

SouthWestern Flash

October 2005, Vol 3, No. 10



In This Issue

- **Outrun the Bear**
- **NFL News**
- **Case Helps with Katrina Relief**
- **APPI Savings Solutions Update**
- **New Credit Card Scam**
- **SWA Presents Check for Disaster Relief**

Upcoming Events of Interest

Western Farm Show - Feb.25-27, 2006
at the American Royal Complex,
Kansas City, Mo.



SouthWestern Association

P.O. Box 419264
Kansas City, MO 64141-6264
Ph: 816-561-5323, 800-762-5616
Fx: 816-561-1249
www.swassn.com

Is your dealership receiving e-mail from SouthWestern Association?

If not, send us your e-mail address. We will forward important Association correspondence to your attention via e-mail. Please register your e-mail address at:

www.swassn.com/register-email.htm

“Selling is 100% Basic” - Program for 2006 Regional Conferences

Selling is 100% BASIC is a sales growth program for business owners, sales professionals and sales support staff of all levels of experience that combines the elements, skills and techniques the top sales producers use to gain and retain their most profitable customers.

In a fun-entertaining program you will discover and learn selling and marketing techniques you will use immediately to increase your sales and profits.

Bob will show you proven basic-through-advanced sales and marketing techniques that:

- Attract profitable customers to you
- Turn prospects into customers
- Dramatically lower your marketing cost
- Retain customers for a lifetime of profiting
- Increase the profit of every sale

About Our Presenter

Bob Janet - sales growth speaker, trainer, consultant and author, combines real-life business, personal stories and examples with insights from his 39 plus years as owner/operator of retail, wholesale, manufacturing and service businesses. Bob has been there and done it, walked many miles in your shoes. Bob's street smart skills and techniques are based on a lifetime of frontline marketing experiences, not passing fads and theories.

His unique teaching and storytelling ability motivates, educates and inspires people of all walks of life and levels of experience to learn, understand and use selling skills and techniques that increase sales and lower marketing costs.

With Bob Janet You Get

- Experience - not theory
- Long lasting, results driven - not activity-driven
- Fun-entertaining programs - not boring
- Customized - not canned
- Specific skills and techniques - not vague obscure

You will leave the program with motivation, selling skills and techniques that will grow your business immediately.

Bob has discovered, created, and perfected 52 guaranteed, time-tested relationship techniques that are guaranteed to gain and retain your most profitable customers.

Business owners, sales professionals and sales support staff of all levels of experience find Bob's programs and books to be resources of tremendous value. Penetrating selling's mystique, audience participants

Continued on page 2

Selling is 100% Basic

Continued from page 1

learn, in layman's terms, the skills and techniques that make selling easy and profitable for the top sales producers.

Bob's high energy presentations, powerful real-life business stories and examples, and proven ability to help businesses move to a higher level of success earn rave reviews and repeat engagements.

SouthWestern Association is pleased to present its second series of Regional Conferences. These meetings were designed with your busy schedule in mind. We'll provide a fast-paced program, packed with lots of content and good ideas you can take home and use immediately.

It's a great opportunity to see old friends and make new ones in a more intimate setting. You'll meet with other members from your area and take home information to help your bottom line right away. We hope to see every member at one of the meetings. Check the schedule and decide which location will work best for you. Bring your key personnel so everyone can benefit.

When and Where

Monday, Jan. 23, 2006, San Antonio, Texas

Tuesday, Jan. 24, Arlington, Texas

Wednesday, Jan. 25, Oklahoma City, Okla.

Thursday, Jan. 26, Amarillo, Texas

Friday, Feb. 24, Kansas City, Mo.

(in conjunction with Western Farm Show)

Regional Conference Schedule

10 a.m. - **Registration**

10:30 a.m. - **Lunch and Association Business**

Association update

Recognition of new and retiring Board members

Lobbyist Report

Tax Favored Benefits Presentation

Association programs update

Breaks sponsored by Tax Favored Benefits

Noon - **Lunch** - Federated Insurance presentation -

"Distracted Driving" video

1:30 p.m. - **"Selling is 100% Basic"** with Bob Janet

5:30 - 7:00 p.m. - Manufacturers' Reception (cocktails and hors d'oeuvres)

Look for complete hotel and location information in upcoming issues of the Flash. Mark your calendar today to attend the SouthWestern Association Regional Conference near you in 2006.

Outrun the Bear

By Bob Janet, Sales Growth Expert

Eight No Cost Techniques to Out-Service and Out-Sell Your Competition

Two men are being chased by a bear in the woods. As the bear is gaining on them, one of the men stops and begins to put on a pair of running shoes. The second man stops beside him and says, "The bear is too fast for us. You don't think those running shoes will help you outrun the bear do you?" The first man replies, "All I have to do is outrun you."



Fortunately for you, because of the lack of service provided by most sellers today, so many sellers do the exact wrong thing in decreasing service when the economy is slow. Now is a great time to win new customers and sell more products and services and sell them more often to your present customers. Like the man trying to escape from the Bear, you do not have to be perfect; all you have to do is be better than your competition.

Techniques to Help You Outrun the Bear

1. Return telephone calls within the hour of receiving them.

Jupiter Media Metrix survey: 57 percent of customers polled said response time to their customer service inquiries would affect their decision.

2. Make follow-up calls 12 hours after the sale.

- A. *Just in case the customer has a question or problem, you will have them telling you, not 10 of their friends.*
- B. *A great time to sell add-on items.*
- C. *A great time to ask for a referral to their colleagues and friends.*
- D. *A great time to sell them additional goods and services.*

3. Send a Thank-You card 24 hours after the sale.

You will surprise and delight your customer with this relationship establishing technique. Very few of your competitors are sending thank-you cards. Everyone loves receiving them. Thank-you cards help you to be remembered when a buying decision is to be made in the future.

4. Make sure you and everyone in your business understands the customer is the boss.

"There is only one boss: The customer. And he can fire everybody in the company, from the chairman on down, simply by spending his money somewhere else." - Sam Walton, Founder of Wal-Mart

Continued on next page

5. Deliver what you promise.

"People would rather buy from people they trust than people they like." - Survey by Bill Brooks, Brooks Group

6. Make it easy for your customers to understand the benefits you offer

Feature: The item and parts your product/service is made up of.

Benefits: What the features do for the customers.

Example: The large tub of a super capacity washing machine is the feature. A benefit is: The customer is able to save time and money by laundering more clothes at once.

7. Concentrate on telling your customers the results they will receive from doing business with you.

It is no longer good enough to just sell benefits. You must give your customers a complete understanding of what is in it for them, what the end result will be for them when they do business with you. If you tell the customer the washing machine has a super capacity tub they will never see the benefit. You must take the next step and tell them what they will gain by purchasing the machine with the large super capacity from you.

Sell them on your Unique Selling Proposition (USP's). Make sure your prospects and customers know what you and your business offer them that is unique and different from your competition. Your USPs could include:

- Your better service
- Extended warranties
- Unique delivery system
- Hours of operation
- Consultations
- Free product services

The more unique items you offer your customers, the more reasons you give them to buy from you and the easier it is to take price out of their decision making process.

8. Accept all responsibility for customer problems. The customer is never wrong.

#1 Rule in selling: "The one who solves the customer's problems the easiest for them will get the sale." From the book, *Join The Profit Club*.

Whenever the customer feels they are wrong, they will no longer be your customer because they will go to your competition.

To outrun the Bear, you do not have to be an Olympic champion. All you have to do is out-service your competition.

Why do I use DealerWin™?

dealerwin™

The Windows-Based Business Management System For Equipment Dealers

To maximize my profits!

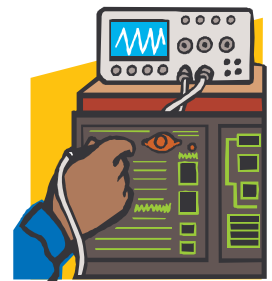
- Requires No Special Hardware
- Best Support in the Industry
- Reasonably Priced
- Accounting That REALLY Works
- Streamlines Business Transactions
- Increases Sales Opportunities
- Total Accountability

DealerWin™ is a Recommended Provider of the SouthWestern Association!

Charter Software Inc.
303-932-6875
www.chartersoftware.com sales@chartersoftware.com

SouthWestern Association Technician Training Program at OSU - Okmulgee

SouthWestern Association has partnered with OSU - Okmulgee to establish a technician training program for equipment dealership technicians. The first class of students in the program are currently enrolled at OSU and on their way to becoming technicians for sponsoring SouthWestern Association dealerships.



For more information contact:

Tag Webb, SouthWestern Association Regional Manager - 918-232-2830.

Steve Doede, OSU - Okmulgee, Department Chairman - 918-293-5392

Jeff Flora, CEO, SouthWestern Association - 800-762-5616.

Case Helps Katrina Relief With Equipment and Cash Donations

Case Construction Equipment is coordinating equipment and resources and sending cash donations to Mississippi and Louisiana to support ongoing relief and restoration work in the wake of Hurricane Katrina.

Case dealers in the region are also pitching in, diverting new equipment from Case plants and delivering units to the areas hardest hit. Rough-terrain forklifts and loader/backhoes are an initial part of the mix.

Case is delivering eight rough-terrain forklifts to the U.S. Department of Homeland Security at Camp Beaugard, La. Additionally, Case is donating two 580 Super M+ loader/backhoes to the local government in Plaquemines Parish, La., an area south of New Orleans hit hard by Katrina.

Case will continue to work closely with its dealers in the region, with the Business Roundtable through its Partnership for Disaster Relief, and with the National Association of Manufacturers to channel assistance to federal and state relief efforts supporting victims of the devastation.

In addition to supplying equipment as part of a million-dollar joint hurricane relief effort with other CNH brands, Case Construction Equipment also announced it will join the brands as they match individual employee donations to the American Red Cross Disaster Relief Fund on a dollar-for-dollar basis up to \$250,000.

For Your Information

GPS Systems Are Tax Exempt

In case you are wondering SouthWestern Association has confirmed that GPS systems for agricultural equipment are tax exempt.

Upcoming Hardware Markets and Shows

Jan. 25-27, 2006 - Do it Best Corp. - Winter Market, Kissimmee, FL

Feb. 2-4, 2006 - Handy Hardware Market - Houston, TX

March 9-12, 2006 - Ace Hardware Corp. - Spring Convention - Dallas, TX

March 17-19, 2006 - True Value Co. - Spring Market Houston, TX



NFL NEWS

NAEDA Financial, LLC
14000 W 9th Parkway, Suite 201
Owasso, OK 74756
888-411-4635
888-411-4634 (FAX)
www.naedafinancial.com

NFL #108

October 25, 2005

NFL LOWERS RATES & ADDS EXTRA INCENTIVES!

NFL wants to help you wrap up your Fall/Year-End sales. Effective October 15, 2005, NFL has slashed our fixed rates by a quarter percent on transactions over \$25,000. Please see the table below for our new low fixed rates. Payment factors can be found in the Dealer Access section of our Web site www.naedafinancial.com.

NFL'S FIXED RATES

AGRICULTURAL EQUIPMENT	> \$100,000*	> \$25,000*	< \$25,000*
3, 4 & 5 YEARS	6.95%	7.75%	8.65%
6 YEARS	7.25%	7.90%	N/A

*Amount financed or net lease amount

On September 20th, the Federal Reserve, once again, raised short term interest rates, which has a direct effect on NFL's variable rates. The Wall Street Journal Prime rate is now 6.75%.

NFL'S VARIABLE RATES

(Current WSJ Prime Rate is 6.75%^{***})

PLAN	\$25,000 & OVER*	UNDER \$25,000*
0	Prime + .50%	Prime + 1.5%
1	Prime + 1.0%	Prime + 2.0%
2	Prime + 1.5%	Prime + 2.5%
3	Prime + 2.0%	Prime + 3.0%

*Amount financed or net lease amount

***Wall Street Journal Prime Rate

NFL'S SALESMAN BONUSES

TRANSACTION SIZE*	CASH BONUS
\$10,000-\$25,000	\$50
\$25,001-\$75,000	\$100
\$75,001-\$150,000	\$150
OVER \$150,000	\$250

*Amount financed or net lease amount

Need Some Extra Dough? Go Online!

Now is the time to try NFL's on-line credit application. NFL will pay an additional \$25 bonus for every on-line credit application received thru 12/31/05.

The on-line application is a fast and easy way to submit your NFL credit applications and now you can pick up a few extra bucks along the way. You can register for dealer access at www.naedafinancial.com. Please call Mark Eckles or Gus Ray at 1-888-922-4635 if you have any questions concerning NFL's on-line application.

Need Even More Dough? Add Insurance!

As you know, NFL requires customers to provide proof of physical damage insurance (PDI) on every finance transaction. Why not use NFL's PDI and become a one-stop shop for your customers. Effective immediately, NFL will pay another \$25 if the PDI is added to the contract or lease.

Also, remember that if you, or someone in your dealership, is properly licensed you can earn a commission up to 15% of the total premium. Call us at 1-888-922-4635 today to learn more.

Section 179

Even though the bonus depreciation option is no longer in effect, IRS Section 179 expense election is an option that your customers can take advantage of for significant tax savings in 2005.

Section 179 is definitely worth mentioning to your customers as they are contemplating their year-end equipment needs. As with any tax situation, we encourage the customer to consult with their accountant and/or tax advisors to determine if it will work for their particular operation.

APPI Savings Solutions Program Update - October

Early assessments predicted oil and natural gas production in the Gulf coast to reach 90 percent of the output capacity that existed before Hurricane Katrina by the end of October. However, since Hurricane Rita, energy experts have discovered more damage was done to underwater oil and natural gas pipelines than originally thought. This is not good news for the energy market. Recently, we have all been witness to the fundamental principles of demand and supply. As the market struggles to reach equilibrium, a decrease in supply will raise prices in an attempt to lower demand. Further, the recent hurricanes will continue to affect the ability to move oil and natural gas output into the wholesale markets. After production returns to near normalcy, experts predict it will be at least three months before the market will reflect the restoration. Despite the unfavorable market conditions, APPI is still finding savings for members in electricity, natural gas, telecommunications, water, waste removal, and freight costs.

Electricity

The energy markets have been extremely challenging for consumers during all of 2005, and particularly so since the hurricane season arrived. Keeping an eye on fuel prices is a good tactic to follow the trends of electricity pricing. As fuel prices rise, electricity prices usually do, too. The best electricity opportunities are in competitive deregulated markets. Currently, the states showing electricity savings opportunities are New York and Texas. Opportunities are expected in Maryland later this fall.

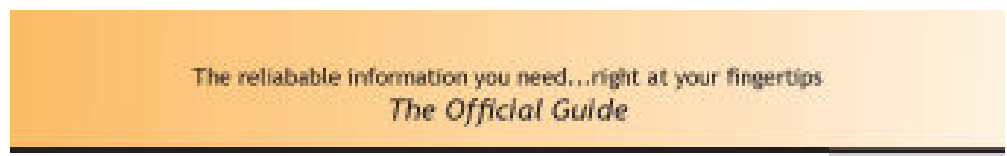
For many businesses, the ability to "lock in" a guaranteed fixed price for an extended period is ideal. One advantage of a fixed price electricity contract is budget assurance, allowing more accurate planning for the years ahead, while avoiding future price increases. For example, businesses that locked in a fixed price just eight months ago are typically paying about three (3) cents per kwh less than businesses that didn't.

If your business is located in Maryland, New York or Texas, contact APPI (800) 520-6685 or

info@appienergy.com to learn how you can reduce operating expenses through prudent electricity procurement.

Utility Audit

The utility audit service is available to all members located in the United States. The audit includes a thorough analysis of energy (electricity and natural gas) water, waste removal/recycling, freight, credit card processing, and telecommunications (voice and data) services. APPI analyzes all fees, tariff rates, and service plans to find savings. There are savings found in one or more of these areas for most association members, with savings ranging from 10 to 25 percent. Fax in last month's utility bills (410) 749-8769 and APPI will take care of the rest. Remember, this service is performed at no upfront charge.



Why are our Guides considered the Official Guide in the industry?
Values are based on dealer reported sales
Unbiased—no manufacturer affiliation
Mutually accepted resource for floor plan

United States Office
1195 Grubler Mill Road
Fenton, MD 21036-3480
Phone (636) 343-8000
Toll Free (877) 364-4766
Fax (800) 621-7270



Canada Office
109 Sawtooth Haven Ave. East
Ottawa, SK S0L 2H0
Phone (306) 867-4766
Toll Free (877) 364-4766
Fax (800) 665-9976

Call IRON Solutions for your subscription today!
Ask us how to earn discounts toward your Official Guide purchase!

Your Money:

New Credit Card Scam

The Association headquarters has been made aware of a new credit card scam that is quickly spreading across the country.

Note, the callers do not ask for your card number; they already have it. This information is worth reading. By understanding how the VISA and MasterCard Telephone Credit Card Scam works, you'll be better prepared to protect yourself. One of our employees was called on Wednesday from "VISA", and I was called on Thursday from "MasterCard."

The scam works like this: Person calling says, "This is (name) and I'm calling from the Security and Fraud Department at VISA. My badge number is 12460. Your card has been flagged for an unusual purchase pattern, and I'm calling to verify. This would be on your VISA card which was issued by (name of bank). Did you purchase an Anti-Telemarketing Device for \$497.00 from a Marketing company based in Arizona?" When you say, "No," the caller continues with "then we will be issuing a credit to your account. This is a company we have been watching and the charges range from \$297 to \$497, just under the \$500 purchase pattern that flags most cards. Before your next

statement, the credit will be sent to (gives you your address), is that correct?" You say "yes." The caller continues - "I will be starting a fraud investigation. If you have any questions, you should call the 1-800 number listed on the back of your card (1-800-VISA) and ask for Security. You will need to refer to this control number. The caller then gives you a six digit number. "Do you need me to read it again?"

Here's the IMPORTANT part of how the scam works. The caller then says, "I need to verify you are in possession of your card." He'll ask you to "turn your card over and look for some numbers." There are seven numbers; the first four are part of your card number, the next three are the security numbers that verify you are the possessor of the card. These are the numbers you sometimes use to make Internet purchases to prove you have the card. The caller will ask you to read the three numbers to him. After you tell the caller the three numbers, he'll say, "That is correct, I just need to verify that the card has not been lost or stolen, and that you still have your card. Do you have any other questions?" After you say "No" the caller then thanks you and states, "Don't hesitate to call back if you do," and hangs up.

Continued on next page

Take Charge of Your Bottom Line

The NAEDA/NOVA Bankcard Program* is the most widely used processing program in the equipment industry. With this program you can depend on:

Complete Processing Solutions

Credit and debit cards**, corporate cards, third-party (private label) cards as well as check verification services

Reliable Processing

Ranked # 1 by MasterCard for reliability and speed

Service and Support

Available to NAEDA-affiliated dealers around the clock

For additional information please call toll-free 800-546-1831 or email us at associations@novainfo.com. Mention promotional code #82057 to receive your exclusive association discount rate.

Helping Dealers Succeed

- * The program is not available in Canada.
- ** Rates for American Express and Discover negotiated separately.

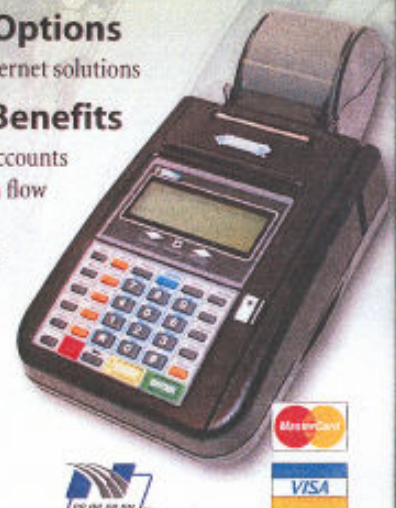
The Bankcard Program is cosponsored by the SouthWestern Association and the North American Equipment Dealers Association.

Processing Options

Terminal, PC and Internet solutions

Additional Benefits

- Eliminate house accounts
- Improve your cash flow
- Reduce your risk
- Faster settlements



You actually say very little, and they never ask for or tell you the card number. But after we were called on Wednesday, we called back within 20 minutes to ask a question. Are we glad we did! The REAL VISA Security Department told us it was a scam and in the last 15 minutes a new purchase of \$497.99 was charged to our card.

Long story short - we made a real fraud report and closed the VISA account. VISA is reissuing us a new number. What the scammers want is the 3-digit PIN number on the back of the card. Don't give it to them. Instead, tell them you'll call VISA or MasterCard directly for verification of their conversation. The real VISA told us that they will never ask for anything on the card as they already know the information since they issued the card! If you give the scammers your three digit PIN number, you think you're receiving a credit. However, by the time you get your statement you'll see charges for purchases you didn't make, and by then it's almost to late and/or more difficult to actually file a fraud report.

What makes this more remarkable is that on Thursday, I got a call from a "Jason Richardson of MasterCard" with a word-for-word repeat of the VISA scam. This time I didn't let him finish. I hung up! We filed a police report, as instructed by VISA. The police said they are taking several of these reports daily! They also urged us to tell everybody we know that this scam is happening.

Please pass this on to all your family and friends. By informing each other, we protect each other.

Iron Solutions Announces Vice President of Sales

IRON Solutions, LLC, www.ironolutions.com has announced the appointment of Bruce Arduser, Vice President of Sales.

Bruce brings more than 30 years of sales and marketing experience to IRON Solutions. He has spent most of his career in sales management, primarily with Pioneer/DuPont, building sales teams, developing their skills, and providing leadership to accomplish growth goals.

"We are thrilled to have Bruce join our company and to lead our sales and marketing team," said Merlyn Friesen, President and CEO. "His experience, knowledge and commitment to the customer will ensure our continued growth and ability to meet the needs of the dealer of the future. We look forward to being challenged by his expertise and energy at every level of our organization."

Bruce grew up on the family farm near Mankato, Minn. and is very familiar with equipment having operated most of the machines that are on farms today. He and his wife Jane are relocating to the Fenton-St. Louis area from their current home near Green Bay, Wis.



Thanks to Toolchex, technicians are taking home more of what they make.



Benefits for Technicians and Dealerships:

- The Toolchex employee benefit can help dealerships retain valuable technicians by allowing them to take home an average of \$150 more each month.
- Toolchex can save dealerships an average of \$750 in employment taxes per technician per year.
- Toolchex can reduce payroll costs and premiums based on total payroll (workers' compensation, shop owners liability insurance, general liability insurance, etc.).

Helping Dealers Succeed.
This program is endorsed by the North American Equipment Dealers Association



Consult your tax advisors regarding the tax considerations with respect to adopting or participating in the Toolchex accountable plan. © 2004 Copyright Toolchex, Inc.

800.498.2256 or visit www.toolchex.com

SWA Presents Check For Disaster Relief



Jeff Flora, center, SouthWestern Association CEO, and Jim Meinhardt, right, NAEDA President and SouthWestern Association Board of Directors member, presents a \$2,500 check from SouthWestern Association to Paul Kindinger, NAEDA CEO, for the Equipment Dealers Foundation Disaster Relief Fund.

WHAT DOES THE FINE PRINT REALLY MEAN?

When you ask your local Federated representative to complete a **RIGHT Report**[®] for your business, you'll receive a systematic review of the insurance needs for your operations, an evaluation of your current insurance program, and recommendations that will help you put your premium dollars where they will count the most.

After all, it's what's in the fine print that often matters most.

FEDERATED INSURANCE

The FEDERATED Insurance Companies
Home Office: 121 East Park Square, Owatonna, Minnesota 55020
(507) 455-5200 • www.federatedinsurance.com

A magnifying glass is positioned over the words "Insurance Policy" written in a cursive font. Below the magnifying glass is a circular seal with a checkmark and the text "EXCLUSIVELY RECOMMENDED BY YOUR ASSOCIATION". The background of the advertisement is a textured, parchment-like surface.