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- When to Place an Account for Collection
- NOVA and Discover Sign Agreement

Upcoming Events of Interest

Western Farm Show

Feb. 24-26, 2007
American Royal Complex
Kansas City, Mo.

South Western Regional Conferences

Monday, Jan. 22, 2007 -

San Antonio, Texas

Tuesday, Jan. 23, 2007 -

Fort Worth, Texas

Wednesday, Jan. 24, 2007 -

Oklahoma City, Oklahoma

Thursday, Jan. 25, 2007 -

Amarillo, Texas

Friday, Feb. 23, 2007 -

Kansas City, Missouri

(in conjunction with the Western Farm Show)

South Western Association

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Kansas City, MO 64141-6264

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www.swassn.com

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We will forward important

Association correspondence to

your attention via e-mail. Please

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www.swassn.com/register-email.htm

OPE Survey Results

Respondents Say - Reduce Phone Directory Headings

The NAEDA OPE Yellow Pages survey was completed in late September and indicated just how important reducing the number of phone directory headings is to those dealers who responded.

More than 84 percent of survey respondents indicated a reduction in the number of phone directory headings would benefit their business. Approximately 13 percent of the respondents didn't see such an advantage, leaving about 3 percent with no stated opinion.

One of the survey highlights was the willingness of respondents to get involved and help the OPE Dealer Council on this project led by the Advertising and Yellow



Pages Subcommittee, which sought to do the survey in order to judge dealer support. Nearly 33 percent of all 266 survey respondents said they'd assist in efforts “improving the effectiveness of phone directory advertising” and 70 individuals from that pool further demonstrated

their commitment by offering contact information so they can be called upon to get involved when the time comes. The OPE Yellow Pages Survey generated responses from 35 states and two Canadian provinces.

Despite the obvious concerns about watering down their advertising investment because of too many headings, the majority of responding OPE dealers still believe in the necessity for phone directory advertising. Nearly 150 respondents (55.5 percent) said phone directory advertising is effective. The survey generated written comments from 228 dealers who provided their opinions on the value of phone directory advertising. Comments ranged from phone directory advertising being absolutely essential to being of such little worth that dealers have totally given up on anything more than the most basic business name and number.

The OPE Yellow Pages Survey included various opportunities for dealers to respond with written comments. From these various comments, there is support for an industry-wide effort to consolidate phone directory advertising under an umbrella heading such as “outdoor power equipment.” However, it's clear that such a movement would require support from dealers, manufacturers and phone directory publishers alike.

Armed with knowledge gained from the survey, the Advertising and Yellow Pages Subcommittee is taking the next steps to enlist support from manufacturers and phone directory publishers.

Taming the “Warranty Beast” With Charter Software’s DealerWin™ Warranty Module

Warranty claims are a beast to be tamed. As a dealer, you’d likely agree that managing warranty claims is a time-consuming, but essential part of your daily business routine. It’s a constant struggle to track warranty claims and determine profitability by manufacturer. Keying in data on each individual manufacturer’s web site, and manually preparing, submitting, and shuffling claim forms are cumbersome, tedious tasks that are all susceptible to data entry errors.

Now, using Charter Software’s DealerWin™ Warranty Module, you can begin the taming of the beast. The module allows users to track and have full accountability of warranty claims, including tracking of warranty expense by manufacturer. Via one screen, a dealer can electronically submit to John Deere or any manufacturer supporting the OPEI standard. This submission will immediately send all parts, labor, segments, and additional charges to the manufacturer, and the acknowledgement is received within seconds.

The claim process begins in DealerWin™’s Service Module where you are able to manage and track claims and reimbursements. Invoicing warranties through Service automatically

populates the claims in the Warranty module. As all information is carried over from the warranty invoice, there is no need to re-key information from screen to screen. By keeping figures in balance throughout the warranty claim cycle, and thereby reducing warranty claim losses, dealers using the module will see an improvement in their service and parts departments’ profitability. The amounts not credited from manufacturers are automatically updated in the accounting system, so that warranty expense for parts and labor are completely accounted for, and at the same time, the credit voucher is recorded in the Accounts Payable module. You can also quickly reference historical warranty records for use in populating current claims, saving hours in re-entering information on repetitive type claims.

Anne Salemo, president of Charter Software, Inc., says, “We are very excited about the release of this module and especially its adherence to the OPEI warranty standard. As on-line warranty claim processing becomes more prevalent, these interfaces will become huge time savers for dealers.”

Plan to Attend a SouthWestern Association Regional Conference

SouthWestern Association is pleased to present the 2007 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 you manage better 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. Watch your mail for complete registration information coming soon.

Dates/Cities

Monday, Jan. 22, 2007 - San Antonio, Texas
Tuesday, Jan. 23, 2007 - Fort Worth, Texas
Wednesday, Jan. 24, 2007 - Oklahoma City, Oklahoma
Thursday, Jan. 25, 2007 - Amarillo, Texas
Friday, Feb. 23, 2007 - Kansas City, Missouri
(in conjunction with the Western Farm Show)

Meeting Schedule

10 a.m. - Registration
10:30 a.m. - Association Business/Industry Update

Recognition of New and Retiring Board Members
Lobbyist Report

Association Programs Update

Breaks Sponsored by Tax Favored Benefits

Noon - Lunch - Federated Insurance Presentation

1:30 p.m. - “High Performance Management” with Bill Sharp

5:30 - 7:00 p.m. - Manufacturers’ Reception

High Performance Management

In some ways managing a high performance business is a little like a game of golf. It would be great to consistently slap every drive down the center of the fairway...300 yards, if needed. However, hooks and slices creep into the game. If you knew you had a tendency to slice, you’d make corrections.

This program is one you’ll love because it will pinpoint situations in the daily management of your company where you are likely to make errors created by pressure or stress. It will also nail the activities where your native skills are so strong that you should “*go with your hunches.*” Each of us is unique. The ways in which we react to situations is different from others. CEOs of huge and small companies have learned “*when to hold ‘em and when to fold ‘em*” by completing a questionnaire on-line and receiving an individual report of 20 different ways in which we pay attention and react to things happening in our world. The inventory was designed **Continued on page 4**

When to Place Accounts For Collection

Creditor clients often ask me, “When should I place an account with a collection agency?” They want to know a specific point in time when an account should be placed with a third party.

Generally, if an account is 120 days delinquent (90 days after the invoice date), a creditor should initiate placement with their collection agency, particularly if no response has been received from the customer. At that point, most creditors have sent out several statements and collection letters and made several collection calls. They have tried to bring to the customer’s attention the delinquency and their concern about it. The customer’s lack of response to collection calls and letters indicates either a lack of concern or a cash flow problem, or something even worse (such as impending bankruptcy). In any case, a collection problem exists, and the account should be placed with RCI, a Commercial Law League of America Certified collection agency.

There may be times, however, when a creditor should place an account even earlier with a collection firm. The following provides a guideline to such events:

Two or more broken promises of payment. Payments were promised, but no checks have been received, and the customer will not send immediate payment by overnight delivery.

Customer’s telephone is disconnected. Double check with the information operator, and if no new listing can be obtained, place the account immediately.

The customer repeatedly requests documentation even though they have been supplied the documentation previously. This common practice is used to delay payment of the account.

Your customer indicates that they do not adhere to your terms of sale. For example, they may indicate that they pay bills in 60 or 90 days and not according to the agreed upon terms of sale. If you did not have an agreement with the customer before the shipment for extended terms, this is just a delaying tactic. Explain to your customer your terms of sale and request immediate payment. If they refuse or fail to send a check as promised, place the account with RCI.

Your customer indicates an inability to pay and refuses to provide a specific date for payment **Continued on next page**

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This program is a joint effort of PartnerShip, NAEDA, and NAEDA-affiliated associations.

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When to Place Accounts for Collection

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or to initiate a realistic payment schedule. This is a sure indication of a serious cash flow problem and immediate steps should be taken to protect your interests.

Your customer states they will “take care of the account,” but refuses to make a realistic commitment for payment or to work out a payment schedule. This is another indication of a serious cash flow problem.

Your customer suddenly indicates a dispute regarding the merchandise shipped or your terms of sale, in response to your requests for payment. Such a dispute was not raised previously. If your investigation shows the dispute groundless and

the customer will not take steps to make payment or resolve the matter, the account should be placed with RCI, a certified collection agency.

A recent study by the Commercial Law League of America proved that the probability of full collection on a delinquent account drops dramatically with time. After only three months, the probability of collecting a delinquent account drops to 69.6 percent; after 6 months, collectability drops to 52.1 percent; and after 1 year, the collectability drops to a dismal 22.8 percent. Creditors who recognize this and become proactive in getting their accounts placed quickly enjoy much better cash flow and profits.

Contact Randy Plemons at Recovery Concepts, Inc., 1-800-931-9638 ext. 244.

NOVA and Discover Financial Services Ink Merchant Processing Contract

Nova to Offer Pricing, Processing, Settlement and Support to Merchants

NOVA Information Systems (NOVA), a wholly owned subsidiary of U.S. Bancorp and Discover Financial Services LLC, a business unit of Morgan Stanley have announced the signing of a merchant acquiring agreement. Under the terms of the agreement, NOVA will add Discover Network card acceptance to its portfolio of payment processing services.



NOVA will provide consolidated pricing, underwriting, risk management, processing, settlement, support and reporting to its merchants, simplifying payments processing.

NOVA will provide processing services to merchants for Discover Network card acceptance that promotes a broader range of payment options at the point of sale. Merchants, such as restaurants, retailers, and specialty shops, will receive an easy, cost-effective, all-in-one payment processing solution with the convenience of a single source for statements, settlement, and customer service.

“NOVA excels at providing outstanding service to our more than 850,000 U.S. merchants and we welcome the opportunity to add value to our product offering,” said Stuart C. Harvey, Jr., president, NOVA. “The ability to offer Discover Network card processing streamlines the merchant experience by eliminating the complexities of dealing with multiple providers.”

NOVA is the third largest U.S. credit card processor and one of the top 10 global processors. This agreement is expected to help broaden Discover’s acceptance among small-to-mid-sized merchants, while increasing volume on the Discover Network.

“Our agreement with NOVA not only consolidates services to our merchants, but it also increases the momentum Discover Network has been gaining within the merchant acquiring community as we continue to build it into a broad-based payments business with multiple products and acquires,” said Harit Talwar, executive vice president of Discover Financial Services. “NOVA’s extensive presence within the independent sales organization (ISO) and bank channel communities helps us achieve that goal.”

Regional Conferences

Continued from page 2

by the personal training consultant to dozens of Olympic stars as well as the Navy SEALs and other “*get it right the first time*” organizations.

Bill Sharp will join us again to be your personal training consultant in a fast-moving, eye-opening workshop that will show you how to avoid costly decision-making errors. In his usual style, Bill will have you laughing and saying, “Wow” over and over.

Bill Sharp has spent the past 10 years building a highly interactive program to surround giving people their reports. Instead of just hearing about various factors, the audience goes through a series of interesting exercises to “feel” the concepts. You’ll come away with a new sense of how to engage in high performance management. Additional information about the Regional Conferences will be sent to dealers in the next few weeks.

FEMA Services Endorses Textron Financial

FEMA Services Corporation recently announced its endorsement of Textron Financial as the association's preferred wholesale lender for its members.

In making the announcement, Bob Schnell, executive vice president of FEMA, cited Textron Financial's strong reputation in the marketplace and solid agriculture experience as key factors. "This endorsement by FEMA Services Corporation is in recognition of Textron Financial's continued commitment to enhance the quality of financial services available to today's agricultural equipment manufacturers and dealers," Schnell said.

FEMA Services Corporation is a wholly owned subsidiary of the Farm Equipment Manufacturers Association (FEMA).

Textron Financial offers manufacturers exclusive financing programs designed specifically to meet the fluctuating demands of the agricultural equipment industry. Its financing solutions are designed to improve cash flow and eliminate the credit risk associated with open accounts, enabling manufacturers to move more of their inventory to the showroom.

Textron Financial features a state-of-the-art online account management system for automated distributor and dealer funding and prompt electronic payment to the manufacturer; streamlined, Web-enabled order approval process or custom-tailored open-to-buy alternative; distributor and dealer online bill paying for accurate, immediate payment posting and optimal credit availability; and pre-established credit over-lines to meet seasonal demands.

Textron currently has relationships with 50 FEMA members and more than 1,000 dealers and distributors of agricultural equipment. FEMA (www.farmequip.org), based in St. Louis, Mo., provides services to more than 600 manufacturers of agricultural equipment.

The SouthWestern Association (SWA) also endorses Textron Financial as the wholesale finance lender for SWA-affiliated dealers.

For more information, call Chad Corsi, Textron Financial Large Ticket Division, at 888-222-3836 (ext. 124) or visit www.textronfinancial.com.

Morra Named New President of McCormick USA

McCormick International USA, a division of ARGO Tractors and part of ARGO S.p.A., a holding company owned by the Morra family in Italy, announces the appointment of Simeone Morra as President of McCormick USA effective immediately.

McCormick USA markets the McCormick and Landini tractor brands in the United States. Morra assumes responsibility for all McCormick business interests in the U.S. market.

"The U.S. market continues to represent our major opportunity for growth, and we are delighted that Simeone has agreed to accept this position which we believe further underlines our commitment and belief in the U.S. tractor market," says Valerio Morra, President of the ARGO Group. Simeone Morra has considerable experience in the agricultural equipment sector within the ARGO group and primarily with McCormick Tractors International Limited, where he has held positions of increasing responsibility. Most recently, as Sales Director for McCormick, Morra managed the company's sales and distribution activities on a global basis. McCormick offers more than 45 models ranging from 40 to 280 hp.

Case-New Holland Restructures North American Operations

Case-New Holland (CNH) has recently announced that it will close a tillage equipment manufacturing facility in Goodfield, Ill., and move those lines to Saskatoon, Canada. The company already builds air seeders and corn planters at the Saskatoon facility. The plant in Illinois builds more conventional tillage equipment, such as discer-harrows, field cultivators, primary "combo" tillage and fertilizer applicators.

"All of these will be transferred to the Saskatoon plant," said Gualberto Ranieri, vice-president of global

communications for CNH. "It's what we call a center of excellence, which means that it will be the home of these product lines."

It's the second time in about five years that CNH has moved a product line to Saskatoon. The company earlier moved production of corn planters to Saskatoon from an American facility. Ranieri says about 200 jobs will be lost in Goodfield when the facility closes, but he says it is too early to say what the job gain would be in Saskatoon.

Expanded Panama Canal to Boost Ag Exports

Ag exports could get a boost thanks to a larger Panama Canal. Voters recently approved a plan to expand and update the link between the Atlantic and Pacific oceans. The \$5.25 billion plan would add a third set of locks for larger container ships, cruise liners and tankers. The expansion will offer cheaper transport for U.S. agricultural products, too. About half of U.S. corn exports travel through the canal.

Source: Farm Progress Friday, Oct. 27



SOME SEE 33 BALES OF HAY. WE SEE A FORAGE HARVESTER,
A HAY RAKE, A TRACTOR, A BALE WAGON AND A BALER.

No pun intended, but finding a way to make inventory financing available and attractive to farm equipment dealers has been our bailiwick for over 40 years. Today, we have inventory financing relationships with over 1,300 manufacturers, distributors, and dealers who rely on our:

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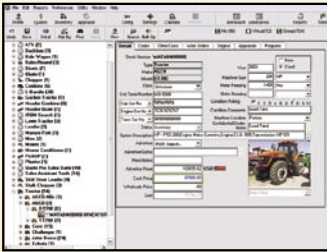
Integration of: *Appraisal Manager, Inventory Manager, IRON Search, IRON Quote Express* and *Official Guide Reporting*



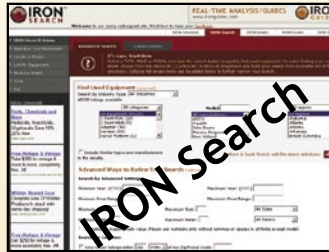
(Appraisal Manager)
Sales staff inspects and appraises the trade-in

Appraisal is sent to Sales Manager for review and approval

Once the trade is made, information flows to accounting and other sales staff



(Inventory Manager)
Trade-in details flow to inventory where photos are added



(IRON Search, Farm Country Trader, UsedXpress)
Upload equipment listings to Internet used equipment search sites



(Inventory Manager)
Create "Print Ready" equipment ads and generate inventory reports



(Inventory Manager-XML exports)
Electronically transfer advertising content to print media



(IRON Quote Express)
Sales staff quote the equipment



(Inventory Manager)
Trade-in is sold and removed from internet listing and reported to the *Official Guides* database

**-one price per location
-unlimited users**

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1195 Smizer Mill Road
Fenton, MO 63026-3480
Phone (636) 343-8000
Toll Free (877) 266-4766
Fax (800) 821-7270



Canada Office
109 Saskatchewan Ave. East
Outlook, SK S0L 2N0
Phone (306) 867-4766
Toll Free (877) 264-4766
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Member News

Coleman Wins Vaughn Service Award

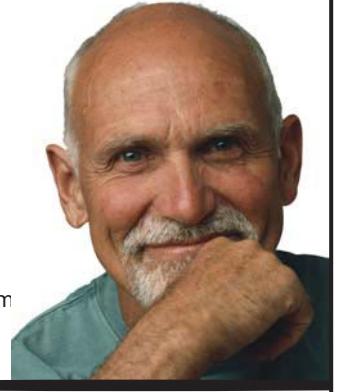
The 30th Marion Vaughn Service Award was given in September at the Mayor's Banquet in Bonner Springs, Kan., to Bruce Coleman of Coleman Implement Co. in Bonner Springs. Coleman was recognized for his over 30 years of working with the Boy Scouts in Bonner Springs. Coleman is the Scoutmaster for Bonner Springs Scout Troop 149. In addition to his work with the Boy Scouts, Coleman is an active Bonner Springs Rotary Club member since 1985, and organized with Judy Cox the annual 5K Tiblow Trot. Coleman credits his volunteerism in part to his Scout days when he was a boy. *Congratulations Bruce!*

APPI Electricity Update

Texas Members: Price to Beat (PTB) rates end on Dec. 31, 2006. On Jan. 1, 2007, electricity rates will be market-based reflecting the changing conditions of the energy markets. Protect your business, find current savings and secure budget-certainty by contacting APPI today.

Contact APPI at 800-520-6685, e-mail: info@appienergy.com.

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