

BENEFIT FROM THE VALUE.

**THIS ISSUE
INSIDE**

Tax proposals abound this session



So far, the “T” word has been uttered frequently in the Alabama Legislature’s 2015 regular session that began March 3.

Taxes that is. Strange but true, given the state’s decisively Republican leadership. *“For the next four years, we are going to raise taxes,”* Alabama’s GOP governor said Feb. 13. The state’s second Republic majority Legislature since Reconstruction, however, has yet to express equal enthusiasm for a tax-based solution to the state’s budget woes.

The Alabama Legislature meets through mid-June (30 legislative days, spread out over 105 calendar days) to develop a spending plan for the upcoming fiscal year. At the halfway mark for the session, the Legislature had yet to take a vote on the General Fund budget. The governor has said he will call the Legislature back into special session as many times as needed to pass an adequately funded General Fund. The House speaker says a budget

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— Major credit card issuers want every single point-of-sale terminal replaced over the next two years. Merchants face an

Oct. 1 deadline that could make them liable for credit and debit card fraud.



— Your Alabama Retail Association and the Council of State Retail Associations has teamed up to provide four free webinars

this year designed to provide practical tips and new ideas you can implement in your store.



— Small retailers, owner occupied locations and small one-tenant projects can qualify for economic incentives. Learn how from

two experts in the field.



— A look at the 2015 economy and a look back at 2014 holiday sales. Alabama experiences best January since 2006

followed by flat sales in February.



— Alabama Retail presents awards to driver license examiners and specialists who go the

extra mile to prevent identity fraud.

Nominate your favorite as an Alabama Retailer of the Year

Nominate online at alabamaretail.org/retaileroftheyearnomination/

The Alabama Retail Association will accept nominations for the 2015 Retailer of the Year awards through Monday, May 18. This prestigious award, which celebrates its 16th observance this year, recognizes outstanding retailers who have demonstrated a blend of sound business practices with commitment to their communities, customers and employees.

“A winning entry is a retailer who has been a credit to retailing and an asset to their community. Retailers provide jobs, serve their communities and help boost Alabama’s economy,” said Alabama Retail President Rick Brown. *“The Retailer of the Year awards honor just a few of the*

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ALABAMA RETAIL ASSOCIATION

MARK YOUR CALENDAR
ALABAMA RETAIL DAY
 11:30 a.m. - 1:30 p.m. • Tuesday, Oct. 6, 2015
 Vestavia Hills Country Club
Keynote Speaker:
 Stu Crum, President, Bridgestone Retail Operations

ALABAMA RETAIL DAY
 Presented by
UAB COLLAT
 SCHOOL OF BUSINESS
 &
ALABAMA RETAIL ASSOCIATION



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Nominate Your Favorite as an Alabama Retailer of the Year

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many outstanding retailers who make a positive difference every day in the communities they serve."

ELIGIBILITY

Anyone may nominate an Alabama retailer, and nominators may submit multiple retailers for consideration in any given award year. Previous nominees who did not receive an award may be nominated again. Gold winners can only be recognized once in a sales category. For a list of previous winners, go to

alabamaretail.org/retailers-of-the-year-since-1999. All other previous winners can be nominated in subsequent years. Self-nominations are appropriate.

If sufficient nominations are received, finalists will be selected in four categories by sales volume:

- Less than \$1 million
- \$1 million to \$5 million
- \$5 million to \$20 million
- More than \$20 million

A Bronze, Silver and Gold Award may be presented in the first three categories, but only a Gold Award winner will be presented in the More than \$20 Million Annual Sales Category. A single winner also will be named as the Chain Retailer of the Year and/or Franchise Retailer

of the Year. Individual franchises and/or chains are eligible for an annual sales volume award.

Nominees must own, operate or manage a retail business with a physical presence in Alabama and that Alabama location must have been in operation for a minimum of five years. To be considered a retail operation, a business must collect state and local sales taxes. (Banks, insurance agencies and dry cleaners do not qualify.)

THE PROCESS

Upon being nominated, each nominee will be sent an entry form that must be completed and returned to Alabama Retail no later than Friday, June 19. Winners will be notified by Aug. 3. The 2015 Retailer of the Year recipients will be honored at an Oct. 6 luncheon in Birmingham held in conjunction with the University of Alabama at Birmingham Collat School of Business' Retail Day. The recipient's nominators also will be invited to attend. Neither nominators nor nominees have to be Alabama Retail members to participate.

For additional information on the Retailer of the Year Awards or to make a nomination by telephone, please contact Nancy King Dennis at ndennis@alabamaretail.org or 334.551.0643.



OTHER AWARDS

Each year, Alabama Retail recognizes retailers with 100 or more years in business in Alabama for their contributions to the state's past, present and future.

Nominate a Centennial Retailer at alabamaretail.org/centennialretailernomination/

Alabama Retail Comp, the workers' compensation self-insurance fund associated with the Alabama Retail Association, is seeking

Alabama Centennial Insurance Agencies – insurance companies that have been doing business in Alabama for 100 or more years.

Nominate a Centennial Insurance Agency at alabamaretail.org/centennialinsurancenomination/

The nomination deadline for both Centennial awards is Monday, June 1.



Webinars provide retailers with valuable information

Alabama Retail, in conjunction with the Council of State Retail Associations, presents four new webinars designed specifically for retailers from April through July.

DATA SECURITY Wednesday, April 22, 2015

“Data Security: What Every Retailer Must Know and Do” presented by Josh



VanDyke, InfoTech Solutions, will cover 10 issues crucial to keeping data safe from cyber criminals. Email ndennis@alabamaretail.org

for a video of the webinar. See page 8 for more details.

SEO FUNDAMENTALS Thursday, May 14, 2015



Retail University’s “Search Engine Optimization (SEO) Fundamentals for Retailers,” presented by Sarah Benoit, JB

U RETAIL UNIVERSITY

Media Group, explains the importance of utilizing SEO to market business websites. This webinar teaches simple ways to increase traffic, sales and conversions on sites, as well as an overview of proper website tracking systems. This webinar is offered twice, at 7:30 a.m. CST and 10:30 a.m. CST.

MOBILE PAYMENT Wednesday, June 10, 2015

“Changing Consumer Purchase Patterns” concerns mobile payment services and is presented by a national expert on electronic payment processing, John Mayleben, Michigan Retailers Association. Mayleben will explain mobile payment options and how retailers can prepare



for this emerging service. This webinar will be repeated at 7:30 a.m. CST and at 10:30 a.m. CST.

RETAIL 101 Wednesday, July 15, 2015

“Retail 101: 10 Tips to Maximize Your Retail Success,” offered twice, at 7:30 a.m. CST and 10:30 a.m. CST, is



presented by Nicole Leinbach-Reyhle, founder of Retail Minded and noted author. She will offer insight for brick-and-mortar and online merchants and give an overview of what it takes to make your business prosper.

Retail University webinars are a free benefit of membership for Alabama Retail Association members.

To register for webinars, go to alabamaretail.org/association/events/calendar-of-events/

Take advantage of FedEx OneRate®

Make it simple to manage your shipping costs, and get all the convenience and reliability of FedEx Express® shipping at a predictable, flat rate. With FedEx One Rate pricing, there’s no weighing or measuring of shipments under 50 lbs.¹, so you can add to the box without adding to the price. Your flat rate includes free packaging options², time-definite 1-, 2- or 3-day delivery, and even some common surcharges.

SHIPPING MADE SIMPLE

When your shipping process is streamlined with the predictable pricing of FedEx One Rate, you can spend more time on the things that matter, like growing your business. With FedEx One Rate, Alabama Retail members can take advantage of the following:

- Manage, plan and communicate shipping costs efficiently with predictable rates that include residential, delivery area and fuel surcharges.³
- Save time by not having to weigh packages or purchase packaging materials.
- Experience FedEx reliability with a money-back guarantee⁴, free packaging in more shapes and sizes and up to \$100 in declared value for free.

GETTING STARTED

Find your flat rate at fedex.com/tryonerate. You can order your free packaging at fedex.com or by visiting a staffed FedEx location. There you’ll be able to choose from 12 package sizes including unique extra large and small boxes.

This tip is brought to you by PartnerShip®, the company that manages the Alabama Retail Shipping Program. If you’re not already enrolled in this member benefit, visit PartnerShip.com/96ARA to sign up and receive discounts on select FedEx® services. For more information, call PartnerShip at 800-599-2902 or email sales@PartnerShip.com.



¹ Up to 50 lbs. in FedEx paks, boxes and tubes. 10 lbs. in FedEx® Envelopes.

² Quantity restrictions may apply based on your FedEx Express shipping history.

³ Value-added services are available for a fee when shipping using FedEx One Rate pricing, such as on-call pickup, Saturday delivery, Saturday pickup, signature service options, and additional declared value over \$100. Additional surcharges may include address/account corrections. See fedex.com/fedexonerate for details.

⁴ For details on the FedEx Money-Back Guarantee, see Our Services at fedex.com.

Through Amendment 772, small retailers can benefit as they expand in Alabama

Retail jobs typically have a lower wage than other industries, and, thus municipalities, until recently, overlooked those jobs as a focus for economic development. In the past decade, however, traditional thinking has changed. Many economic development agencies now embrace the importance of retail to a community's overall vibrancy and quality of life.

All businesses, industrial and retail, choose where to locate. Profit primarily drives that decision. This profit-driven dynamic creates a competitive environment for the communities recruiting retail to their town. Municipalities with a lower population density and lack of transportation network struggle the most. Retail and restaurants are a strong viable alternative for those communities. It is a win for jobs, sales tax dollars, property tax and quality of life in rural America when even one new retailer opens in their market.

In order to motivate profit, economic incentives are offered to private businesses. The 2004 enactment of Alabama Amendment No. 772 (Alabama Act 2004-94) has allowed local government's greater flexibility in the types of incentive packages they may offer to entice retail businesses to locate or expand in their community.

AMENDMENT 772 EXPANDS INCENTIVES TO RETAIL

Amendment No. 772 is an economic development amendment for the benefit of most Alabama counties and cities. Included is the power to use public funds to purchase, improve, develop or lease real property in favor of private businesses or to convey such property to private businesses and to lend credit or issue bonds to support economic development projects on behalf of private businesses. A common example is the rebating of sales taxes generated from the project to the developer or the retailer.

The amendment has strict guidelines. Amendment No. 772 requires public

ABOUT THE AUTHORS



Lacy Beasley, right, is vice president of business development at Retail Strategies, a Birmingham-based consulting firm that helps municipalities attract retailers.

Rodney Barstein, executive vice president of Retail Specialists, a Birmingham-based commercial real estate firm, has recently been involved in obtaining more than \$500,000 in incentives from two municipalities. He is also past chairman of the Alabama Retail Association and a current member of the board of directors.

notification of the project, a certain amount of time to lapse and a subsequent public hearing by the governmental authority explaining the parameters of the project and the economic incentives involved. Once the hearing is complete, the city and/or county can then enter into the appropriate development agreement to allow for the incentives.

HOW AMENDMENT 772 BENEFITS RETAILERS

Retailers think that rents should be based on projected sales. Developers and shopping center owners think rents should be based on the cost of the land and the bricks. The rising cost of land and construction financing would suggest higher rents as the answer for new development to meet the required return by developers. However, in today's environment, retailers are unlikely to pay such rents. Incentives can bridge the gap between those numbers.

Retailers gravitate to projects where they foresee the greatest success. As such, retailers go to projects that will accept their required deal terms. If there is a viability gap between what the tenant will pay and what the developer's

pro forma requires for the development to be profitable, then a public entity may need to help with incentives or risk losing the tenant to a neighboring community that will help bridge the gap.

An example of these incentives in action occurred in the city of Tuscaloosa and its Shoppes at Legacy Park, a 250,000-square-foot shopping center projected to create up to 500 jobs and to generate at least \$37.2 million in annual sales taxes, up to \$120,000 in new business-license fees, and some \$160,000 in property taxes that will increase annually over the next three decades. The City Council unanimously approved a \$16.57 million incentive for the new center, and the package offers no up-front cash from the city to the developer but instead relies on the success of the project through sharing of the incremental retail sales taxes generated.

Other developer-incentivized projects in Alabama since 2010 include the \$14 million luxury retail project in Mountain Brook; a \$10 million Target in Homewood; an \$8 million Whole Foods and a \$2.9 million Cabela's in Huntsville; a \$6.5 million Target in Madison; a \$6 million Cullman redevelopment; a \$2 million Jasper project anchored by Hobby Lobby, Petco, Shoe Carnival and T.J.Maxx.; a \$1.9 million center for Dick's Sporting Goods and Panda Express in Alabaster; and a \$1.2 million project for Hobby Lobby and Big Lots in Foley.

Small projects can also utilize this incentive arrangement. Talladega recently granted incentives of \$150,000, while Pell City granted incentives of \$350,000. **Smaller retailers, owner occupied locations and small one-tenant projects can also qualify for incentives.** The problem is most retailers do not know how to ask and most cities are still unfamiliar with the process. Using experts that have been involved in incentive programs will pay big dividends down the road for the municipality, the retailer and the property owner.

RDS class-action settlement affects most Alabama businesses

By Jeff Patterson

Most Alabama business taxpayers would be included in a class-action settlement, which already has received preliminary approval. Taxpayers had to submit written objections to the proposed settlement by March 11. Jefferson County Circuit Court Judge Robert S. Vance Jr. conducted a hearing on those objections April 10, but only those who filed a written notice of intent to appear by March 11 were allowed to participate in the April hearing.

RDS, FORMERLY ALATAX

The lawsuit and the pending settlement concern the operations of the private auditing firm Revenue Discovery Systems (RDS), formerly known as Alatax, as well as the local tax jurisdictions represented by RDS. RDS collects a variety of taxes for more than 250 local tax jurisdictions in Alabama. A small group of taxpayers brought the suit in 2010, claiming audit practices by RDS violated Alabama's Taxpayer's Bill of Rights and the Alabama Constitution. RDS denies any wrongdoing.

SETTLEMENT

The parties have agreed to a class-action settlement, which provides no monetary relief to taxpayers. The judge will decide whether to certify the class and give final approval to the settlement.

The settlement only calls for changes in RDS's business practices. Among those changes, RDS has agreed to:

- notify local tax jurisdictions of preliminary and final assessments entered in the name of those jurisdictions by RDS against taxpayers;
- not issue subpoenas to taxpayers before receiving written approval from a local tax jurisdiction;
- give "notice and opportunity to be heard" to individuals before assessing that individual as a "responsible person" who could be liable for a business's unpaid trust fund taxes;
- remove from its website and advertising materials any reference to accomplishing a "3-to-1" collection-to-cost ratio;
- employ a "taxpayer representative" to serve in a similar role to the Alabama Department of Revenue's Taxpayer Advocate.

Also, the employees of RDS's Discovery/Recovery service will not have access to the internal books and records of taxpayers.

IN THE CLASS

The settlement defines the class as all taxpayers listed in the records of RDS or the local tax agencies as residing in, or doing business in, Alabama between Jan. 1, 2007, and Nov. 5, 2014:

- and who are subject to local taxes that are administered by RDS;
- or who have received a business license tax notice from RDS;
- or who have received an audit letter from RDS

(or have already undergone an audit).

EXCLUDED FROM CLASS

Taxpayers excluded from the class:

- had claims pending against RDS in either federal or state court, or an administrative appeal of a final assessment pending, as of Nov. 5, 2014;
- have previously released claims against RDS; or
- have previously settled claims against RDS.

Certain persons affiliated with RDS also are excluded from the class.

NO OPT OUT

Under the settlement, taxpayers will not be allowed to opt out of the class. Consequently, if the court approves the settlement as is, a taxpayer that does not meet one of the exclusions would be barred from pursuing its own claims against RDS.

Jeff Patterson served as a lawyer inside the Alabama Department of Revenue for more than 13 years. He formed his own Montgomery law firm in 2006. Patterson helps taxpayers navigate federal, state and local taxation issues. To contact Patterson, go to jeffpattersonlaw.com



Jeff Patterson

Retail Champions nominations due to nrf.com/retailchampions by Friday, May 15

Submissions are due May 15 to be considered as one of America's Retail Champions, an awards and reception program honoring Main Street retailers during the National Retail Federation's 2015 Retail Advocates Summit, which will be July 28-29 in Washington, D.C. The program offers up to 50 small U.S. retailers a complimentary trip to Washington and

a unique opportunity to share their retail story face-to-face with members of Congress. Five nominees will be chosen as finalists and one will be recognized as America's Retail Champion of the Year. The eligibility requirements are:

- Must be an independent owner/operator of a retail business.
- Retail business must be under \$27 million in annual revenue.

- Must be willing to advocate for retail at the federal, state or local levels.

Wogan Badcock III, executive vice president of government affairs for **Badcock Home Furniture & More** and an Alabama Retail Association board member, was one of the five finalists for the 2014 America's Retail Champion award.

Alabama economy grows; more jobs; tax reform not likely

Once again, the Center for Business and Economic Research at the University of Alabama expects modest growth in Alabama's economy. The projected economic expansion in 2015 is 2.5 percent, about the same level of growth our state has seen for the past four years.

ALABAMA ADDING JOBS

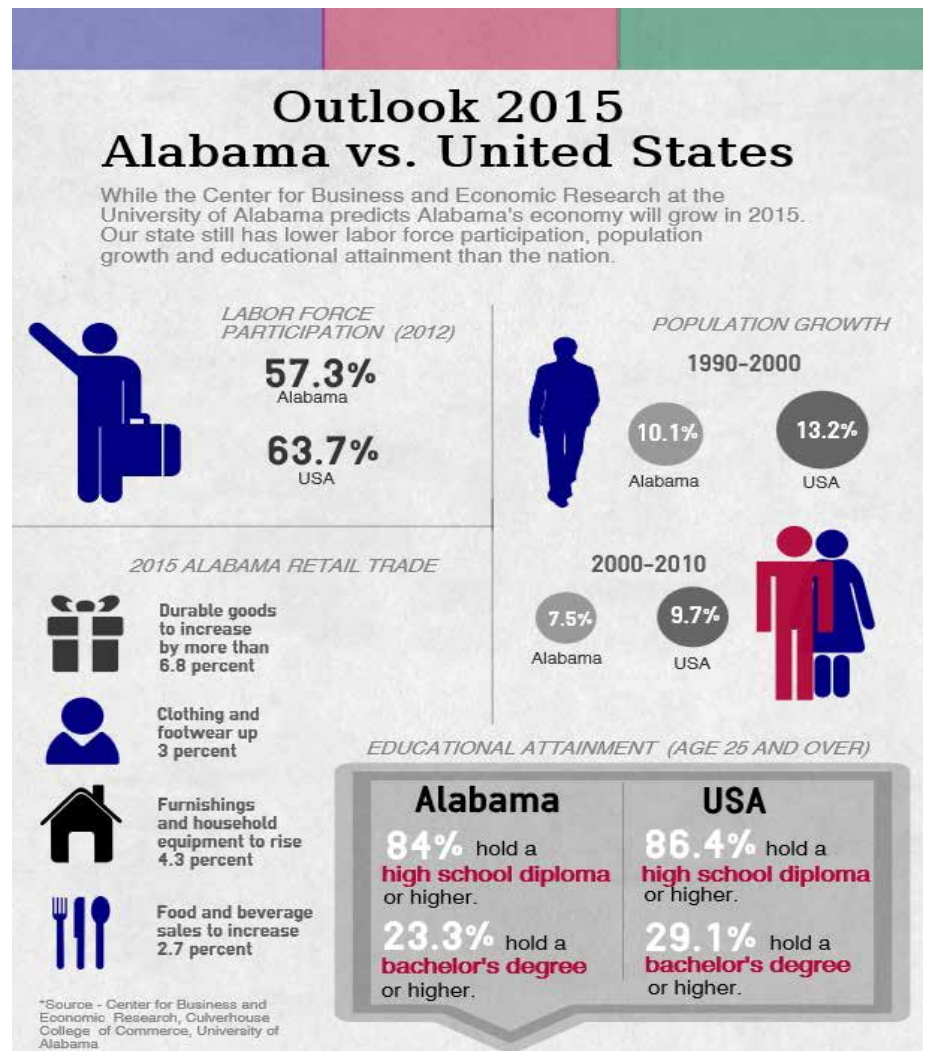
The best news out of the center's 2015 forecast is job growth. Alabama more than doubled its job growth in 2014, adding 33,700 new jobs between November 2013 and November 2014, according to the Alabama Department of Labor. Ahmad Ijaz, the center's director of economic forecasting, said that level of jobs means our state is growing. In a growing economy, Alabama should generate 30,000 to 40,000 new jobs annually, Ijaz told participants at the Alabama Economic Outlook Conference 2015 in Montgomery. The center predicts 1.5 percent employment growth for 2015.

As of February, 2,016,508 Alabamians report having jobs. Our economy supported more jobs in February than it has during the same period since 2008, according to the Alabama Department of Labor, bringing the number of employed in our state back to pre-recession levels and continuing a 15-month downward trend in the number of unemployed in our state.

The U.S. economy gained just 126,000 jobs in March, however, the weakest growth since December 2013.

Some federal economists blame the less-than-expected growth of the national job market at least partially on an unusually cold winter. 2015 saw the 10th coldest February on record for Alabama. Still February sales in Alabama dipped only slightly from last February's high-water mark, basically maintaining level sales for the month (See Holiday Sales story, page 7).

Job growth had not reached retail in 2014 with a loss of 1,300 in Alabama's retail sector last year (November to



November). The bright spots in retail employment in 2014 (October to October) were motor vehicle and parts dealers who added 1,600 jobs and food and beverage stores, which increased their payroll by 600, according to the center's research.

Retail trade nationwide added 26,000 jobs in March. Retail jobs in Alabama's March report (February jobs) were down slightly from January, but still represented 3,900 more retail jobs than were filled here in February 2014. Accommodations and food service jobs grew by almost 3,000 in February over January and by 7,000 over last February.

David Altig, executive vice president and director of research for the Federal



David Altig

Reserve Bank of Atlanta, predicted during the January conference that nationally, "we will reach normal in U.S. labor markets" in 2015 and 2016.

CONFIDENCE

In the first quarter of 2015, Alabama's business confidence level reached its highest point since the third quarter of 2006, according to the Alabama Business Confidence Index™. Meanwhile, a national index found that U.S. consumers are more confident than they've been since 2004. Still, retailers didn't expect

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Record December yields more than double projected holiday sales growth for Alabama

Alabama more than doubled its projected sales growth for the 2014 holiday buying season, thanks to record sales in December.

Taxed holiday sales in our state exceeded \$10 billion in November and December, a jump of 5 percent over 2013 holiday sales. The Alabama Retail Association had predicted only a 2 percent growth in holiday sales based on the sales performance during the rest of 2014.

According to the National Retail Federation, holiday sales nationwide grew 4 percent. Alabama's 5 percent increase in holiday sales in 2014 surpassed the national growth rate.

In Alabama, an estimated \$508 million more was spent during the 2014 holiday season than in 2013 and \$17 million more in state sales taxes were collected compared with the same two months (November and December) in the previous year.

A stronger than expected December accounted for the enhanced growth. Alabama had its best December and best month on record in terms of sales taxes collected. More than \$191 million in sales taxes were collected in December,



a 7.38 percent growth over December of 2013, according to the Alabama Department of Revenue's January abstract. The January abstract represents December sales. The Alabama Department of Revenue puts December sales in Alabama at \$5.3 billion, an exceptionally strong end of the year for retail sales.

The strong sales growth carried over to January with 9.48 percent sales growth recorded that month, making it the best January since 2006. April 2008 was the last time Alabama recorded a

sales growth rate of more than 9 percent.

February sales in Alabama were basically flat.

The Revenue Department's sales tax numbers include taxes collected on manufacturing and farming machinery, automobiles, vending products and all other retail products that are taxed.

The original version of this story appeared Feb. 10 on alabamaretail.org. Visit your association website regularly to get the latest retail news.

Economy grows; tax reform unlikely in Alabama

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an increase in profits or a pickup in hiring in the first quarter, according to the Alabama index.

To register to be a survey panelist for the Alabama Business Confidence Index, go to <http://cber.cba.ua.edu/abci/register.php>

TAXES AND TAX REFORM

Alabama is most comfortable taxing transactions, Ira Harvey, executive assistant to the vice president for financial affairs at the University of Alabama, told conference participants as the discussion shifted from the economy to the related subject of taxes.

Harvey said the Alabama Legislature can reallocate 45 percent of state's sales and use tax to other uses, but added, "we may have run out of our ability

to add or adjust transaction taxes."

Samuel Addy, director of the Center of Business and Economic Research, had more pointed comments. "Our tax structure is not sufficient, efficient or fair," he said. "At some point, we have to solve the problem."

Alabama is dead last in the nation in all taxes per capita and property taxes per capita, said Harvey. Meanwhile, Addy said, "we've seen tremendous improvement in per capita income in Alabama, but we've stagnated over the past three decades."

Still, Harvey predicted Alabama will not be able to deal with tax reform "in my lifetime or yours."

"Is tax reform on the horizon?"

"I doubt it," he said "because if you resort to your current revenue stream to apply the tax to a different base at a different rate there are always winners and losers, and no one wants to lose."



Ira Harvey

The Center for Business and Economic Research expects tax receipts in Alabama to grow 3.5 percent in 2015.

The original version of this story appeared Jan. 20 on alabamaretail.org. Visit your association website regularly to get the latest retail news.

Deadline is Oct. 1 to be able to Liability for fraud shifts to who

To learn more, go to: emv-connection.com/emv-101-fundamentals-of-emv-chip-payments/

The major credit card issuers want every single point-of-sale terminal in the United States, from credit card machines to gas pumps, replaced or upgraded over the next two years. Retailers and other businesses that don't comply face liability for any resulting fraudulent payment transactions.

The conversion cost for retailers: Estimates range from \$7 billion to as much as \$30 billion. New card terminals can cost from \$250 to \$1,000 or more. Besides money, the switch will take time. Once new hardware and software have been installed, getting systems certified may take three to four months.

The change will be most expensive for merchants who haven't upgraded their point-of-sale system in 15 years or longer.

THE DEADLINE

Because of rules from the card issuers, not legislation, liability for credit/debit card fraud shifts Oct. 1 from the card issuers to retailers and other businesses accepting credit cards if those businesses have not adopted payment terminals that accept cards using Europay, MasterCard and Visa (EMV) chip technology. Automated fuel dispensers have until 2017 to make the shift to EMV.

In 2012, Visa, MasterCard, American Express and Discover set the Oct. 1, 2015, deadline for the switch to chip-enabled cards and the subsequent shift in fraud liability to whichever entity uses the least secure technology. Several business groups have sought an extension of that deadline, but the card issuers have not backed off the deadline set three years ago.

Doubts abound if card issuers and retailers will be ready when Oct. 1 comes. The American Bankers Association expects half of the banks and retailers to have completed the transition by the deadline. Javelin Strategy & Research estimates banks will replace only 23 percent of debit and credit cards by the end of 2015, which means many cards won't be upgraded until 2016 or 2017. The Payments Security Task Force, a payment-industry group, also estimates that roughly half of U.S. merchant terminals will be ready to accept the new chip cards by the end of 2015, representing 80 percent of U.S. purchases.

Retailers who don't expect to be immediately compliant still

need to plan their EMV implementation today, if only to begin the education process.

The major card issuers are offering relief from some of the financial burdens. VISA offers merchants who make the conversion an incentive package, while American Express offers each small business \$100 towards the upgrade.

HOW IT WORKS

Instead of swiping a card, the consumer 'dips' a chip card and leaves it in the reader throughout the authorization process. The embedded computer chips make credit and debit cards far more difficult to clone. Unlike magnetic-stripe cards, every time an EMV card is used for payment, the card chip creates a unique transaction code that cannot be used again. Counterfeit cards only account for only about 37 percent of credit card fraud, however, and the new technology will not stop other kinds of hacking and cyber attacks. Analysts predict that credit card fraud at brick-and-mortar retailers will fall after the introduction of chip-enabled cards, but that online fraud will rise, as has happened in other countries using the technology.

To complete a chip-based transaction using an EMV card, the retailer must have installed a card reader that can read the data contained on a card's chip. A retailer may also offer a contactless card reader, which allows customers to simply tap their chip-embedded cards in order to make a payment.

Chip-only cards will still require a signature as well to complete the transaction. If the card is a chip-and-PIN, which is much more secure, a customer will enter his or her secure personal identification number, or PIN.

Most U.S. banks and card companies have chosen not to issue PINs with the new credit cards, an additional security measure that would render stolen or lost cards virtually useless when making in-person purchases at a retail outlet. Instead, the banks will stick with the present system of requiring signatures. The United States is one of the few developed countries that have not embraced chip-and-PIN technology. Retailers like chip-and-PIN transactions because they are cheaper. Shops pay larger fees whenever a customer signs for a

WHAT CAN BE DONE TO PROTECT YOUR CUSTOMERS' PERSONAL DATA

Proper security relies on the layering of security controls, said Josh VanDyke, information technology manager with InfoTech Solutions and leader of the April 22 Retail University webinar **Data Security: What Every Retailer Must Know and Do**.

Every organization should implement the top four controls and add others to improve your security posture, he said. These top four will keep out 85 percent of attacks:

- **Application whitelisting on point-of-sales terminals vs. blacklisting:** The only programs or applications that should be allowed to execute are the ones necessary to operate. Everything is considered bad except what the business authorizes.
- **Patch your applications and your operating systems.** Keep them up to date.
- **Remove administrative rights.**

Restrict administrative rights to a business need or function.

• **Do not allow e-mail or web surfing on the point of sale computer.** Point of sale servers shouldn't even have a monitor. No day-to-day activity should be conducted on it.

The video of VanDyke's full presentation is available by e-mailing Nancy Dennis at ndennis@alabamaretail.org.

accept chip-enabled cards; merchant is least EMV compliant

transaction and smaller fees when a customer uses a PIN.

About 40 percent of major banks are or will support PIN capabilities. In addition to all major retailers accepting signature-based cards, 65 percent plan to accept chip-and-PIN cards as well, according to CardHub, a credit card search tool.

The new chip cards also contain the old-fashioned magnetic stripe to accommodate merchants who don't have the new technology.

WHO IS LIABLE?

Under the new system, if a retailer accepts a chip card but doesn't have a chip reader, the bank will no longer bear responsibility for fraud if the card is counterfeit, shifting the burden to the retailer. If neither or both parties have implemented chip technology, the liability stays the same as it is today.

VISA will continue to maintain liability for lost or stolen cards, but the other major issuers will shift the liability for lost or stolen cards to the merchant if the merchant's technology doesn't match theirs (see lost/stolen card fraud chart at right).

WHO BEARS LOSSES NOW

A 2013 study by the Federal Reserve on debit card fraud losses found that cyber security fraud losses are relatively evenly divided among merchants and card issuers. When fraud occurs in the area of credit-card purchases online, over the phone or by mail order, the merchant pays, not the card company. After refunding the cardholder's money, credit-card companies turn around and charge the retailers for the loss. The merchants are also often charged additional fees, from \$10 to \$100 per transaction. Financial institutions are also compensated for fraud through interchange "swipe fees," which merchants pay per swipe of a credit or debit card and total approximately \$48 billion annually.











WILL CARDS GO AWAY?

Retailers and security experts say it would make more sense for the United States to jump instead to a more secure system, such as point-to-point encryption. This technology goes farther than chip-and-PIN, which first was deployed about 20 years ago, because it scrambles data to make it unreadable from the moment a transaction starts. But the newer technology costs as much as twice what the chip card transition will cost.

Another solution being touted is to move away from static card numbers that can be stolen and replace them with one-time-use "tokens" that change every time you shop, like Apple Pay and Samsung Pay. Issues have surfaced, however, with how the tokenization system interfaces with banks. Even Apple stores have seen fraud related to that interface.

The Payment Card Industry Security Standards Council released a set of guidelines for tokenization the first week in April.

Still, banks may be moving away from the plastic card completely. "What we want to do is get rid of static numbers all together."

Counterfeit Card Fraud Liability Examples ¹						
Current		Mag stripe card	+		Mag stripe terminal	= Issuer liable
Oct-2015 ² & Beyond		Mag stripe card	+		Mag stripe terminal	= Issuer liable
		Mag stripe card	+		Chip ³ terminal	= Issuer liable
		Chip ³ card	+		Mag stripe terminal	= Merchant liable
		Chip ³ card	+		Chip ³ terminal	= Issuer liable

¹Same applies for all brands ²Oct-2017 for AFD ³With or without PIN capabilities
This graphic is in relation to shifts for chip only and does not reflect any other changes to how disputes work today
Graphic courtesy of Heartland Payment Systems

Lost/Stolen Card Fraud Liability Examples: American Express, Discover & MasterCard ¹						
Current		Mag stripe card	+		Mag stripe terminal	= Issuer liable
Oct-2015 & Beyond		Mag stripe card	+		Mag stripe terminal	= Issuer liable
		Mag stripe card	+		Chip terminal	= Issuer liable
		Chip & PIN card	+		Mag stripe terminal	= Merchant liable
		Chip & Sig card	+		Mag stripe terminal	= Issuer liable
		Chip & Sig card	+		Chip & PIN terminal	= Issuer liable
		Chip & PIN card	+		Chip & Sig terminal	= Merchant liable
		Chip & PIN card	+		Chip & PIN terminal	= Issuer liable

¹ Attended Environments
This graphic is in relation to shifts for chip only and does not reflect any other changes to how disputes work today
Graphic courtesy of Heartland Payment Systems

There is no change to VISA's policies for lost and stolen card fraud liability with EMV after October of 2015.

Those are the things that make us vulnerable," Doug Johnson of the American Bankers Association has said.

SOURCES: EMV Migration Forum, National Retail Federation, Retail Industry Leaders Association, Wall Street Journal, Fortune, CNN Money.

CHANCE TO LEARN MORE

Discussion of the EMV conversion will be part of a free **June 10** webinar about **Changing Consumer Purchase Patterns**. The webinar is part of Retail University, a series of free webinars brought to you by Alabama Retail and the Council of State Retail Associations. See the story on Page 3 of this newsletter for more details or go to the calendar under Events at alabamaretail.org.

Tax proposals abound this session

continued from page 1

will pass in the allotted 30 days, but he couldn't predict if the governor would be satisfied with what the Legislature sends him. At least one of the budget committee chairmen says he expects to be working through the summer on the General Fund.

REVENUE OPTIONS

The revenue options the governor has put on the table include:

- Mandatory unitary combined reporting of corporate income tax, a taxing scheme that no other Southeastern state has adopted and one that would greatly hinder the state's ability to attract new business. **The Alabama Retail Association and the Business Associations' Tax Coalition, a coalition of the major business groups in the state, oppose combined reporting.**
- A cigarette tax of \$1.25 per pack as well as a proportional increase in taxes on other tobacco products.
- Increasing the rate of vehicle sales tax from 2 percent to 4 percent. Legislation introduced so far would raise the vehicle sales tax to 3 percent, 1 percent shy of the governor's goal.
- Increasing the automobile rental tax from 1.5 percent to 4 percent.
- Eliminate income tax withholding exemption certificates. Currently, an employer is not required to withhold income taxes from an employee's wages if that employee has an exemption certificate that says he or she had no income tax liability in the preceding tax year and anticipates not having a tax liability in the current year.

Discussed by the governor before the session and introduced as part of the Democratic Party's agenda for this session is legislation that would end or cap the deduction of federal income taxes from state income tax liability.

Elimination of the federal income taxes paid deduction is also included in a Republican proposal to switch to a flat income tax rate.

Not in the governor's plan: raising property taxes and creating a statewide



lottery. The House Democratic Caucus, however, has introduced legislation creating a state lottery and the House Ways and Means General Fund Committee chairman, who is a Republican, has signed on as a cosponsor.

Despite the clamor for new revenue streams, the Pew Charitable Trusts ranks Alabama among the states with the most stable revenue streams over the past 18 years. Tax collections from fiscal year 1995 to 2013 fluctuated by an average of 4.6 percent from the average during that period. Alabama had a more stable tax stream than all but 16 states.

WHAT THE NEEDS ARE

Gov. Robert Bentley says the state has \$702 million more in short- and long-range needs, which need to be filled to shore up the state's General Fund. Here is the governor's breakdown:

- \$265 million in one-time revenue in the current budget year that won't be available in 2016.
- A \$115 million increase sought by Medicaid for fiscal 2016.
- \$40 million in prison needs.
- \$32 million annually to repay money borrowed from the Alabama Trust Fund.
- \$187 million in costs paid for by the Education Trust Fund that should be paid from the General Fund.
- \$63 million taken from the state's road and bridge funds that needs to go back to those funds.

Meanwhile, legislative leaders floated

a draft bare-bones General Fund budget that would cut state agencies overall by at least 11.5 percent and could be as high as 16 percent.

LEGISLATIVE LEADERSHIP

The leadership in the Alabama House of Representatives for the newly elected body remains the same as the last quadrennium: House Speaker Mike Hubbard, Speaker Pro Tem Victor Gaston, Majority Leader Micky Hammon and Minority Leader Craig Ford.

Sen. Del Marsh, R-Anniston, remains as president pro tem in the Senate, but both the majority and minority leaders are new. Sen. Greg Reed, R-Jasper, is the majority leader; while Sen. Quinton T. Ross Jr., D-Montgomery, is the minority leader. Former Majority Leader Sen. Jabo Waggoner, R-Vestavia Hills, remains as the Senate Rules Committee chairman.

Republicans hold 72 of 105 seats in the House, six more than they did in the previous term; while the GOP claims 26 seats in the 35-member Senate, three more than they did before the November election.

While the Alabama Legislature meets, your Alabama Retail Association provides a weekly summary of legislative action related to retailers. You should be receiving the Capitol Retail Report each Friday via e-mail. If you are an Alabama Retail member who is not already on our e-mail distribution list and would like to receive the Capitol Retail Report, send your e-mail to ndennis@alabamaretail.org.

Alabama Retail recognizes specialists and examiners for efforts to fight driver license fraud

Learn more in [Driver License Awards](#) under [Awards](#) in the [Association](#) section of [alabamaretail.org](#)



PHOTO PROVIDED BY THE ALABAMA LAW ENFORCEMENT AGENCY

From left, Alabama Retail Association President Rick Brown; Maj. Deena Pregno, chief of Citizen Services for the Driver License Unit; Alabama Department of Public Safety Col. John E. Richardson; 2014 Examiner of the Year Patricia South; Information Bureau Director Kevin Wright; 2014 Specialist of the Year Denise Allison; Capt. John Malone, Region D Commander; and Alabama Retail Association Chairman George Wilder.

Alabamians filed the 22nd highest number of identity theft complaints in the nation (77.7 cases per 100,000 residents) in 2014, according to the Federal Trade Commission. The Phenix City, Ala./Columbus, Ga., Dothan and Montgomery metro areas all ranked in the top 50 for identity theft. Identification fraud is one of the leading forms of fraud, which cost U.S. consumers \$16 billion in 2014, based on Javelin Strategy & Research's 2015 Identity Fraud Survey Report. Law Enforcement Agency driver license examiners and specialists work diligently on the frontline every day to protect entities and individuals from this pervasive form of fraud.

Partnering with the Alabama Law Enforcement Agency, the Alabama Retail Association recognizes those within the Driver License Unit who excel at recognizing fraudulent activity and go the extra mile to fight deceptive criminals and prevent fraud. ALEA and Alabama Retail presented annual and quarterly awards during a ceremony Feb. 24 in Montgomery. The partnership between ALEA and Alabama Retail saves thousands of lost retail dollars by preventing individuals from obtaining false identities, or stealing an individual's identity and using that identification to obtain checking and credit accounts for unlawful purposes.

Top Alabama Metros for Identity Theft

Phenix City, Ala./ Columbus, Ga.

- 22nd in the nation
- 127.6 complaints for every 100,000 residents

Montgomery

- 34th in the nation
- 113.8 complaints for every 100,000 residents

Dothan

- 35th in the nation
- 113.1 complaints for every 100,000 residents

2014 WINNERS

In determining the award recipients, a point system is used, with points allocated for each arrest. The more serious the offense, the more points awarded.

In 2014, **Driver License Specialist Denise Allison** of Mobile earned 550 points claiming the **Specialist of the Year** award as a first-time winner. **Examiner I Patricia South** of Cullman earned 145 points to become a first-time **Examiner of the Year**.

"The driver license has become the primary ID across the nation." said Col. John E. Richardson, director of the Alabama Department of Public Safety. *"Alabama takes seriously the security of each and every driver license and the integrity of the licensing system."*

THE RESULTS

Arrests initiated by the Driver License Division have increased 207 percent since the inception of the annual awards in 2000 and cover a wide range of charges, including failure to appear, felony fraud, forgery, robbery, larceny, child neglect, rape, parole violations, firearms violations and even making terrorist threats. In 2014 the Driver License Division was responsible for 570 felony (including 10 Immigration and Customs Enforcement arrests) and 2,361 misdemeanor arrests. The Driver License Unit also recovered 26 missing persons in 2014.

QUARTERLY WINNERS

4th QUARTER

- Specialist: Allison, 85 points
- Examiner I Cary Tatum of Montgomery, 65 points

3rd QUARTER

- Specialist Cynthia Ash of Birmingham, 165 points
- Examiner I Krystinia Chapman of Birmingham, 67 points

2nd QUARTER

- Specialist: Allison, 266 points
- Examiner I Sara Walton of Mobile, 100 points

1st QUARTER

- Specialist: Ash, 176 points
- Examiner I Elizabeth Ferguson of Birmingham, 69 points

NEW MEMBERS

WELCOME TO ALABAMA RETAIL

Alabama Cattlemen's Association	Montgomery	Florence Pharmacy Inc.	Florence	Renfroe BBQ LLC	Troy
Allergy, Asthma and Clinical Immunology Specialists P.C.	Huntsville	Fresh Food Restaurants Inc.	Huntsville	Retina Specialists of Alabama in Montgomery LLC	Montgomery
American Interactive Marketing LLC	Birmingham	Goodwin Animal Hospital	Pike Road	Retina Specialists of Alabama LLC	Birmingham
Amour Boutique Inc.	Troy	Gut Saug LLC	Gadsden	RJ Lodging LLC	Birmingham
AR & Z Inc.	Huntsville	Hacienda Mexican Grill of Gardendale LLC	Gardendale	Robert P. Bear Properties LLC	Montgomery
Avalon Medical Center P.C.	Muscle Shoals	Harrison Hardware LLC	Greensboro	Romeo's Sporting Goods	Birmingham
B and D Pharmacy Management Inc.	Montgomery	Hillcrest Urgent Care of Alabama	Mobile	Rondale Overstreet Cosmetology Kinetics LLC	Fairhope
BankSouth	Dothan	Hiral N Inc.	Birmingham	Roshni LLC	Hamilton
Barnett Tax Service Inc.	Cullman	Hue Studio Inc.	Montgomery	Rousseau Family Dentistry P.C.	Madison
Best Tire & Auto LLC	Auburn	Hust, Summerford & Williamson LLC	Tuscaloosa	Royal Furniture Co.	Memphis
BHMR Holdings LLC	Birmingham	Indian Hills Country Club	Tuscaloosa	Shirts and More LLC	Demopolis
Big Sky Four LLC	Montgomery	Ingram Collision Center Inc.	Huntsville	Shoals Gastroenterology LLC	Sheffield
Blue Rain Express Car Wash LLC	Pelham	Iron Tribe Franchise LLC	Birmingham	Shree Om Sai LLC	Oxford
Butler Enterprises LLC	Florence	ITF LLC	Birmingham	Southeast Clinical Laboratories LLC	Birmingham
C & M Food Distributing Inc.	Birmingham	Jay & Vivek Corp.	Mobile	Southern Veterinary Partners LLC	Pelham
C&T Family Creations LLC	Slocomb	JMD LLC	McCalla	Subway No 34735 Inc.	Madison
Care Direct RX LLC	Madison	JR Vance Inc.	Huntsville	Swain LLC	Brewton
Chad's Payless Pharmacy Inc.	Florence	KAICO Enterprises Inc.	Decatur	SZA LLC	Northport
Clanton Kountry Kitchen Inc.	Clanton	Kaylen LLC	Mobile	Telegraph Branding LLC	Birmingham
Clayton-Bailey Automotive LLC	Calera	Kirk Funeral Homes - Demopolis Chapel LLC	Demopolis	The Biscuit Express	Meridianville
Coal Yard Entertainment LLC	Helena	Langley Performance Inc.	Anniston	The Levee Inc.	Northport
Commonwealth National Bank	Mobile	LeCroy's Family Restaurant	Union Grove	The Martin Law Group LLC	Tuscaloosa
Cupcakes by Tish LLC	Montgomery	Maddox Enterprises Inc.	Jasper	The Mustard Seed LLC	Demopolis
Deborah Stone Ventures	Mountain Brook	Magic Wok Inc.	Calera	Tin Roof Restaurant LLC	Woodstock
Del Mar Dental Care PC	Enterprise	Marilia P. Tate DMD P.C.	Hoover	Total Kitchen Solutions LLC	Tuscaloosa
Dermatology Associates PA	Huntsville	McAnnally Tax Service Inc.	Gardendale	TranSafety Services Inc.	Daphne
Dickey's Barbecue in Hillcrest Inc.	Tuscaloosa	Mizu Japanese Steak House Inc.	Alabaster	Truly Cigars of Alabama Inc.	Florence
Dothan Surgery Center LLC	Dothan	Mobile Vascular Labs LLC	Mobile	Tubby's Tees Inc.	Fairhope
Dr. Clark Gaines DVM	Bessemer	Moore Fasteners and More Inc.	Elberta	Two Fish Feasts LLC	Anniston
Dysautonomia-MVP Center	Birmingham	New Leaf Consignment Galleries LLC	Auburn	U. S. Diagnostics Inc.	Huntsville
East Alabama Family Practice P.C.	Opelika	Papa's Place Inc.	Daphne	Uptown Cleaners Inc.	Vestavia
Eat Fresh Inc.	Huntsville	Pepito's Grill Inc.	Tuscaloosa	Urban Home Market LLC	Birmingham
El Mexicano of Daphne Inc.	Daphne	Permanent Career Solutions Inc.	Huntsville	Van Der Giessen Nursery Inc.	Wilmer
Ellis Ag LLC	Centre	Poinciana Holdings LLC	Mobile	W&A Larkin Inc.	York
F.T. Got Three LLC	Foley	Pristine LLC	Birmingham	Whillard's BBQ & Grill LLC	Marion
Family Medicine Specialists LLC	Fairhope	R & Z Inc.	Huntsville	Witt L.L.C.	Decatur
Firehouse Bar Inc.	Mobile	Raintree Health Systems LLC	Demopolis	Yellowhammer Brewing LLC	Huntsville
		Renaissance Style LLC	Huntsville		

MEMBER NEWS

AWARDS/HONORS

Ollie Irene owner is 2015 James Beard semifinalist

Chris Newsome, owner of Mountain Brook's **Ollie Irene**, is a James Beard Award semifinalist. A semifinalist in the "Best Chef: South" category, Newsome is continuing a family cooking tradition at Ollie Irene. Named after his grandmother, the restaurant specializes in handcrafted food made from scratch by fresh ingredients sourced locally, regionally and seasonally. In 2012, Ollie Irene was a semifinalist for the country's best new restaurant. Newsome was to receive his award May 4 at the Lyric Opera of Chicago. Ollie Irene has been an **Alabama Retail member since 2011**.

WEBSITE: ollieirene.com

Shane Spiller receives Retailer of the Year and Service awards

The North American Home Furnishings Association recently named **Shane Spiller**, president of **Spiller Furniture** as the 2015 Retailer of the Year in the \$10 million or more sales volume category. Spiller also recently received one of six Distinguished Service Awards given by

the Chamber of Commerce of West Alabama. The chamber award recognizes service and leadership. Spiller Furniture & Mattress is a family-owned discount furniture, appliance and electronics business with 11 locations in Alabama and two Mississippi stores. In 2000, board chairman Mike Spiller was recognized by Alabama Retail as a bronze Retailer of the Year in the Annual Sales More than \$5 Million category. Spiller Furniture has been an **Alabama Retail member since 1994**.

Shane Spiller

WEBSITE: spillerfurniture.com

Birmingham restaurateur among "Top 40 Under 40"

The *Birmingham Business Journal* named **Will Haver**, president of Wilco Hospitality LLC, to its Top 40 Under 40 list. Haver directs several restaurants. One of his unique concepts is **Taco Mama**, a taco bar renowned for its atmosphere and fresh eats. Taco Mama started in Mountain Brook and has expanded to Tuscaloosa and Huntsville. Taco Mama in Huntsville has been an **Alabama Retail member since 2014**.

WEBSITE: tacomamaonline.com

Western - Rocky Ridge wins national award

Progressive Grocer honored **Western Markets - Rocky Ridge** with its 2015 Outstanding Independent "Wow Factor" award for its recent remodel. The store was chosen from more than 100 nationwide grocers. Western was recognized Feb. 3 at the NGA Show in Las Vegas and was featured in the February issue of *Progressive Grocer Independent*.

Western Markets has been an **Alabama Retail member since 1989**.

WEBSITE: westernsupermarkets.com

COMMUNITY INVOLVEMENT/ PHILANTHROPY

Western customers give thousands to feed homeless

Western Markets customers gave \$12,659 during the months of November and December through the grocers' Scan-A-Meal program to help feed the homeless through the Jimmie Hale Mission. During the final two months of 2014, Western cashiers asked customers if they would like to contribute \$1.95 to provide a meal for the homeless. Since 2001, Western customers have contributed more than \$159,000 to this cause. Western has been an **Alabama Retail member since 1989**.

IN MEMORIAM

Green Top Bar-B-Q loses matriarch

The matriarch of **Leo and Susie's Famous Green Top Bar-B-Q**, **Mary Lee "Susie" Headrick**, passed away Jan. 4. She was 92. In 1973, Headrick along with her late husband, Leo, bought Green Top, which originally opened in 1951. Known for the Headricks' impromptu singing and dancing, Green Top has shipped barbecue nationwide and worldwide. One of its former employees, C.J. Harris, was an American Idol finalist in 2014. The Dora-based business is now run by Tony Headrick, the third generation to operate the restaurant. The Dora location went smoke-free in March. The Jasper location was to reopen in May. Green Top is listed as a part of the Southern BBQ Trails and has been an **Alabama Retail member since 1991**.

WEBSITE: greentopbbq.com

Robbie's of Fayette founder dies

Robbie Perry, the founder of **Robbie's of Fayette**, a specialty clothing, accessories and footwear store, died Jan. 19 after an extended illness. She was 86. She also was the owner/operator of the Toad Stool for Children, Robbie's Men's Shop and Robbie's Home Furnishings.

In business for almost 60 years, Robbie's of Fayette is now owned and operated by Perry's niece, Donna Matthews Kerr. Robbie's of Fayette has been an **Alabama Retail member since 1995**.

WEBSITE: robbiesoffayette.com

MILESTONES

Mountain Brook kitchen supply store turns 40

The Cook Store in Mountain Brook celebrated its 40th year in business April 1. Sam Franks founded the store in 1975.

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MEMBER NEWS

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Current owner, Wesley Lassen, took over in 1998. The kitchen specialty shop sells functional pottery, kitchen gadgets, cookware, bakeware, knives and other cooking and entertaining specialty items. The Cook Store has been an **Alabama Retail member since 2009**.

WEBSITE: thecookstoremtnbrook.com

Jasper formal and wedding dress shop celebrates 30th

Diane's Formal Affair of Jasper marked 30 years in business March 21 with refreshments and door prizes. Owned by **Diane Cheatham**, Diane's has been providing top-of-the-line bridal gowns and formal dresses since 1985. Diane's is a featured Maggie Sottero Gold Authorized Retailer and has been an **Alabama Retail member since 2002**.

WEBSITE: dianesformalaffair.com

R.W. Harris Store turns 130

The **R.W. Harris Store** in downtown Winfield celebrates its 130th year of business in 2015. Alabama Retail recognized R.W. Harris Store as an Alabama Centennial Retailer in 2011. The store was founded in 1885. Originally built by the R.C. Robertson family, Raymond Harris Sr. purchased the store in 1921 turning it into a thriving business featuring handmade women's hats and other wares. The store remained in the Harris family for more than eight decades until Boyd Pate bought it and gave it its current name in 2005. The current store operates out of its 1911 building. R.W. Harris Store has been an **Alabama Retail Association member since 2012**.

WEBSITE: rwharrisstore.com



STORE OPENINGS/RENOVATIONS

Athens BBQ 306 buys Greenbrier: Opens 2nd store

On April 16, **Whitney Skipworth, Lee Noah and Justin Burgreen**, owners of **306 BBQ** in Athens, acquired Greenbrier Bar-B-Que in Madison, which closed in 2013 due to a fire. The owners plan to open a second 306 BBQ in July at the Greenbrier location. The new restaurant will seat about 400. The Athens 306 seats 160. 306 BBQ has been an **Alabama Retail member since 2011**.

WEBSITE: 306bbq.com

30th Chicken Salad Chick opens, named Breakout Brand

2015 is shaping up to be a big year for **Chicken Salad Chick**. What started out as a home-kitchen operation reached a milestone Feb. 10, by opening its 30th store on Auburn University's campus. Auburn also is home to the chain's first store. *Nation's Restaurant News* also named the restaurant chain as a Breakout Brand of 2015, the 10 cutting-edge restaurant concepts the industry magazine said are set to redefine food service. The queen of Southern cooking, Paula Deen, has said Chicken Salad Chick is the top spot in the country to try chicken salad. With multiple restaurants in Alabama, Georgia, Florida, South Carolina, North Carolina and Tennessee, Chicken Salad Chick plans to expand to Texas later this year. Chicken Salad Chick has been an **Alabama Retail member since 2013**.

WEBSITE: chickensaladchick.net

Orange Beach restaurateur opens third eatery

Brian Harsany, owner of **Cosmo's** and **Cobalt** in Orange Beach, is opening a third eatery, **Luna's Eat and Drink**, adjacent to **Cosmo's**. Harsany will be adding an event space to the location that can accommodate up to 200. Harsany has been in the restaurant business for more than 30 years. **Cobalt**

and **Cosmo's** have been **Alabama Retail members since 2011**.

WEBSITES: cosmosrestaurantandbar.com; cobaltrestaurant.net

Shelby County café closes doors

Frankie's Market Café in Helena closed April 19. **Frankie and Angie Cacioppo** owned and operated the meat-and-three restaurant and produce market in various locations and formats for 18 years. They gave rising costs and ongoing health issues as reasons for closing. The couple didn't completely rule out future ventures, but for now are retiring. **Frankie's Market Café** had been an **Alabama Retail member since 2004**.

Mountain Brook shop to move

Smith's Variety Toy and Gift Shoppe will be moving to Crestline Village in 2016. The store is currently located on Culver Road. **Smith's** has been in business in Birmingham for more than 65 years. **Smith's Variety Toy & Gift Shoppe** has been an **Alabama Retail Association member since 1995**.



Birmingham furniture retailer opens 14th store

Founded in 1912 in downtown Birmingham, **Standard Furniture** opened a new store in Pell City on April 10. The business, originally founded by **Felix Shevinsky** as a peddler wagon, has been in the **Shevin** family for four generations. The retailer now has 14 Alabama stores and one store in Tennessee. **Standard's** management team was recognized by Alabama Retail with a Silver Retailer of the Year in 2011 and as an Alabama Centennial Retailer in 2012. **Standard Furniture** has been an **Alabama Retail member since 1989**.

WEBSITE: standardfurniture.net

TELL US YOUR NEWS

To submit your news to *Alabama Retail Quarterly*, e-mail ndennis@alabamaretail.org



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NEWS ABOUT STAFF MEMBERS



Audit intern receives award

Kayla Wiginton, an audit intern for Alabama Retail Comp, received Faulkner University's business management award in April. A Tallahassee native, Wiginton completed her coursework in business administration and management in December 2014 at the Montgomery university. At Faulkner, Wiginton was named a "Who's Who Among Students in American Universities" and played on the golf team. She has interned in the audit department for Alabama Retail Comp since February of 2011. After walking in the May graduation ceremony, Wiginton starts in June as a management trainee at G & K Services, a Montgomery-based



uniform rental, purchase and maintenance company.

Association intern to pursue career in political communications

Victoria Webb, a senior public relations student at Auburn University, started working as an intern for the Alabama Retail Association's public relations department in January 2015. At Auburn, Webb has served as the president of the Public Relations Student Society of America/Public Relations Council of Alabama chapter, president of IMPACT



Student Volunteer organization and vice president of standards for Alpha Omicron Pi sorority. Webb previously interned for the

Leadership Institute in Arlington, Va., V3 Media Group in Opelika and the Auburn University College of Education. After graduation in May, Webb will move to Arlington, Va., to pursue a career in political communications.

Auburn student joins association as intern

Taylor Wood, a junior public relations student at Auburn University, joins the Alabama Retail Association's public relations department in May 2015 as an intern. A Mobile native, Wood has previously interned for the Auburn University Women's Resource Center. She is a member of the Student Government Association and previously served as a public relations representative for the Auburn University Athletic Department.

