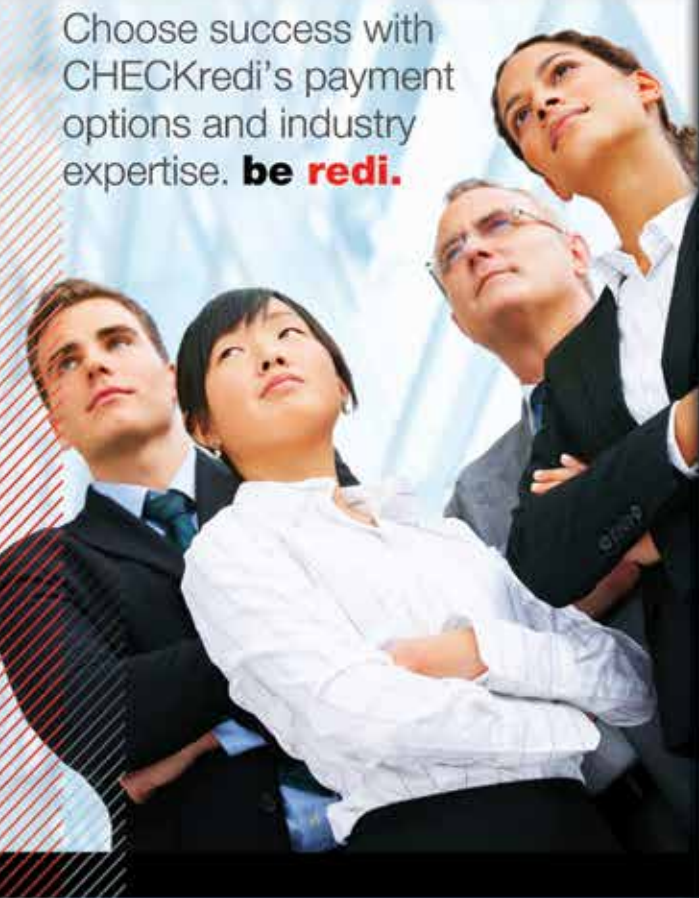
To schedule an appointment or get a list of required documents, visit alea.gov

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Here your business's financial future comes, **redi or not.**

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ALABAMA RETAIL ASSOCIATION

credit card **club**

This type of membership has never been offered before. It partners your business with thousands of merchants across the nation to receive the lowest rates and fees possible on Visa/Mastercard transactions. **GUARANTEED!**

check **services**

Electronic Check Guarantee

CHECKredi's Electronic Check Guarantee service is simple: Authorization = Deposit **GUARANTEED!!** Your money is deposited into your account within 48 hours just like a Visa/MasterCard transaction but at a much lower rate.

Traditional Check Guarantee

CHECKredi's Guarantee service provides 100% face value reimbursement on all guaranteed checks every 15 days, regardless of whether or not the check is actually collected.

Check Verification

CHECKredi's Check Verification service is very flexible. It may be used as a stand-alone, with our Check Guarantee, or with our Check Collection services.

Traditional Check Collections

CHECKredi's Check Collection service offers 100% face value reimbursement on all collected checks every 15 days. Our Check Collection service is Ready for YOU!

Returned Check Consolidation (RCC)

CHECKredi's Returned Check Consolidation (RCC) service will substantially reduce your bank fees while maintaining your existing banking account(s) and relationships.

school **program**

CHECKredi's School program offers guaranteed cash for bad checks, ACH processing, and online credit card approvals. Whether your school has one account or multiple accounts, our reporting and online services are customized to meet your needs to ensure easy reconciliation processing.

remote deposit services

Accounts Receivable Conversion (ARC)

CHECKredi's Accounts Receivable Conversion (ARC) service converts a paper check, received in the mail or at a payment location, into an electronic check. The check is then converted into an Electronic Funds Transfer. CHECKredi's ARC Service includes both Internet- and PC-Based Solutions.

Back Office Conversion (BOC)

CHECKredi's Back Office Conversion allows you to accept checks at the point-of-sale as normal but enables you to convert them into an electronic transaction for deposit in the comfort of your own office 24/7. Eliminate bank fees, unnecessary trips to the bank, and returned checks. This product is great for grocery stores, retail stores, or anyone who takes a high volume of checks and does not want to slow down their customers at the cash register.

Automated Recurring Payments

CHECKredi's Automated Recurring Payments service replaces the traditional method of billing and collection by offering you the ability to automatically debit the customer's account when it is time to pay. You can schedule payments one time, weekly, bi-weekly, monthly, quarterly, biannually, or annually. This product is great for rent-to-own companies, apartment complexes, gyms, and companies that sign contracts with their customers to pay a flat rate at a fixed time.

Take Checks Over the Phone

CHECKredi's Telephone Check service electronically debits your customer's bank account for your one-time billing instantly. No more waiting for checks in the mail. This is an Internet-based application that guides your employees step-by-step through the process of taking a check over the phone. Integration is as easy as opening a web-browser and accessing the CHECKredi website.

Take Checks Over the Internet

CHECKredi's Internet Check service integrates quickly and easily into any website. Customers are presented with a simple, secure "check like" interface that shows them how to find and input their bank account information. Your company is notified instantly when a check payment is received.

1-800-239-1222

customerservice@checkredi.com

check it out: www.checkredi.com

Please send address corrections to:

ALABAMA RETAIL ASSOCIATION

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Alabama Retail Comp to give back \$7.6M to participants



To learn more about your workers' compensation coverage, visit alabamaretail.org/comp/

Alabama Retail Comp will return \$7.6 million to qualified participants in 2016.

The 2016 retro-return will be distributed to participants as a credit on their premium contribution for 2016. The annual return can represent as much as a 20 percent to 30 percent credit toward a participant's contribution.

"We are pleased to once again provide this retro return, which helps lower the cost of doing business," said Rick Brown, the fund's administrator and the Alabama Retail Association's president.

Since its inception in 1984, ARC has returned MORE THAN \$72 MILLION – 22 percent of all premiums collected – to its participants through its retrospective return plan. As the need to hold money in reserves to pay claims decreases in a

Retrospective Return Distribution for 2016

ARC's \$7.6 million retrospective return for 2016 will be distributed from fund years as follows:

2014	\$1,500,000
2013	\$1,500,000
2012	\$2,000,000
2011	\$800,000
2010	\$800,000
2009	\$500,000
2007	\$500,000
Total 2016 Return	\$7,600,000

given year, that year's participants receive money back as a credit on their next renewal. The retrospective rating plan takes into account individual participants' experience versus the experience of the fund as a whole. The amount of credit a participant receives is tied directly to the business's loss ratio. Lower losses return

a higher retro credit at renewal, rewarding participants for providing a safe work environment.

Alabama Retail Comp, the state's most stable, cost-effective workers' compensation insurance program for retailers, is regulated by the Alabama Department of Labor and governed by a board of trustees who are fund participants. More than 4,000 Alabama Retail members participate in the fund.

ARC specializes in the retail industry, but also provides coverage to an array of business employers.

Fund Manager Mark Young said, "At ARC, our goal is simple: To provide the most cost-effective workers' compensation coverage to Alabama businesses with unparalleled customer service."

See Retro History at alabamaretail.org/comp/retrospective/retrospective-history