

BENEFIT FROM THE VALUE.

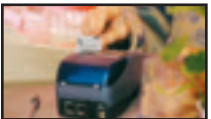
THIS ISSUE INSIDE



— ARA and UAB honored nine Alabama retailers with stores in 14 Alabama cities as “Retailers of the Year” during Retail Day in September. Belk Inc. COO John R. Belk spoke.



— During Retail Day, the Alabama Retail Association honored seven retailers with 100 or more years in business as Alabama Centennial Retailers.



— ARA urges Alabama retailers to truncate credit and debit card numbers and eliminate expiration dates from customer receipts.



— Jo Ellen Jordan, president of ARA member **Cook & Sons Ace Hardware** in Albertville, believes in giving back to the community.



— ARA honored Trooper Darrell Linder as the 2007 Law Enforcement Officer of the Year during the Ninth Annual LEO Awards. Judges chose Linder from among 20 nominated officers from throughout the state.



Put cash in the bank when you order discounted office supplies at www.alabamaretail.org



The Alabama Retail Association has partnered with Data Supplies Inc. and the Association Benefit Group to provide **5 percent to 50 percent savings** on toner and office supplies. This is just the latest **BENEFIT FROM THE VALUE** of ARA membership. You can find our discounted office supplies on the home page of ARA's Web site under *ARA Benefits*.

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Alabama Retail Association elects officers and directors for 2008

At its Nov. 15 annual meeting, the **Alabama Retail Association** elected its officers and board of directors for 2008. The board's term of office began Jan. 1.

The ARA officers for 2008 are:

CHAIRMAN: Darrell Bourne, **Ragland Bros. Retail Cos. Inc.**, owners of Piggly Wiggly and Lucky's Supermarkets, Huntsville;

VICE CHAIRMAN: Jimmy Ray Smith, **Jimmy Smith Jewelers**, Decatur;

PRESIDENT: Rick Brown, Montgomery;

TREASURER: Bob Akers, **Davis Direct Inc.**, Montgomery;

SECRETARY: Virgie Todd, Montgomery.

Bourne, Smith, Akers and Brown serve as the ARA's executive committee along with Immediate Past Chairman Ken Hubbard of **Western Supermarkets** in Birmingham and Dianne Wammack of **Cameras Brookwood** in Birmingham, who is the executive committee designee.

The other 2008 directors for the Alabama Retail Association are:

• Wogan Badcock III, **W. S. Badcock Corp.**, Mulberry, Fla.;

• Chris Birdsong, **Premiere Entertainment, LLC**, Montgomery;

• Frederick W. “Ricky” Bromberg, **Bromberg & Co. Inc.**, Birmingham;

• Bobby Efurd, **Efurd and Sons Inc.**, Cowarts;

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VOLUME 8, NUMBER 1 FIRST QUARTER

PUBLISHER:
RICK BROWN

EDITOR:
NANCY KING DENNIS

2008-2009 **ARA** OFFICERS

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DARRELL BOURNE
Ragland Brothers Retail Co. Inc., Huntsville

VICE CHAIRMAN:
JIMMY RAY SMITH
Jimmy Smith Jewelers, Decatur

PRESIDENT:
RICK BROWN
Montgomery

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TREASURER:
BOB AKERS
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VIRGIE TODD
Montgomery

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Western Supermarkets, Birmingham

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Edgar's Foodland, Inc., Eutaw

BUD SKINNER
Jubilee Seafood, Montgomery

JIMMY SMITH
Jimmy Smith Jewelers, Decatur

WILLIAM "BILL" WAGNER
The Athlete's Foot, Tuscaloosa

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FROM THE PRESIDENT RICK BROWN



Because of a quirk in the calendar, this month has an extra 24 hours.

We have an extra Friday in February to do with as we please.

The next time there will be five Fridays in February will be 2036, so take advantage this year.

You probably have a long list of what you could do if you only had an extra day to do it – spend more time with family, enjoy the great outdoors, take some time off, contact a friend you've lost touch with and generally do as many of those things you just never have time to do.

The Alabama Retail Association has leapt into 2008 in a big way, and our plans are to make the most of the extra 24 hours as well. Our buzz word for 2008 is "more."

More member services, more education opportunities, more time spent getting to know your needs.

Last year, we added discounted office supplies and an employment law resource center to our member service offerings. You can read more about those in this issue of *Alabama Retail Quarterly*. See **pages 1, 4, 7 and 15.**

Stay tuned. We plan to add even more benefits to the value of your membership in '08.

We also plan to add an employee dedicated to helping you take advantage of all the benefits of membership. Before the year is out, we will have a team member dedicated solely to member services.

Other extras in the works for '08 include a manual for dealing with data security issues and a wage and hour/immigration update in May. Check our online calendar

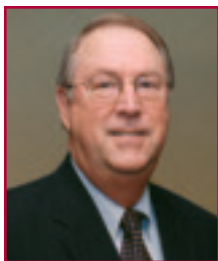
regularly for specifics of upcoming events.

While you are deciding what to do with your extra 24 hours this year, consider:

- ☛ spending a few moments exploring the ARA's revamped Web site, www.alabamaretail.org. There is a lot of information there that could benefit you.
- ☛ having the person in your store or office who orders your office supplies do some comparison shopping at our online discount office supply portal.
- ☛ learning more about legislation that could impact your business by reading our Capitol Retail Report, which begins weekly, Feb. 8.
- ☛ contributing to **RetailPAC**. For the first time in five years, Alabama didn't appear anywhere on the American Tort Reform Association's annual Judicial Hellholes list. The Alabama's Supreme Court and other appellate courts have had a stabilizing effect on our state's tort climate. Help to continue that positive momentum by supporting judicial candidates in 2008, who will continue to rule based on the law.
- ☛ voting in the Feb. 5th presidential primary and encouraging your employees to vote in all the elections slated for this year. See **page 12 for an election calendar.**

Whatever you do with your extra 24 hours in 2008, we at ARA hope it proves profitable and beneficial to you as a retailer in our great state.

Rick Brown:
rbrown@alabamaretail.org



ARA's Executive Committee from left: Chairman Darrell Bourne, Vice Chairman Jimmy Ray Smith, Treasurer Bob Akers, Immediate Past Chairman Ken Hubbard, Executive Committee Designee Dianne Wammack and ARA President Rick Brown.

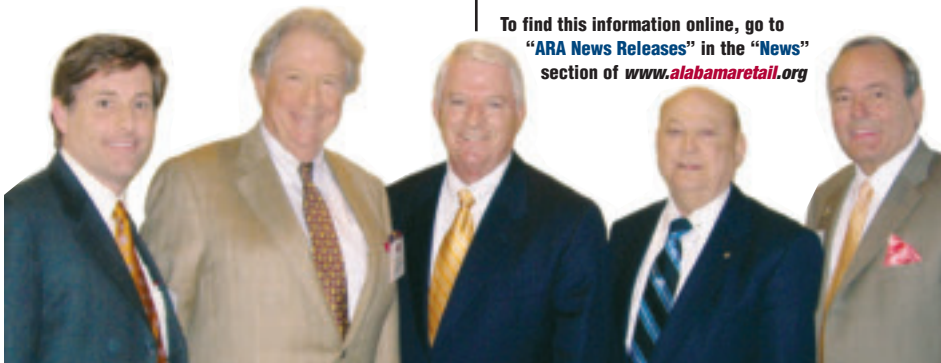
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☛ Don Faith, **Publix Supermarkets Inc.**, Hampton, Ga.;
 ☛ Dale Fanton, **Target Corp.**, Birmingham;
 ☛ Steve Garmany, **Alabama Power Co.**, Birmingham;
 ☛ Morris M. "Mickey" Gee Sr., **The Pants Store**, Leeds;
 ☛ Curry M. "Mike" Herring, **Movie Gallery**, Dothan;
 ☛ Bill Long, **JCPenney Co.**, Jasper;
 ☛ D.W. "Dee" Moody, **Moody True Value Hardware Co.**, Montgomery;
 ☛ Jeff Parker, **Super Sav Inc.**, Dadeville;
 ☛ Melissa Parker-Paul, **Yancy Parker Lifestyles Inc.**, Enterprise;
 ☛ Irvine Porter, **CVS Pharmacy**, Bessemer;
 ☛ Robert A. Robicheaux, **University of Alabama at Birmingham**, Birmingham;
 ☛ Tammy Rogers, **Rite-Aid**, Lillian;
 ☛ Fred Roth, **Best Buy Co. Inc.**, Alabaster;
 ☛ Ross Ryals, **Collegiate Bookstores Inc.**, Montgomery;

☛ Dennis Stewart, **Piggly Wiggly Alabama Distributing Co. Inc.**, Bessemer;
 ☛ Jack A. Taylor, **Birmingham-Southern College**, Birmingham;
 ☛ Gerry Totoritis, **Associated Grocers of the South**, Birmingham;
 ☛ Bill Wagner, **The Athlete's Foot**, Tuscaloosa;
 ☛ George Wilder, **The Locker Room**, Montgomery; and
 ☛ John M. Wilson, **Big Bear of Luverne Inc.**, Luverne.

The director emeritus is Morris Mayer with the **University of Alabama** in Tuscaloosa. Ex-officio directors, who include past presidents and chairmen, are: Rodney Barstein, **Simply Fashion Stores**, Birmingham; Jerry Beasley, **Beasley Honda, Yamaha, Kawasaki**, Ozark; O.H. Delchamps Jr., Mobile; Peter V. "Greg" Gregerson Jr., **Gregerson's Foods**, Gadsden; Claude "Bud" Kitchin IV, **Retail Solutions Group**, Lincoln; Bobby Little, **Rite Aid**, Tuscaloosa; and Charles Parker of Dadeville.

To find this information online, go to "ARA News Releases" in the "News" section of www.alabamaretail.org



Former ARA presidents at recent board meeting. From left Rodney Barstein, 2000-2001; Jim Rotenstreich, 1992-1993, currently ARC Chairman; Ken Hubbard, 2006-2007; Jimmy Smith, 1996-1997, currently ARC trustee; Greg Gregerson, 1998-1999.

Moody Hardware president ARA's newest director

D.W. Moody III, president of **D.W. Moody True Value Hardware** in Montgomery, begins his first term as a member of the Alabama Retail Association board of directors on Jan. 1. Moody Hardware has been an ARA member since 1981.

The newest member of the 38-member ARA board of directors joined the family business in 1976 as a sales associate. After graduating from the Birmingham Southern College with a degree in accounting and business administration and working in the banking industry, Moody became president of D.W. Moody Hardware in 1995.

D.W. Moody True Value Hardware has been offering household, home maintenance and lawn and garden products to the Montgomery area since its founding in 1949 by Moody's father, D.W. Moody Jr. Twenty-two people are currently employed at the two Capital City locations of Moody Hardware.

To find this information online, go to "ARA News Releases" in the "News" section of www.alabamaretail.org

Submit BULLETIN BOARD contributions to:

MAIL

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 P.O. Box 240669
 Montgomery, AL 36124-0669

FAX

(334) 262-3991

E-MAIL

ndennis@alabamaretail.org

Save BIG on toner and supplies at the ARA Web site

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On the front page of this newsletter, Rick Burley, president of **ASK Telemarketing** in Montgomery, is pictured accepting \$1,000 from ARA President Rick Brown, for being among the first to take advantage of discounted office supplies offered at www.alabamaretail.org. ASK Telemarketing will see a 20 percent annual savings on toner and office supplies this year by placing its orders through ARA.

Another member will experience an annual savings of 24 percent on toner purchases alone. Annual savings so far have ranged from \$350 to almost \$8,500. Call (334) 322-2008 or e-mail abg@knology.net to get your cost-benefit analysis today!

By purchasing office supplies through ARA's Web site, Retail Association members could see up to a 35 percent discount on toner, as much as 50 percent on labels and up to 15 percent on other supplies. You gain buying power by purchasing your business products and office supplies through the Alabama Retail Association and our partners, **Data Supplies Inc.** and the **Association Benefit Group**.

Here's how you **BENEFIT FROM THE VALUE** of this program:

- ☛ Exclusive member-only pricing on office supplies.
- ☛ **25 percent to 35 percent off** your current charges for manufacturer direct **toner and ink jet printer supplies**, plus no freight.
- ☛ **40 percent to 50 percent off** your current charges for **laser and ink jet labels**, plus no freight.
- ☛ **5 percent to 15 percent off** your current charges for **office supplies**, plus no freight for \$50 or more orders.

- ☛ Online ordering of more than 35,000 items.

But to enjoy this benefit from the value of ARA membership, you must first be a registered user at ARA's Web site and logged in.

When you register, you also will need your member number, which you can find to the right of your name on any recent ARA correspondence, including this newsletter (*For some members, that "number" is actually six letters, rather than numerals.*) This number must be included in your member profile to take advantage of the discounted office supplies.

Can't find your member number?
Call (334) 263-5757 or 1-800-239-5423



Gov. Bob Riley pulls winning companies for \$1,000 and \$250 drawings from an ARA money bag during our Annual Meeting.

Log-in and Benefit from the VALUE of ARA's Web site, www.alabamaretail.org

If you are an ARA member but have never visited www.alabamaretail.org before, please register today so you can take advantage of all the members-only benefits on the site, such as the discounted office supplies featured here and on the front page of this newsletter. ARA member **Abroms & Associates** recently won \$250 for being among the first to register! During ARA's 2007 Annual Meeting, Gov. Bob Riley pulled Abroms & Associates' name from among the many who already have found the **Benefit from the Value** of ARA's revised Web site.

Belonging to the Alabama Retail Association benefits you, your business

and your bank account. After you register, log-in frequently at www.alabamaretail.org, so you can take advantage of these benefits:

- ☛ Discounted Office Supplies and Business Products
- ☛ Alabama Employment Law Manual
- ☛ Online Training
- ☛ Free Required Workplace Posters
- ☛ Retailers' Guide to Worthless Check, Shoplifting/Civil Recovery Laws
- ☛ In the News, a categorical listing of the past seven days' top headlines of news of interest to retailers

Pharmacy brand limit increase began January 1

Effective Jan. 1, Alabama Medicaid increased the former four (4) brand limit policy to five (5) brand name prescriptions per month per recipient. There is no limit on the number of covered generic or over-the-counter prescriptions a recipient may receive.

Children under the age of 21 and recipients living in nursing facilities are exempt from the requirement.

In certain drug classes, allowances are allowed in the event of an adverse or allergic reaction, or failure to respond to treatment. Additionally, Medicaid will also continue to allow for prescriptions to exceed the five (5) brand limit

for anti-psychotic and anti-retroviral medications as long as the limit of 10 brand name drugs per month per recipient is not exceeded.

Providers with questions concerning the prescription limitation should contact the Alabama Medicaid Agency's Pharmacy Services Division.

CREDIT CARD PRIVACY

Avoid a lawsuit; Don't let your credit or debit slip show!

Recently, more than 10 lawsuits have been filed against Alabama retailers whose credit card terminals were not in compliance with federal laws requiring the shortening or truncation of credit card numbers and elimination of the expiration date from customer receipts.

The **Alabama Retail Association** first let you know about the final implementation of new requirements under the Fair and Accurate Credit Transactions Act in November of 2006, and you should have received a communication from us in December of last year reiterating the provisions of this law.

The law mandates electronically printed customer receipts from credit card terminals or point-of-sale systems truncate credit and debit card numbers — that is, they must show no more than the last five digits of the account number and must NOT include the card's expiration date. The reality is most retailers and other merchants have opted to truncate no more than the last four digits of the credit or debit card numbers, as that is the standard required by Visa and Mastercard.

"Some members of the legal community have opted to prey on small retailers, who are more likely to have noncompliant terminals or be unaware of the law, especially in regard to the truncation of the expiration date," said ARA President Rick Brown. "Despite ARA's efforts to educate the retail community about the importance of truncation, some retailers may not have heard about the law."

Several details of the law are worth noting: It applies only to electronically printed receipts, not to handwritten or imprinted ones. And it applies only to receipts you give your customer

at point of sale, not to any transaction record you retain. Be aware, however, that when you keep your customers' personal information — including account data — you have an obligation to keep it safe.

The law is meant to be a stopgap for identify theft. Credit card numbers and expiration dates on sales receipts that find their way into the hands of identity thieves compromise your customers' privacy and erode the trust you've worked hard to earn from your customers.

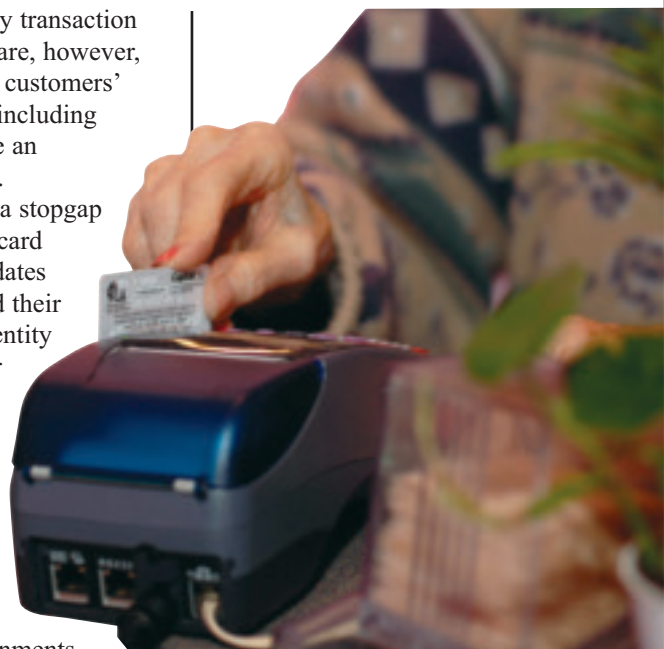
Both Visa and MasterCard have made truncation a requirement in their merchant agreements since 2003. Governments began to mandate truncation in 2005; all machines — new and existing — were expected to be in compliance by the end of 2006. Point-of-sale terminals

and cash registers put into use after Jan. 1, 2005, already should have the truncated number feature. If your terminals or registers are older than that, check them now!

In the past, penalties for printing untruncated receipts might have come from Visa/MasterCard, as a violation of the merchant agreement, or from government fines.

Such fines have been uncommon thus far because of the impracticality of discovering and pursuing noncompliant businesses. Instead, civil lawsuits may become the primary means of enforcing these laws.

Civil lawsuits as a remedy to protect consumers are nothing new, but since consumers may seek remedies for each incident or sale compounds the problem



retailers may face, allowing use of the law to trap unaware retailers into having to pay large sums.

Damages under the Fair and Accurate Credit Transactions Act can be substantial. For "willful" violations, **damages can be a minimum of \$100 and a maximum of \$1,000 for EACH credit card receipt in violation, plus assessment of attorney's fees.**

ARA urges Alabama retailers who have not yet updated their terminals for truncation to begin the process immediately.

"In most cases, the process of upgrading terminals is fairly simple, a matter of activating the truncation capability. A few older terminals may need to be replaced with newer ones that support truncation," said Brown.

"Regardless, retailers should check their printed receipts to verify that their terminals comply. No business should risk the exposure to costly civil lawsuits."

ARA urges Alabama retailers who have not yet updated their point of sale terminals for truncation to begin the process immediately.

ARA

Featured Member



Albertville hardware dealer gives back to community

Jo Ellen Jordan, president of **Cook & Sons Ace Hardware Inc.** in Albertville, is the third generation to operate the store, which her grandfather, mother and father established in 1959.

Jordan, an ARA member, received the Gold Retailer of the Year Award in the "Annual Sales \$1 Million to \$5 Million" category during the 2007 Retailer of the Year award ceremonies in September (**See story, Pages 10-11**). Jennifer Palmer, president of the Albertville Chamber of Commerce, nominated Jordan.

The independent panel of judges who chose the 2007 Retailer of the Year finalists cited this third-generation family hardware store for a significant increase in sales over the previous year, excellent community service and earning national recognition from its corporate headquarters.

The store became an Ace dealership in 1967. "It is our family's philosophy to give back to the community, which has been so good to us," said Jordan. Cook & Sons supports the Albertville City School system, Hospice of Marshall County, the United Way of Marshall County and the Children's

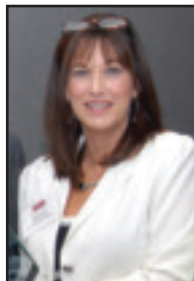
Miracle Network among other community and charitable organizations. Jordan's father and Cook & Sons board chairman, Ray Osborne, received the Heart of Hospice award for many hours he donated toward a building project.

On Jan. 5, 2007, Cook & Sons Ace Hardware was a stop for the "Dream Ace" campaign, a nationwide search for entrepreneurs to open Ace hardware stores. The Albertville store qualified as the only Alabama stop on the campaign tour after meeting the comprehensive standards for products, customer service, store displays, management and advertising strategies set by Ace's corporate headquarters. On the day the tour stopped at the Albertville store, Cook & Sons saw a 40 percent increase in sales and traffic count.

The judges also commended the store for training employees to recognize purchases that potentially could be for illegal purpose. Ace honored one of the store's associates as the National

Associate of the Year for spotting such a purchase, collecting pertinent information from the customer, including his automobile license number, and then reporting the purchase to the local police. After investigation by the authorities, the person was arrested on charges related to the production of illegal drugs.

Jordan is a leader within the hardware and related industries. She has chaired a national user advisory committee for an Ace computer system, which is helping move her business and others toward a paperless office; and she is the group leader for the North Alabama Ace Dealers Group. As an active member of the Marshall County Home Builders Association and current president of its Associates' Council, she has chaired the association's annual fund-raising golf tournament for the past 13 years and plays a vital role in the scholarship program that encourages students to pursue careers in the building industry. She even writes her own television commercials. Two commercials "Desperate Hardware" and "Deal or No Deal" were spin offs of popular television programs.



Jo Ellen Jordan

New federal minimum wage in effect; free ARA posters available

The new federal minimum wage went into effect July 24. The current minimum wage is \$5.85 per hour. The minimum wage will increase twice more over the next two years.

The minimum wage goes to \$6.55 per hour, starting July 24 of this year.

Effective July 24, 2009, the minimum wage will be \$7.25 per hour.

You already should have received a new, free federal poster from ARA to display in your workplace, which reflects these changes. If you have not yet received your free federal workplace poster, or need more copies, please call (334) 262-5757, Ext. 102, or 1-800-239-5423.

For ARA members who are registered to use the members-only services at www.alabamaretail.org, the new federal poster is also available for download under "Free Workplace Posters" in the "Benefits" dropdown in the "Member Services" section of www.alabamaretail.org.

ARA ANSWERS

YOUR QUESTIONS...OUR ANSWERS

From time to time ARA members contact their association for answers to questions about a wide range of subjects. Here are answers posed to two recent member questions. Call the **Employment Law Hotline** (find the number in the Employment Law Resource Center at www.alabamaretail.org) for free advice on employment issues. **Be sure to identify yourself as an ARA member calling the Employment Law Hotline.**

Can a 16-year-old work in my warehouse?

Under state labor laws, 16- to 18-year-olds who are enrolled in public or private schools in Alabama can be employed, if:

- ☛ *They aren't required to work before 5 a.m. or after 10 p.m. on any night preceding a school day.*
- ☛ *They have a work permit issued by their city or county board of education, high school or private or church schools and the permit is kept on file at the employer's business.*
- ☛ *The job is not hazardous. Minors CAN work in a warehouse as it is not a restricted profession, such as mining, logging, or many other dangerous jobs. However, if working in the warehouse may entail hazardous conditions, such as the*

expectation that the employee prepare, repair, or operate any power-operated machinery — no matter how infrequently — you should consult legal counsel prior to offering or assigning the job to a minor.

☛ *They are NOT required to drive a car or forklift.*

For **Alabama's Guide for Employment of Teen-agers**, go to: [http://www.alalabor.state.al.us/PDFs/Guide for the Employment of Teenagers.pdf](http://www.alalabor.state.al.us/PDFs/Guide%20for%20the%20Employment%20of%20Teenagers.pdf)

For the **Federal Child Labor Law**, go to: http://www.alalabor.state.al.us/PDFs/childlabor_01-2005.pdf

Is anything changing in 2008 as far as verifying an employee is authorized to work in the United States? How about employees of contractors or subcontractors?

A new I-9, or Employment Eligibility Verification form, became effective Dec. 26th of 2007. You can find it at: <http://www.uscis.gov/files/form/i-9.pdf>. However, nothing has changed in the law. The new form simply reflects changes from 1996 forward.

Also, the Social Security Administration has said it will NOT mail out "no-match" letters until questions about the legality of a new

rule associated with the letters is rectified. No-match letters inform employers that a worker's name and Social Security number don't match. In August, the Department of Homeland Security issued a new rule giving employers 90 days to terminate workers whose paperwork could not be reconciled once they got a no-match letter. That rule has been on hold since October when a federal district judge in California issued an injunction. Although illegal status is one possible reason for a mismatch, other causes include typos, name changes from marriage or divorce and multiple last names. Those who have challenged the rule are concerned it would force termination of legitimate employees, and not just illegal immigrants. Homeland Security plans to redraft the rule and, at the same time, appeal the lower court's decision.

Immigration and Customs Enforcement does not hesitate to bring a case when there is strong evidence an owner knew a contractor or subcontractor hired ineligible employees and took advantage of the below-market value of services and work product provided by such employees. As no requirement exists for an owner to complete an I-9 for those who are NOT employees of the owner company, such as those hired by a contractor or subcontractor, retailers and other business owners should include an indemnification provision in any agreement with a contractor.

New Medicaid claims processing system goes into effect February 23

A new Medicaid claims processing system, known as interChange, will be implemented Feb. 23. It will bring some changes to the way pharmacists and others currently submit Medicaid claims.

Electronic Data Systems, or EDS, which provides healthcare support to governments, continues to offer workshops on the system in early February.

The workshops will provide informa-

tion about the changes to billing necessary for National Provider Identifier (NPI), the new interactive Web portal, new claim form requirements and Provider Electronic Solutions upgrade.

A schedule of the pharmacy workshops follow. If you have any questions, e-mail workshops@alxix.slg.eds.com or call 1-800-688-7989.

Register online at www.medicaid.alabama.gov/forms/iChange_Registration.htm

☛ **Monday, Feb. 4, 5:15 – 7:15 p.m.:** Trinity United Methodist Church, Wesley Hall, 607 Airport Road, Huntsville.

☛ **Wednesday, Feb. 6, 5:15 – 7:15 p.m.:** Gadsden Regional Medical Center, 300 Building, 1007 Goodyear Ave., Gadsden.

☛ **Tuesday, Feb. 12, 5:15 – 7:15 p.m.:** Troy University – Dothan, Harrison Room, 500 University Drive, Dothan.

Grove Hill-based trooper named Law Enforcement Officer of the Year

By Nancy King Dennis

Alabama Retail Quarterly Editor

MONTGOMERY – As a way to say “thank you” for all law enforcement does for retailers, the **Alabama Retail Association** each year singles out one of the more than 13,000 law enforcement officers in the state for its “Law Enforcement Officer of the Year,” or LEO Award.

“Without law enforcement, retailers couldn’t operate,” said Gov. Bob Riley, who served as the keynote speaker for the Ninth Annual Law Enforcement Officer of the Year Awards Luncheon at the Montgomery Country Club.

At the Nov. 15 luncheon, ARA named Alabama State Trooper Darrell Linder as the 2007 Law Enforcement Officer of the Year. A panel of law enforcement officers, former LEO winners and retailers chose Linder from a group of 20 fellow law enforcement officers nominated for the award.

A superior from local police departments, sheriff’s offices, state trooper offices or other law enforcement agencies nominated each officer. Cpl. Roy B. “Brad” Napp with the Grove Hill Post of the Highway Patrol Division of the Alabama Department of Public Safety, nominated Linder.

Napp says the 35-year-old Linder is the type trooper who “is consistently sought by other troopers for advice and direction.”

Whether it is saving the life of drowning children, putting together evidence for vehicular homicide or manslaughter cases, standing in when his corporal is out of the office or training other troopers, this state trooper does an “exemplary” job, Napp said.

Trooper Linder of Jackson, based out of the Department of Public Safety’s Grove Hill post, is a traffic homicide investigator and field training officer. He has been a trooper for six years and served for eight years as an officer with the Jackson Police Department. In the past year, he has clearly demon-

strated his dedication to the service, support and safety of the citizens he protects daily.

On March 8, Linder, who routinely investigates deaths, helped save two lives. He just happened to be in the area, and responded to a Jackson Police Department call, arriving first at a home day care, where two boys had fallen into a backyard pool. He immediately began CPR on one boy who already had been pulled from the pool. Once that child was taking slow breaths, he moved to assist a Jackson police officer who had begun CPR on the second child. The trooper continued chest compressions while ambulance personnel used breathing bags to breathe for the

second child. Both children survived.

“Linder made the decision to respond to a call that wasn’t even his call,” said Napp. “Without hesitation, he took charge of the situation.”

The LEO Award was presented prior to the ARA Annual Meeting. Trooper Linder received a crystal trophy and a roster plaque to hang at the Grove Hill trooper post until the 2008 Law Enforcement Officer of the Year is named. ARA also made a \$1,000 donation in his name to the River Region Advisory Council of Kid One Transport, a Homewood-based nonprofit that gives children and expectant mothers free rides to non-emergency medical appointments.

Linder’s wife, Nikki, along with his superior officers from the Grove Hill and Evergreen state trooper posts and Highway Patrol Division were on hand to see him receive his award.

LEO History

ARA’s Law Enforcement Officer of the Year Award was started in 1999 to recognize an outstanding officer for his/her achievements in law enforcement. ARA presents this award because Alabama’s law enforcement officers do so much to assist retailers throughout the year. From security to escorts to the banks, retailers rely on law enforcement. Retailers throughout the state thank law enforcement officers for all they do to serve, support and keep the people of our great state safe.

For a list of the previous LEO winners, go to “Winner History” under “Law Enforcement Officer of the Year” at “Awards and Events” on www.alabamaretail.org



Trooper Darrell Linder

Without law enforcement, retailers couldn't operate.

Gov. Bob Riley



ARA honors law enforcement officers for all they do for retail

The nominees for the 2007 "Law Enforcement Officer of the Year," or LEO Award, clearly demonstrate how much retailers rely on local law enforcement to provide safety, security and support for their businesses.

This year's nominees stopped counterfeit check schemes, solved serial retail burglary cases, uncovered the use of reprogrammed gift cards, cracked organized retail theft rings, prevented pharmacy

theft, kept illegal immigrants from assuming false identities, thwarted shoplifters, put their life on the line to stop a dangerous retail robber, jailed those selling counterfeit merchandise, ferreted out identity theft and foiled driver license fraud.

For more information on this year's LEO Award nominees, go to "2007 Nominees" under "Law Enforcement Officer of the Year" at "Awards and Events" on www.alabamaretail.org.

Retail Association honors UAB officers as 1st recipients of the Retail Partner Award

MONTGOMERY – The Alabama Retail Association presented Det. Sgt. Duane Cox and Officer Marlon Tolliver of the University of Alabama at Birmingham Police Department with the first-ever "Alabama Law Enforcement Officer Retail Partner Award," or LEO Retail Partner Award, during the Ninth Annual Law Enforcement Officer of the Year Award Luncheon.

The Alabama Retail Association board of directors chose to specifically honor these officers for their outstanding service to retailers. They were among 20 officers nominated for ARA's Law Enforcement Officer of the Year Award.

Good police work by Cox and Tolliver helped crack one of the largest identity theft cases made in the Southeastern United States.

In late June, Officer Tolliver stopped a man wearing a fake beard, wig and sunglasses as he left the ATM area at UAB. The man had a gun, \$1,500 in \$20 bills and 42 gift cards from a major discount retailer in his possession.

Detective Sgt. Cox, a member of the U.S. Postal Service Identity Theft and Computer Crimes Task Force, notified the task force that UAB investigators

believed the suspect, a former bank computer programmer, had reprogrammed the gift cards to withdraw funds from ATMs. The resulting multi-agency investigation revealed the suspect had stolen a database containing bank account holder information.

Investigators recovered 200 additional retailer gift cards containing the stolen debit card information along with a computer containing thousands of stolen

identities. Withdrawals using the reprogrammed cards were made in Alabama, Georgia and Tennessee.

In July, the man

and a female accomplice were indicted on 14 counts, including aggravated identity theft, bank fraud and access device fraud.

UAB Police Chief Anthony B. Purcell and Capt. Aubrey Glasscock, the UAB Police Department's Criminal Investigations commander, nominated Cox and Tolliver for the Law Enforcement Officer of the Year, but the ARA board decided instead to single them out for the Retail Partner Award.

Cox and Tolliver received a plaque to display at the UAB

Police Department and framed copies of their awards.



From left, Officer Marlon Tolliver, Capt. Aubrey Glasscock and Det. Sgt. Duane Cox with the UAB Police Department accept the Retail Partner Award.



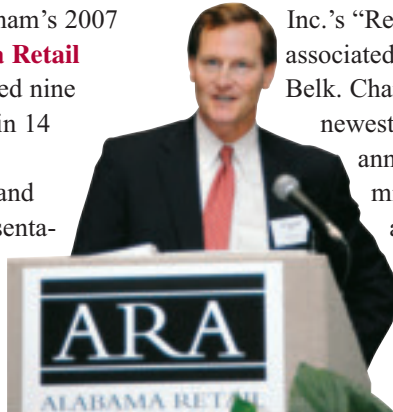
Honors Alabama

Nine retailers, Belk and Hess families,

To nominate a 2008 Retailer of the Year, go to "[Nomination Form](#)" under "[Alabama Retailer of the Year](#)" in the "[Awards and Events](#)" section of www.alabamaretail.org

During the University of Alabama at Birmingham's 2007 Retail Day Luncheon on Sept. 27, the **Alabama Retail Association** in cooperation with UAB recognized nine outstanding Alabama retailers with operations in 14 Alabama cities as "Retailers of the Year." The association and UAB also recognized the Belk and Hess families as "Retail Giants" during the presentations at The Sheraton Birmingham Hotel.

John R. Belk, president and chief operating officer of **Belk Inc.** and the keynote speaker for the Retail Day luncheon, accepted Belk



Inc.'s "Retail Giant" award. "It is wonderful to be associated with the Alabama Retail Association," said Belk. Charlotte, N.C.-based Belk is one of ARA's newest members. During his remarks, Belk announced the company would invest \$100 million to upgrade and change the stores it acquired from Parisian, on top of the

It is wonderful to be associated with the Alabama Retail Association.

John R. Belk

2007 RETAILERS OF THE YEAR

The **Alabama Retail Association** made the eighth presentation of the Retailer of the Year Awards since 1999 on Sept. 27. The awards returned this year after taking a hiatus in 2006.

An independent panel of judges



chose the Retailer of the Year finalists in three categories by Alabama annual sales volume:

- ☛ less than \$1 million;
- ☛ \$1 million to \$5 million;
- ☛ and more than \$5 million.

Bronze, silver and gold awards were

presented in each category.

Retailer of the Year nominees must have a physical operating or management presence in a retail business in Alabama. To be considered a retailer, the business must collect state and local sales taxes. **Nominations for the 2008 awards are due by Thursday, June 19.**

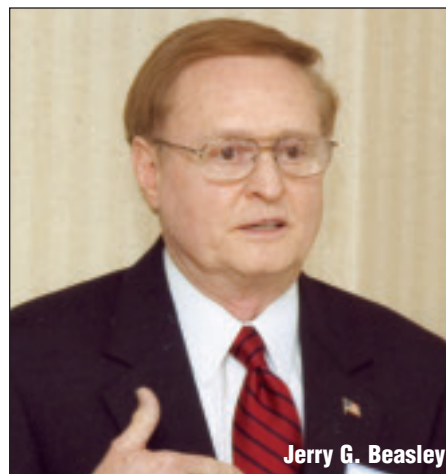
Annual Sales More Than \$5 Million

☛ **GOLD AWARD:** Steven M. Sandlin, **Pay-Less Pharmacy Group**, Decatur; nominated by John Seymour, president and chief executive officer, Decatur-Morgan County Chamber of Commerce.



Steven M. Sandlin

☛ **SILVER AWARD:** Jerry G. Beasley, **Beasley Honda, Yamaha, Kawasaki**, Ozark; nominated by Jeanette Reeves, executive director, Ozark Area Chamber of Commerce.



Jerry G. Beasley

☛ **BRONZE AWARD:** Bryan K. Owens and John B. Marshall, **Unclaimed Baggage Center**, Scottsboro; nominated by Rick Roden, president and chief executive officer, Greater Jackson County Chamber of Commerce.



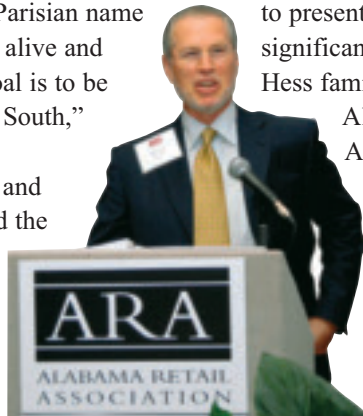
John B. Marshall

Retailers of the Year receive recognition on Retail Day

To read the Retail Day and Belk Day proclamations, go to "Sept. 10" under "Proclamations" at www.governor.state.al.us

\$285 million purchase price. "Though the Parisian name may be gone, the spirit of Parisian remains alive and well in Belk," he said. The retail chain's goal is to be "known as the best department store in the South," Belk said.

Donald Hess, former chairman, president and chief executive officer of Parisian, accepted the Hess family's "Retail Giant" award during the luncheon. "Retail touches more people than any other industry," Hess told the more than 250 gathered for the event. The Retailer of the Year judges voted



to present these special one-time awards to recognize the significant contributions to retailing made by Parisian and the Hess family as well as Belk Inc. and the Belk family.

Alabama Gov. Bob Riley proclaimed Sept. 27, 2007, as Alabama Retail Day to honor everything Alabama's retailers contribute to the state's economy and well being; and proclaimed it Belk Day to recognize Belk. Belk now has 23 stores in 20 Alabama cities.

Retail touches more people than any other industry.

Donald Hess

2007 RETAILERS OF THE YEAR

Annual Sales \$1 Million To \$5 Million

☛ GOLD AWARD:

Jo Ellen Jordan, **Cook & Sons Ace Hardware Inc.**, Albertville; nominated by Jennifer Palmer, president, Albertville Chamber of Commerce.



Jo Ellen Jordan

☛ SILVER AWARD: Mickey, Michael and John Gee, **Pants Store Inc./Taylor Company Inc.**, Leeds; nominated by Tricia Ford, executive director, Mountain Brook Chamber of Commerce, and Michael Gee, vice president, Taylor Co. Inc.



Mickey Gee



John Gee

☛ BRONZE AWARD:

Michael Ray Jones, **Mike's Merchandise**, Guntersville; nominated by Virginia Bagwell, Guntersville.



Mike Jones

Annual Sales Less Than \$1 Million

☛ GOLD AWARD:

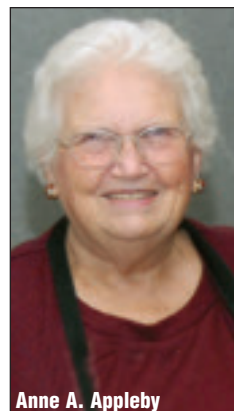
Shawn Beitelspacher, **Southern Sole**, Tuscaloosa; nominated by Lauren Skinner, Ph.D., assistant professor, University of Alabama at Birmingham.



Shawn Beitelspacher

☛ SILVER AWARD:

Anne A. Appleby, **South Baldwin Regional Medical Center Auxiliary Gift Shop**, Foley; nominated by Fran Barr, South Baldwin Regional Medical Center Auxiliary.



Anne A. Appleby

☛ BRONZE AWARD:

Montez Oudenaarden, **My Favorite Things**, Monroeville; nominated by Sandy Smith, executive director, Monroe County Chamber of Commerce.



Montez Oudenaarden

To learn more about these retailers, go to "2007 Retailers of the Year" under "Alabama Retailer of the Year" in the "Awards and Events" section of www.alabamaretail.org

Seven retailers mark 100 years or more in business

Go to **2007 Centennial Retailers** under **Centennial Retailers** in the **Awards and Events** section at www.alabamaretail.org to learn more

BIRMINGHAM – In September, the Alabama Retail Association recognized seven Alabama Centennial Retailers – retailers with 100 or more years in business in Alabama.

“For businesses to survive and thrive despite the dramatic changes of the past century is a remarkable achievement,” said ARA President Rick Brown. “It is fitting to celebrate the enduring contributions of these Alabama retail establishments to their communities.”

Alabama Centennial Retailers were honored Sept. 27 at the UAB 2007 Retail Day Luncheon at The Sheraton Birmingham Hotel in Birmingham. Each received a bronze plaque to place outside the business and a certificate suitable for display inside.

The Alabama Retail Association presents these awards annually to Centennial Retailers. To notify ARA of a retail business that has been in operation for 100 years or more, please contact Nancy Dennis at (800) 239-5423 or ndennis@alabamaretail.org. The **2008 deadline for nominations is Wednesday, July 16.**

A nomination form and a list of Centennial Retailers honored previously can be found under “**Centennial Retailers**” in the “**Awards and Events**” section of www.alabamaretail.org.

The Alabama Centennial retailers honored in 2007 were (in chronological order by founding date):



Times-Journal
Founded in 1827
by Thomas Jefferson Frow
Owner: Boone Newspapers Inc.



Julius Goldstein & Son Inc.,
dba Goldstein's, Mobile
Founded in 1879
by Julius Goldstein.
Owner: Richard Frank Jr.



Brannon's Inc.,
dba Brannon's Office City,
Talladega and Sylacauga
Founded in 1886
by W.R. Brannon and W.T. Billue.
Owners: Allen C. Jacobs Jr.,
Catherine Jacobs-Roberson,
Patricia Jacobs and Allen Jacobs III

The Randolph Leader

Roanoke
Founded in 1892
by Olin H. Stevenson
Owner: John W. Stevenson.



Montgomery, Dothan
and Birmingham
Founded in 1905
by Albert and Art Freehling.
Owner: Paul Freehling



Mobile
Founded in 1906
by Richard A. Christian.
Owners:
E. Burnley Davis Sr.
and Robert D. Wilkins



Bessemer
Founded in 1907
by Tom Bonduris
Owners: Jim and Nick Koikos

2008 ELECTION CALENDAR

An Alabama Supreme Court seat, an Alabama Court of Civil Appeals seat, two Alabama Criminal Court of Appeals seats as well as a U.S. Senate seat and all seven congressional seats are on the ballot in 2008. Make certain these dates are on your calendar and that you are communicating with your employees and customers about the 2008 election year! For more, see “**Election Information**” in the “**Political Affairs**” section of www.alabamaretail.org.

Feb. 4: Presidential Primary absentee ballots due

Feb. 5: **Presidential Primary**

May 23: Voter registration deadline for Primary Election

May 29: Primary Election absentee ballot applications due

June 2: Primary Election absentee ballots due

June 3: **Primary Election**

July 3: Voter registration deadline for Primary Runoff

July 10: Primary Runoff absentee ballot applications due

July 14: Primary Runoff absentee ballots due

July 15: **Primary Runoff** (if necessary)

Oct. 24: Voter registration deadline for General Election

Oct. 30: General Election absentee ballot applications due

Nov. 3: General Election absentee ballots due

Nov. 4: **General Election**

Polls open 7 a.m. - 7 p.m.

Wal-Mart and Sustainability: High-Efficiency Innovations In-Store Lead to Reduced Energy Costs and Less Waste

In 2004, **Wal-Mart** launched a company-wide, long-term sustainability initiative. Leaders and executives from virtually every branch of the company formed entrepreneurial teams focusing on areas such as packaging, real estate, energy, raw materials and electronics waste.

But one of the company's most aggressive sustainability efforts focused on specific design-and-build initiatives to control in-store energy costs and produce less waste—while pushing the boundaries of innovation in building systems.

Heading up this forward-thinking effort is Charles R. Zimmerman, Wal-Mart's vice president of prototype and new format development. Zimmerman and his team are at the forefront of the company's work on controlling energy costs and developing green-building strategies.

Zimmerman's Sustainable Buildings Network recently led the opening of Wal-Mart's first phase high-efficiency stores, which will be 20 percent to 25 percent more efficient than the company's base prototype. Next, he'll turn his sights to the sustainability effort's second phase, which will be rolled out in four stores over the next 13 months.

"The stores in our second phase will be 25 to 30 percent more efficient," integrating industry-leading heating, cooling and refrigeration systems to conserve energy and reduce waste, Zimmerman said in a recent interview with *Retail Construction Magazine**.

Among those innovations is the integration of the refrigeration and heating, ventilation and air-conditioning (HVAC) systems on a common water loop. "We've always reclaimed our waste heat to generate domestic hot water, but that only tapped into a small piece of that energy opportunity," Zimmerman says. "Now we are using



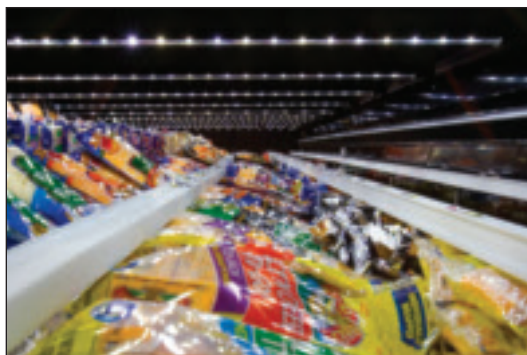
that waste rejected heat from refrigeration to heat the entire store. So even on a 35-degree day, much of the store heating requirements can be met by our waste heat."

Other energy-saving, waste-reducing features in Wal-Mart's high-efficiency stores include:

- Reduced energy consumption with 50 percent reduced wattage for lighting.

"Since we are generating 50 percent less

heat inside that refrigerated case, we've also reduced our refrigeration load," Zimmerman adds. "And those lamps last three times longer than the fluorescents, so we've gotten to a point where we may never re-lamp these cases. The lamps may actually last as long as the case."



High-efficiency, light-emitting-diode, motion-sensor lighting in freezer cases is one example of Wal-Mart's energy efficiencies.

• Motion activation in refrigeration cases that turn the lights on and off as customers approach and leave the selling zones. "The lights are now off 45 percent of the time, so the energy savings just improved by 45 percent and the life expectancy of the equipment just improved by 45 percent. Plus people think it's the coolest thing in the world to see those lights staggering on ahead of them as they walk down those aisles," Zimmerman says.

• Relative differential temperature controls on the HVAC. "Why would you have the same temperature set point all summer regardless if it is 80 degrees, 90 degrees, 100 degrees, or 110 degrees?" Zimmerman wonders. "If it is 110 degrees outside, maybe 77, 78 or 79 is comfortable enough inside the store, since people are going to be wearing shorts, T-shirts and sandals."

• Long-lasting light emitting diode (LED) lighting in exterior signage. "Re-lamping our exterior

signs is basically a thing of the past unless we are going to an older store and replacing some old fluorescents with LED, which last longer than the signs themselves," Zimmerman says. "We

hope that when we install LEDs, they last as long as the equipment does — especially when we start doing it in parking lots."

** All quotes are excerpts from the November/December 2007 issue of Retail Construction Magazine.*

Alabama retailers may now be held to higher standard for verifying exempt sales for resale

By Matthew S. Houser and Christopher R. Grissom
Bradley Arant Rose & White LLP, Birmingham

Alabama Chief Administrative Law Judge Bill Thompson has issued a ruling that clarifies retailers' and wholesalers' duty to verify a customer's sales tax number and inquire into the business of the customer when making tax-free sales for resale. In *Guess Electronics Co. v. State Dep't of Rev.*, S. 06-1252 (Dec. 10, 2007), Thompson held that a retailer's duty may now include checking the Alabama Department of Revenue's relatively new Web site for information about customers who claim to be retailers registered with the department.

Like his previous ruling in *Coca-Cola d/b/a The Minute Maid Co. v. State Dep't of Rev.*, S. 06-1261 (Aug. 29, 2007), Thompson held that a taxpayer was not liable when it did not charge sales tax to certain customers who claimed they were licensed retailers but did not have valid Alabama sales tax numbers.

But the recent Guess ruling also contained a warning: Thompson may not be as lenient in future cases now that the department provides a simple process for retailers to verify their customers' sales tax numbers.

In Alabama (as in most states), a retailer or wholesaler can sell property to a customer tax free if:

- (1) that customer intends to resell the property, and
- (2) that customer is a licensed retail merchant, jobber, dealer or other wholesaler.

The *Guess* and *Minute Maid* cases concerned a seller's liability when making tax-free sales to a customer erroneously represented as a licensed retail merchant or dealer.

Guess Electronics in Mobile sold closed circuit television systems, access control systems, automatic gates, and other security equipment at retail. When a new business would first purchase items from Guess, Guess would require the customer to provide a valid Alabama sales tax license. If so provided, Guess put the number on file and thereafter sold items tax-free to the customer.

Guess did not regularly check to verify the sales tax number was still valid or inquire if the customer intended to resell the item in its business.

After an audit, the Department found that Guess owed additional sales tax in three categories:

- (1) tax-free sales to customers with expired or invalid sales tax numbers;
- (2) tax-free sales to contractors of supplies, tools, and other items that were used or consumed by the contractors and not resold; and
- (3) tax-free cash and credit card sales to government employees not properly documented as exempt sales to governmental entities.

In *Minute Maid*, Thompson noted that the burden is on the seller to know the general nature of the wholesale purchaser's

business and that the purchaser is in the business of reselling the type of property being purchased. If the retailer exercises due care and reasonably believes the customer intends to resell the goods, then the retailer can sell the goods tax free.

At one time, all of Guess's customers with invalid sales tax numbers had a valid sales tax account, but the customers' numbers had been canceled before the sales at issue occurred. Guess also proved that it knew the general nature of its customers' businesses. Accordingly, Thompson found Guess should not be liable merely because, unbeknownst to Guess, the customers' sales tax numbers had been canceled.

But even if a customer provides a retailer with a valid or apparently valid sales tax number, the customer can only purchase tax free those items that it is in the business of reselling. The auditor found that certain items sold to contractors, such as drill bits, glow rods, and canned smoke, were likely used and consumed by the contractors, and not resold. Thompson agreed with the auditor that, in the absence of evidence to the contrary, those items should be treated as taxable sales.

While Guess was not liable for sales tax on its sales to customers with invalid sales tax numbers, Thompson indicated he might reach a different result on similar facts for sales occurring after the spring of 2006. Since that time, the department has maintained a Web site where retailers can determine if a customer has a valid sales tax license, as well as the nature of the customer's business. Retailers registered with the department may log on to their account at the department's Web site. At the bottom of the initial menu there should be an option to verify customers' sales tax numbers; the site will also provide general information about the nature of the related business.

While the *Guess* ruling clarifies that retailers are now expected to use the department's Web site to verify sales tax numbers, several questions remain. Are retailers expected to check the number for every sale?

Obviously, they should check for the first sale to a new customer, but how often should they check the Web site thereafter? Is it necessary to do so monthly, or would an annual review be sufficient? Regardless of the ultimate answers, **Alabama retailers and wholesalers should immediately re-evaluate their sales tax collection systems.** Thompson's ruling indicates they will be held to a higher standard in the future: a retailer's "failure to use due diligence in [checking the Web site] will, absent extraordinary circumstances, cause them to be liable on any improper tax-free sales."

Reprinted with permission from Bradley Arant Rose & White LLP's Jan. 9, 2008, issue of *State and Local Tax Bulletin*.



Matthew Houser



Chris Grissom

Retailers are targets for wage and hour litigation

By Richard I. Lehr

The explosion in wage and hour litigation directed at U.S. retailers has impacted Alabama retailers. Recent examples include:

- An Alabama family-owned and operated clothing store owed several thousands of dollars to current and former employees for docking them a half hour a day for breaks, which they did not always take.

- On Nov. 15, 2007, RadioShack agreed to pay 4,000 managers \$8.8 million because those managers were misclassified as exempt from minimum wage and overtime under wage and hour laws.

- A national class action looms against Starbuck's, alleging its managers are not exempt from minimum wage and overtime because district managers exert such control over their activities that the managers do not have sufficient discretion and authority to qualify for the exemption.

Wage and hour violations of even the smallest amount can become expensive. For example, **Alabama employers are not required to give an employee a break**; the Fair Labor Standards Act (federal law) and state wage and hour laws do not require it. However, **if the break is for 20 minutes or less, an employer may not deduct that from an employee's pay**. Assume an employee who works five days per week receives two 15-minute breaks a day and the employer docks the employee two-and-a-half hours a week for those breaks. A violation of wage and hour can go back three years, so multiply two-and-a-half hours times 156 weeks (three years) for a total of 390 hours. Assume the employee was paid \$7 per hour. That employee would be entitled to back pay of \$2,730. Now, assume 10 other employees were treated the same way. The back pay would exceed \$30,000.00, not including interest.

ARA members are most likely to run into potential wage and hour issues in these areas:

INCORRECT USE OF EXEMPTIONS. The two most likely exemptions to apply to retailers are the executive and administrative. The executive exemption may include a supervisor,

assistant manager or store manager. Keys to qualifying for the exemption are: the individual must use discretion and independent judgment; supervise two full-time employees or the equivalent; receive a regular weekly salary or at least \$455; be responsible for managing a department, store or enterprise of the employer; and have the authority to decide or influence decisions affecting employees, including, hiring, firing, discipline and demotion. The executive (manager) may perform the same work as those he or she supervises, provided the manager otherwise qualifies for exempt status.

The administrative exemption may apply to an individual who doesn't supervise anyone, but uses discretion and independent judgment and has the authority to influence significant business decisions or carry out those decisions. The work must be non-manual in nature and the employee must receive a salary of at least \$455/week.

Examples include a purchasing manager and human resources manager. **IMPROPER DEDUCTION FOR MEALTIME.** Any break of 20 minutes or less may not be deducted from an employee's pay. Breaks between 21 and 30 minutes may be deducted if the employee is able to use that time for his or her own benefit, and the employee is free and clear of job duties. If the break is less than 30 but more than 21 minutes, the U.S. Department of Labor, Wage & Hour Division considers whether there is enough time for the employee to leave the workplace for a break. Say a fast-food restaurant cashier has a 25-minute break, possibly not long enough to leave the employer's premises, but sufficient to take an in-restaurant break free of job responsibilities. In such a situation, an employer may deduct that break from the employee's pay.



Richard Lehr

WORKING OFF THE CLOCK. Requiring that an employee clock out and continue to work or otherwise work off the clock is considered a "willful" violation of wage and hour law and subjects the employer fines and double back pay. This happens most when a manager is told labor costs are too high and the manager doesn't know how to reduce those costs, so the manager tells a worker to clock out and return to work or to come in early and start to work before clocking in.

RECORDKEEPING VIOLATIONS.

Employers are obligated to keep an accurate record of hours worked.

However, the law doesn't require a specific method of record-keeping.

Wage-and-hour claims can be costly, including not only back pay, but also interest and attorney fees for the current and/or former employees. In contrast to other employment claims, there is no requirement that a current or former employee first file an administrative complaint of a wage and hour violation. The first time the ARA member may hear of the claim is when the member is served with a state or federal court lawsuit. Therefore, **be proactive regarding wage and hour compliance**. Review annually those employees you believe are exempt from minimum wage and/or overtime to be sure they, in fact, qualify. Our firm practices extensively in this area. Lyndel Erwin, a consultant with our firm, worked for the Wage and Hour Division for 36 years, the last several as district director for Alabama and Mississippi. Please contact us if you need more information on this important subject.

Richard I. Lehr is a member of the Birmingham-based labor and employment law firm of **Lehr, Middlebrooks & Vreeland, P.C.**, which provides information for the ARA's **Employment Law Resource Center**. The firm represents employers exclusively regarding workplace matters. As an ARA member, another **BENEFIT FROM THE VALUE** of your membership is access to the **Employment Law Hotline** operated by Lehr, Middlebrooks. Be sure to identify yourself as an ARA member calling the Employment Law Hotline to receive free advice. Call (205) 323-9260 or e-mail rlehr@lehrmiddlebrooks.com.

NEW MEMBERS NEWS

WELCOME TO ARA

2 The Cleaners, LLC	Silverhill
Alabama Prosthetics and Orthotics Inc.	Montgomery
All Around Town Catering, LLC	Birmingham
America South Mortgage Corp.	Mobile
Athens Creekside Drugs, LLC	Athens
Atif Inc.	Hartselle
Babcock's Pharmacy Inc.	Albertville
Baldwin Management Inc.	Hattiesburg
Batter Up Inc.	Cullman
Berky Enterprises, LLC	Dothan
BGH 3, LLC	Tuscaloosa
Bodyup Orange Beach, LLC	Orange Beach
Boondock's, LLC	Guntersville
Brown Drug Co. Inc.	Selma
Cacao Food Systems Inc.	Mobile
Cahaba Fitness Inc.	Birmingham
Carlile BBQ, LLC	Birmingham
Carolyn H Ringhoffer, MD, PC	Mobile
Castles and Crowns Inc.	Mobile
Charles N. Crowder, DMD, PC	Dothan
Cheap Shots, LLC	Tuscaloosa
City Grill Inc.	Montgomery
Cobbs Ford Road Theatres	Montgomery
Corporate Financial Services	Montgomery
Crestline Bagel Co. Inc.	Birmingham
Dakota J Café & Bakery, LLC	Guntersville
Dixie River Inc.	Mobile
Eat Sweets Inc.	Tuscaloosa
Five Points Grill, Ltd.	Birmingham
Formworks Architects Inc.	Birmingham
Founders Investment Banking	Birmingham
Fun Zone Enterprises Inc.	Dothan
Gaston's Grill	Thomasville
Gilreath Printing & Signs, LLC	Pell City
Guthrie's Home Style Cooking	Jasper
H & H Trans Corp.	Mobile
Hazel Green Family Restaurant	Hazel Green
Highlands Publications Inc.	Hoover
Hospitality Developers Inc.	Dothan
James L. Carroll, PC	Auburn
John A. Bivens, Attorney	Tuscaloosa
John M Lane, DMD	Florence
Jones Accounting, LLC	Wetumpka
Jones Valley Burgers Inc.	Huntsville
Julie Smith, OD, PC	Sylacauga
Kairos Katering Inc.	Birmingham

Keen Chiropractic Clinic Inc.	Demopolis
Kreme Kastle Inc.	Madison
L.A.D. Foods Inc.	Tuscaloosa
La Cueva, LLC	Tuscaloosa
Lakeside Marina, LLC	Wedowee
Let's Meat at the Deli	Geneva
Lillian Green's Restaurant and Catering LLC	Lillian
Luvici's Inc.	Athens
Madsen, LLC	Athens
Maggie's Diner	Tuscaloosa
Margarita's Grill	Tuscaloosa
Mars Hill Cafe` Inc.	Mobile
Martin-Grace Benefit Group Inc.	Birmingham
MJ's Academy of Dance	Tuscaloosa
Montgomery Fitness Inc.	Montgomery
Mooreville Enterprises, LLC	Tanner
Naughty Donkey Enterprises	Tuscaloosa
Newton Restaurants Inc.	Fairhope
Off Campus Bookstore LLC	Gadsden
O'Grande's	Greensboro
Orleans Poboy's Inc.	Mobile
Outdoor Distributors, LLC	Shelby
Pank Hospitality Inc.	Saraland
PDQ Supplies & Equipment Inc.	Lanett
Pepperoni Joes, LLC	Dothan
Primeteam Inc.	Dothan
Provident Guidance Inc.	Enterprise
Roller Time, LLC	Huntsville
Ronderos Neurosurgery Center	Mobile
Selah, LLC	Birmingham
Southeastern Jewelers and Engravers Inc.	Birmingham
Southern Outdoors, LLC	Auburn
Starlite Drive-In Inc.	Springville
Supernova Inc.	Athens
Swat Gym	Opelika
Sweat Tire Co. Inc	Robertsdale
Taqueria El Rincon Latino, LLC	Northport
Thai Gratiem Cuisine, LLC	Wetumpka
The Original La Fiesta of Brookwood, LLC	Brookwood
The Policy Bar Inc.	Montgomery
The Radio Shop Inc.	Sheffield
The Rental Center Inc.	Auburn

continued on page 18

MILESTONES

Snoozy's celebrates 25th year

Snoozy's College Bookstore, which opened in 1982, celebrated its 25th year in 2007. The store's namesake, George "Snoozy" Jones, 72, is the company's secretary. His wife, Agatha, is the business' president; son, George Jones, is a vice president; and daughter-in-law, Virginia Jones, also is a vice president. Snoozy's began with a store on 11th Avenue South and then opened four locations — in Mountain Brook's Crestline Village, in Hanceville and near Jefferson State Community College campuses in Center Point and in Shelby County. The family has since closed the Center Point store and sold the Hanceville operation to an employee. In the summer of 2002, the original Snoozy's College Bookstore moved to the heart of the University of Alabama Birmingham campus.

SOURCE: *The Birmingham News*

NEW VENTURES/STORE OPENINGS

Alabama Outdoors adds 2 more stores in the state

In the past two years, Homewood-based **Alabama Outdoors**, the state's largest outdoor specialty retailer, has added four locations, giving the retailer 10 stores in the state. The chain specializes in equipment and accessories for outdoor recreation. In the final quarter of 2007, Alabama Outdoors opened Montgomery and Auburn stores. The chain now has stores in Homewood, Pelham, Trussville, Hoover, Tuscaloosa, Florence, Huntsville and Mobile, along with the two new stores. The 15,000-square-foot Homewood store is the largest. Mark Gatewood is president of the 32-year-old company.

SOURCE: Alabama Outdoors

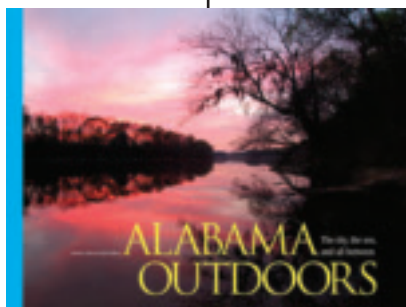
MEMBERS NEWS

For more ARA Members News, go to [In the News](http://www.alabamaretail.org) at www.alabamaretail.org

Alabama Outdoors partners to promote book highlighting Alabama's natural beauty

Alabama specialty publisher Big Leaf Press in partnership with the **Alabama Outdoors** retail chain has published the third collaborative effort of photographer Charles Seifried and author/designer Jim Felder. "*Alabama Outdoors: The sky, the sea, and all between*" combines beautiful scenery, first-hand insight, and detailed access information. Mark Gatewood, owner of Alabama Outdoors retail stores, was instrumental in the creation of the new book from a business standpoint.

SOURCE: Alabama Outdoors



Belk opens home/kids store in Riverchase Galleria

In November, **Belk Inc.** opened a renovated home and kids store in the former McRae's space at the Riverchase Galleria, the state's largest mall. The 69,000-square-foot store, on the second level of the former McRae's building, features a 32,000-square-foot home store, the chain's largest; a 20,000-square-foot kids area; and a new Carmen! Carmen! salon and spa. Belk's Western division regional offices, which oversee about 80 stores in Alabama, Arkansas, Georgia, Louisiana, Oklahoma, Missouri, Mississippi, Tennessee and Texas, also are in the store. The primary Belk store in the Galleria's former Parisian location is expected to be completed by May. It will offer an expanded women's fashion department, men's apparel, a



men's big and tall department, as well as accessories, shoes, fine jewelry and cosmetics.

SOURCE: *The Birmingham News*

Office supply retailer buys music store for headquarters

Bruce Office Supply Inc. bought the former Nuncie's Music Co. Inc. location in downtown Birmingham, with plans to renovate the 23,000-square-foot building into show-room, office and warehouse space. The building is on Second Avenue North near the exit ramp off U.S. 31. President Scott Bruce said he plans to spend \$800,000

to renovate the million-dollar-plus property for the company's new headquarters, which will be moved from 2805 Third Avenue South. Bruce said he anticipates adding to the company's existing 26 employees by hiring five to 10 more employees after the company moves into the renovated building in April.

SOURCE: *Birmingham Business Journal*

Cahaba Cycles opens 4th store; plans to move another

The Birmingham-based, family-owned **Cahaba Cycles** has built a shopping center on Trussville's Main Street to house its fourth location. The 25-year-old business sells cycles ranging from a toddler-sized bike priced at \$130 to a \$7,700 feather-light Lemond racing bike. The owners are Kal and Barbara Malki. By this spring, the business also will have moved its Cahaba Heights location out of its current rented spot

and into a building next door to Satterfield's on Cahaba Heights Road.

SOURCE: *The Birmingham News*

Schaeffer Eye Centers upgrade

In October, Jack Schaeffer, who operates 11 **Schaeffer Eye Care Centers** in Alabama, opened a 3,200-square-foot facility offering eye care and selling designer frames in the former Citizens Trust Bank at 2100 Bessemer Road. The new office replaced a center two blocks away that was half its size. Schaeffer also is converting the former Soca clothing store in Five Points South into a new office for his eye care center across 20th Street South.

SOURCE: *The Birmingham News*

Pants Store opens 4th location

The Pants Store has leased space in a Trussville shopping center to open its fourth location in the Birmingham metro area. The Pants Store owner Mickey Gee, a University of Alabama at Birmingham marketing professor and an ARA board member, signed a lease for 6,000 square feet



in a soon-to-be redeveloped shopping center on U.S. 11 in Trussville. ARA honored Gee and his sons in September as Retailers of the Year. **See story, page 11.**

SOURCE: *Birmingham Business Journal*

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, go to **News** at www.alabamaretail.org and click on **Tell Us Your News**.



NEWS ABOUT STAFF MEMBERS

Brown serves as ACAE secretary-treasurer

Alabama Retail Association President **Richard "Rick" Brown Jr.**, CAE, was installed Oct. 5 as secretary/treasurer of the Alabama Council of Association Executives for 2008. As part of his responsibilities over the next year, he also will serve as chairman of ACAE's Finance and Budget Committee, which approves and oversees the Council's budget and the investment policy. Rick was installed during ACAE's 16th Annual Convention at the Perdido Beach Resort in Orange Beach.

ARA Vice President **Alison Wingate**, CAE, was named co-chairman of ACAE's Golf Outing Committee, which plans the ACAE's annual Golf Outing, helps recruit sponsors for the event and assists at the outing.

ARA staff attends national retail meeting

ARA's **Rick Brown**, **Alison Wingate** and **Nancy Dennis** attended the Council of State Retail Association's Annual Meeting from Oct. 27 - 30 in Williamsburg, Va. While there, they were briefed on such topics as data breach and PCI Security standards, organized retail crime and federal legislation that will impact the retail industry.

New Arrival

ARC Lost Time Claims Analyst **Misty Reid** and her husband, Jerry, are the proud parents of a baby girl.

Addison Claire Reid was born at 6:18 p.m. Tuesday, Dec. 18. She weighed six pounds and 14 ounces and was 19.5 inches long at birth. Misty will be on maternity leave through the first full week of February.

Contact Misty at 334.263.5757, Ext. 114, or misty@alabamaretail.org



Addison Claire Reid

Speaking Engagements

From time to time, Alabama Retail Association staff members appear on your behalf and speak to groups as requested. Here are the dates, groups, speakers and topics covered since the last issue of *Alabama Retail Quarterly*.

- JAN. 18, 2007 – Alabama Black Legislative Caucus – **Rick Brown** – *Legislative issues of interest to retailers*
- OCT. 11, 2007 – Montgomery Chapter of the International Association of Administrative Professionals – **Nancy Dennis** – *Sales tax holiday review and holiday shopping preview*
- SEPT. 28, 2007 – A+, Decatur – **Alison Wingate** – *Streamlined sales tax*
- JUNE 21, 2007 – Lehr Middlebrooks & Vreeland Retail, Service & Hospitality Employers Briefing, Birmingham – **Alison Wingate** – *Legislative review and retail industry update*

... New Members

continued from page 16

The Wash House Restaurant	Fairhope
Tipico De Mexico Inc.	Montgomery
Toi's Thai House, LLC	Daleville
Top Notch Catering, LLC	Mobile
Trolleys, LLC	Mobile
Truck Customs Inc.	Montgomery
True Restaurant Group, LLC	Mobile
Vinayak, LLC	Prattville
Visual Effects, Inc.	Orange Beach
W & N Bailey Enterprises Inc.	Hueytown
Wayne A. Lyssy, DC, PC	Saraland
Weezabi, LLC	Birmingham
Weinman Enterprises Inc.	Hanceville
Whole Health Pet Care Inc.	Alexander City
Wicked Stitch Inc.	Tuscaloosa
WSKG Restaurant Investors	Birmingham

National holiday sales rise 3%

Nationally, 2007 holiday sales, which combine November and December sales, rose three percent to \$469.9 billion, according to the National Retail Federation. NRF had predicted a 4 percent holiday sales growth.

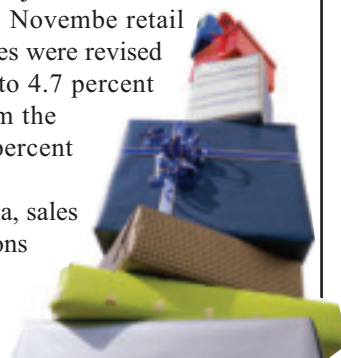
Retail industry sales nationwide for December (which exclude automobiles, gas stations, and restaurants) rose 1.7 percent unadjusted over last year and decreased 0.4 percent seasonally adjusted from November. In addition, November retail industry sales were revised downward to 4.7 percent growth from the initial 5.1 percent reported.

In Alabama, sales tax collections rose 5.96 percent in November, compared with November of 2006, according to the Alabama Department of Revenue. The state's sales tax collection numbers for December were not in at press time. ARA had predicted a 3.5 percent growth in holiday sales for Alabama. Hopefully, that prediction held true.

As predicted however, holiday sales growth slowed down considerably in 2007 due to the rising cost of fuel and food, as well as the dramatic downturn in the housing market.

The National Retail Federation is forecasting that total retail industry sales will increase 3.5 percent in 2008. Sales last year rose 3.7 percent to \$2.414 trillion.

Overall in Alabama, total retail output grew 3.7 percent in 2007 to \$12.8 billion, or 9.1 percent, of Alabama's gross domestic product, according to the Center for Business and Economic Research at the University of Alabama.



Alabama training next generation of cyber crime investigators

Alabama jumped to the front line of the defense against cyber crime in January with the opening of the National Computer Forensic Institute in Hoover.

This project is first in the United States to develop and implement standards and certifications for expert witnesses in the respective fields of digital evidence.

The institute was announced in March of last year, Congress approved \$4 million dollars in July to start it up and the first class of 25 graduated in August, even though the facility didn't officially open until January.

Since January, the institute has operated on a schedule that will allow it to provide 96 weeks of training for approximately 900 to 1,500 students annually. There will be 48 calendar weeks of training each year.

In the courses, ranging from one week to six weeks, police officers, sheriffs, prosecutors, judges, federal marshals

and other officials with local, state and federal judicial systems learn the specifics of computer forensics and how to extract, protect and preserve digital evidence. Some classes also are open to private information security specialists.



Randy Hillman, executive director of the Alabama District Attorneys Association, speaks at the March groundbreaking.

Computers and digital technology is used in all manner of crimes.

According to the World Bank, monetary losses from computer-

related crimes now exceed the money involved in the illegal drug trade world-wide. All the computer savvy criminal needs is access to make a

computer an open door into our homes and our business. The vision of the National Computer Forensic Institute is to be a national, if not international, institution of excellence for the education and training of the next generation of high technology criminal investigators, prosecutors, judges, and corporate/financial professionals.

The institute is in the Hoover Public Safety Center on Valleydale Road near U.S. 31. The city of Hoover is providing about 33,000-square-feet of space rent-free for six years.

Randy Hillman, executive director of the Alabama District Attorneys Association, said the technology training will be especially valuable at the local level because federal agencies don't normally get involved in computer crimes under \$100,000.

Navigators can help employers who hire the disabled

In the current tight labor market, it could be beneficial to know there are professionals throughout the Alabama who can help employers hire the disabled. Known as Disability Program Navigators, these professionals with Mapping Access to Program Services, or MAPS, coordinate comprehensive services to employers who hire the disabled.

MAPS is a Department of Labor project awarded to the Alabama Department of Economic Development and Community Affairs and Easter Seals of the Birmingham Area for the Alabama Career Center System.

Services offered to employers through the navigators include:

1) **Information and training on disability-related topics**, including providing information on tax credits and tax incentives when hiring and/or accommodating employees with disabilities and providing training and

information on topics related to interviewing, successful employment, and retention of people with disabilities.

2) **Interviewing and Hiring Employees with Disabilities**, including providing information and resources for job accommodations and job coaches as needed, assisting with locating qualified applicants for job positions within your company, facilitating the successful retention of employment for qualified candidates who have disabilities, and assisting in locating job supports such as coaches, transportation, child care and any other service needed to ensure successful employment.

3) **Facilitate Linkages to the Business Community**, including coordinating local job fairs and partnering with local employment teams, Chambers of Commerce, and Career Center business representatives.

MAPS-Disability Program Navigators can be found throughout the state:

☛ *Karen Carden*

MAPS Navigator Coordinator

Disability Program

Phone: 205-994-4148

Fax: 205-290-0486

MAPS Navigators:

☛ NORTH ALABAMA - SHEFFIELD

Roslyn Taylor: 256-200-2421

ladyroslyn@comcast.net

☛ CENTRAL WEST ALABAMA - ALABASTER

Brian Burrows: 205-441-6650

brianburrows@bellsouth.net

☛ CENTRAL ALABAMA - BIRMINGHAM

John Duplessis: 205-994-1943

JohnADuplessis@aol.com

☛ CENTRAL EAST ALABAMA - TALLADEGA

Michelle Belcher: 256-200-2422

mbelcher19@charter.net

☛ SOUTH EAST ALABAMA - MONTGOMERY

Anita Sherman: 334-207-1615

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☛ SOUTH WEST ALABAMA - MOBILE

Lynn Krueger: 251-259-2723

Lkrueger@att.net



\$3 million returned to participants

To learn more about Alabama Retail Comp's retrospective return, go to "Company News" at www.alabamaretailcomp.org

In 2008, the Alabama Retail Association's workers' compensation insurance fund will return \$3 million to qualified participants. The board of trustees of **Alabama Retail Comp**, the self-administered, self-insured workers' compensation fund available only to ARA members, voted in October to distribute \$3 million in the 2008 fund year, which began Jan. 1.

"We are pleased once again to provide this added benefit from the value our members get from their workers' compensation coverage and their membership in the Alabama Retail Association," said Rick Brown, the fund's administrator and ARA president.

RETROSPECTIVE RETURN DISTRIBUTION FOR 2008

*ARC's \$3 million retrospective return
for 2008 will be distributed
from fund years as follows:*

2006	\$1,300,000
2005	\$300,000
2004	\$600,000
2003	\$600,000
2002	\$100,000
2001	\$100,000
Total 2008 Return	\$3,000,000

Since its inception in 1984, **Alabama Retail Comp** has returned more than **\$28 million to its participants through its retrospective return plan**. The plan provides a controlled method for the fund to return excess funds accumulated due to favorable operating experience. The retrospective rating plan uses an actuarial formula that 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' loss ratio. Lower losses mean a higher retrospective credit at renewal. This acts as an incentive for participants to provide 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 Industrial Relations and governed by retailer trustees who participate in the fund. A total of 3,850 of the almost 4,000 Alabama Retail Association members participate in the fund.

ARC specializes in the retail industry, but also provides coverage to employers in other business classifications.

Please send address corrections to:



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