

SouthWestern Flash

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Dates to Remember

SouthWestern Association Annual

Conference - Jan. 22-24, 2004,
Adams Mark Hotel, San Antonio,
Texas

2004 Western Farm Show

Feb. 21-23, Am. Royal Complex,
Kansas City, Missouri

SouthWestern Association 2004 Conference Set For January 23-24

Let's Go to San Antonio!

Welcome to the second annual SouthWestern Association Equipment Dealers' Conference. This year's program is special in many ways. The merger of Southwest Hardware and Implement Association (SWHIA) and Western Retail Implement and Hardware Association (WRIHA) was a little more than a year ago, and the new SouthWestern Association is five states strong. It's an exciting time for all of us.

Together we can help strengthen the industry. Our convention and annual meeting in San Antonio, January 23-24, 2004, will be an opportunity to see old friends and make new ones in the invigorating atmosphere of one of this country's most exciting cities. We will be meeting at the beautiful Adam's Mark San Antonio Riverwalk. Plan to be there to start your year learning new concepts and having fun with industry colleagues.

Schedule at a Glance

Friday, January 23, 2004

8:30 – 11:30 a.m.	DIS Training
11:00 a.m.	Registration/Exhibits open
1:00 – 5:00 p.m.	Convention Workshop
6:00 – 8:00 p.m.	Manufacturer's Reception

Saturday, January 24, 2004

6:30 – 8:30 am	Early-Riser Breakfast and Exhibits
8:30 am – Noon	Morning Workshops
Noon – 1:30 pm	Lunch – Association business and annual meeting
2:00 p.m.	Optional Tours
6:00 – 10 p.m.	Dinner – Casino Night /Kids' Event

Education Sessions at the Conference

Friday, Jan. 23, 2004

8:30 - 11:30 a.m.

DIS Training - A Special Workshop

1:00 - 5:00 p.m.

The Great Game of Business

If you're ready to learn about open-book management and you want to find out how to use this to increase the profits of

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SouthWestern Association

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www.southwesternassn.com/register-email.htm

2004 Conference

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your business: you're ready to play The Game. The session will center on methods of sharing financial information with employees that have proven to increase the bottom line.

1:00 - 2:15 p.m.

Bienvenidos! - An optional Spouse Program, A Welcome and Orientation to San Antonio.

6:00 - 8:00 p.m.

Manufacturers Reception

Saturday, Jan. 24, 2004

8:30 a.m. - Noon

Talk to the Experts: Two Dealer Panels

Panel A: Creating a Selling Culture - How can we create a selling culture in our dealership where everyone sells?

Panel B: Increasing Your Margins - What are dealers doing to increase departmental and overall margins?

In the **Talk to the Experts** sessions, you'll hear best practices from successful dealers about how they are providing excellent customer service and making good margins.

Noon - 1:30 p.m.

Lunch and Association Annual Meeting

Annual meeting of members will bring you up-to-date on association business and give you insight and input into the association's future.

Optional Tours:

2:00 - 5:00 p.m.

San Antonio Sampler - A tour of the finest sights of San Antonio!

Homes of the Past - A tour of the unique residences of some of San Antonio's most prominent and influential people who lived here many year ago.

6:00 - 10 p.m.

Dinner and Casino Night

We'll wrap up the 2004 convention with the ever-popular dinner and casino night event. You'll enjoy a satisfying dinner, then let the games begin! We'll have blackjack, craps, roulette, Caribbean stud poker and other popular Las Vegas games - best of all, we give you the "money" to play and you'll be eligible to win prizes. There's a special party for kids arranged for those who bring their families to the convention.

Hotel Information

A special rate of \$109 single or double occupancy has been arranged for convention participants at the Adam's Mark San Antonio Riverwalk. **Contact the hotel at 1-800-444-2326 by no later than January 2, 2004 to secure the special convention rate.** Identify yourself as part of the SouthWestern Association group. The hotel is located at 111 Pecan St., San Antonio, Texas.

Group Airline Discount

Southwest Airlines offers up to 10 percent off most fares for air travel to and from the event, with the convenience of Ticketless Travel! To qualify, call Southwest Airlines Group and Meetings Reservations at **800-433-5368** and reference the assigned **I.D. Code: L0305**. Reservations Sales Agents are available 7:00 a.m. - 8:00 p.m. Monday-Friday, or 8:30 a.m. - 5:30 p.m. Saturday and Sunday, Central Standard Time.

Registration Fees

For complete information and a registration form, contact SouthWestern Association at 816-561-5323 or 800-762-5616. Complete information is also available on our web site at www.southwesternassn.com.

2004 Western Farm Show Set For Feb. 21-23 in Kansas City

In its 43rd year, the Western Farm Show features something for everyone involved in agriculture today. The Show is held each year at the American Royal Complex in Kansas City, Mo. It features a wide variety of equipment for large-scale agriculture producers, such as high-horsepower tractors and combines, all the way down in size to equipment designed for the weekend "lifestyle" farmers including compact tractors and mowers. In addition to farm machinery, the Show includes a large selection of livestock handling equipment, seed and fertilizer, outdoor power equipment and virtually everything else today's farmers and ranchers need for agricultural production.

In keeping with a long tradition, this year's Show will include the popular Health and Safety Roundup Area and the Family Living Center. Both of these areas are popular attractions for the entire family. Two seminars on popular topics will be held during the Show: alternative fuels and wind farming.

More information about the Western Farm Show will be included in future issues of the *Southwestern Flash*.

Federal Legislative News

Washington lawmakers have essentially completed their work for the year. They had three major issues to settle before adjourning: a prescription drug benefit for Medicare recipients, which they passed; the Energy Policy Act, which the House passed but then became mired down by a filibuster in the Senate; and appropriations for fiscal year 2004, which are just about done. The first session of the 108th Congress is expected to adjourn about Dec. 10; the second session is scheduled to convene on Jan. 20.

The Medicare Prescription Drug Improvement & Modernization Act adds a prescription drug benefit to Medicare and sets up a pilot program in six metropolitan areas where the government program will compete with private plans. In addition, the new law establishes tax-favored health savings accounts for individuals, creates tax-free subsidies for employers who offer prescription coverage to retirees, allows importation of prescription drugs from Canada and only with approval from the Dept. of Health & Human Services, requires means testing for Medicare Part B (doctor and outpatient services) premiums and provides subsidies for low-income patients.

The Energy Policy Act would establish mandatory reliability requirements for high-voltage power lines and tax incentives to improve energy efficiency of homes and some appliances. It does not allow oil drilling in Arctic National

Wildlife Refuge. Although the House passed the bill, Senate Republicans failed by two votes to overcome a Democratic filibuster. Majority leader Bill Frist (R-TN) pulled the bill from the floor, saying he would bring it back in the next session. The main point of contention is a provision that would prevent lawsuits against manufacturers of the fuel additive methyl tertiary butyl ether (MTBE). MTBE has been found to contaminate drinking water.

When Congress recessed for the Thanksgiving holiday, six of the 13 FY 2004 appropriations bills had been passed. The other seven had been rolled into an omnibus bill. The House is scheduled to return on Dec. 8 to approve this bill; the Senate is expected to do the same on Dec. 9. In the meantime, the government is being funded by a continuing resolution that runs through Jan. 31, 2004.

In other action - pressure from the White House forced legislators to drop provisions in the Dept. of Labor's (DOL) appropriations bill that would have stopped DOL from finalizing revisions to overtime rules. Sens. Tom Harkin (D-IA) and Arlen Specter (R-PA) are considering introducing legislation that would block those portions of the new overtime rules that would cause workers to lose eligibility for overtime or invoking the Congressional Review Act to rescind the rule.

Source: National Retail Hardware Assoc., Dec. 2, 2003

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Stay Flexible With Life Insurance

Even though more than two out of three U.S. families own a life insurance policy, many people are underinsured. The latest figures show that the average size of a new policy is only about \$113,000.¹ A family that isn't carrying enough coverage may be unaware of the types of protection that can be obtained with the appropriate life insurance policy.

Most people with children, a business, or a sizable net worth understand that life insurance can be used to pay final expenses, settle any debts left behind, and possibly help replace the deceased's income.² However, there are other ways in which life insurance can be used to help manage risks that are unique to high-net-worth families.

Unexpected Expenses

Permanent life insurance, sometimes called whole life, typically offers a death benefit with a cash-accumulation component. A portion of the premium pays for the coverage purchased, and the insurance company invests the remainder; any earnings accumulate tax deferred. With some limitations, the cash value can be withdrawn or borrowed to cover emergency expenses, to pay for a large expenditure such as a wedding, or to provide additional income in retirement.³

Protecting a Business

The death benefit from a life insurance policy can help provide sufficient cash in the event that one owner dies unexpectedly. As long as the premiums are up-to-date and there are no outstanding loans, the proceeds can be used to help fund a buy-sell agreement or provide income to surviving family members. If the business faces other challenges, the potential cash value of the policy can be tapped as well.

Preserving Assets

When a wealthy individual dies, business and personal assets may be subject to federal and state estate taxes and probate fees. Proceeds from a life insurance policy typically aren't subject to income taxes or probate and can be used to help pay any fees or taxes so that heirs aren't forced to sell assets.

Life insurance can play a critical role in financial health. A review of your personal situation may prompt you to reconsider the possible uses of life insurance.

- 1) American Council of Life Insurers, 2002
- 2) As with most financial decisions, there are expenses associated with the purchase of life insurance. Policies commonly have mortality and expense charges. In addition, if a policy is surrendered prematurely, there may be surrender charges and income tax implications. The cost and availability of life insurance depend on factors such as age, health, and the type and amount of insurance purchased. Before implementing a strategy involving life insurance, it would be prudent to make sure that you are insurable by having the policy approved.
- 3) Access to cash value is through withdrawals or loans. Policy loans will reduce the cash value by the amount of any outstanding loan balance plus interest, and will reduce the policy's death benefit.

Source: Tax Favored Benefits, SouthWestern Association's endorsed provider for employee benefit plans and services - 800-683-3440.

Retail Executives Are Optimistic

The latest NRF-BTM Executive Opinion Survey, a monthly index by the National Retail Federation (NRF) and the Bank of Tokyo-Mitsubishi Ltd. (BTM), shows the retail industry continued to gain momentum in October. The Retail Sector Performance Index (RSPI) for October 2003 was 57.9 percent compared to a revised 54.6 percent in the previous month and 20.3 percentage points above the same period a year ago. The October reading was the highest since the survey began in September 2002.

The RSPI measures retail executives' evaluations of monthly sales, customer traffic, the average transaction per customer, employment, inventories and a six-month-ahead sales outlook expectation. The RSPI is based on a scale of 0% - 100% with 50% equaling normal.

The survey suggests that the health of the industry is becoming more of a certainty. Retail executives continue to express more confidence in the state of their business, and there is continuing growth in retail employment as retailers begin to hire for the holiday season.

"Each month we see very strong indicators that the economy is making a come-back," said NRF President and CEO Tracy Mullin. "Retailers can expect reasonably healthy holiday sales as consumers are returning to the stores and are ready to spend."

Source: Home Center Institute, Nov. 25, 2003

Legislative Watch

Link to Missouri Legislative Update
www.swassn.com/molegislat.htm

Link to Kansas Legislative Update
www.swassn.com/kslegislat.htm

Link to Texas Legislative Update
www.swassn.com/txlegislat.htm

Link to Oklahoma Legislative Update
www.southwesternassn.com/oklegislat.htm

Link to Arkansas Legislative Update
www.swassn.com/arlegislat.htm

Link to New Mexico Legislative Update
www.swaassn.com/nmlegislat.htm

Access the latest state legislative updates by visiting the web-sites listed above.