

South Western Flash

October 2007, Vol.5, No. 10



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Upcoming Events of Interest

**2008 Western Farm Show -
Now Open on Friday!**
Feb. 22-24, 2008, Kansas City, Mo.



South Western Association

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Kansas City, MO 64141-6264
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Fx: 816-561-1249
www.swassn.com

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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

SouthWestern Annual Conference

SAVE THE DATE AND PLAN NOW TO ATTEND!

Date – February 21-22, 2008

Location: Kansas City, Mo.

February 21 – Reception and dinner – Hampton Inn & Suites Country Club Plaza
February 22 – Seminars – American Royal Complex (Transportation provided to/from the hotel)

Thursday, February 21, 2008

- 5:00 p.m. – Registration at Hampton Inn & Suites Country Club Plaza
- 5:30 p.m. – Reception
- 6:30 p.m. – Dinner featuring Jim Welch, The Growth Leader, Inc. speaking on “Cutting Edge Generational Leadership Growth”

How do you enable your Business to exceed business growth objectives with a rapidly changing workforce that cuts across multiple generations? Specific creative leadership ideas and techniques will be shared to help employees across generations build great teams, exceed growth objectives and have fun doing it! This presentation does not focus on only the generational differences, but how the similarities can be leveraged across the organization to create sustainable growth and customer loyalty.



Friday, February 22, 2008

- 7:30 a.m. – Buses depart the Hampton Inn & Suites (Shuttle transportation will be provided throughout the day.)
- 8:00 a.m. – Continental breakfast sponsored by Federated Insurance
- 8:30 a.m. – Program: Association update and recognition of new and retiring Board members. Seminars on 21st Century Agricultural Practices, Fuel Alternatives, Precision Ag
- 11:30 a.m. – Meeting adjourns
- Lunch on your own
- Noon – 5 p.m. – Tour the Western Farm Show
- 5 p.m. – Dealer and Exhibitor Reception – Central Exhibit Hall
- 7 p.m. – Buses Return to the Hotel

Hotel Information

The Hampton Inn & Suites – Country Club Plaza – is located at 4600 Summit, Kansas City, Missouri 64112; Tel: 816-448-4600; Fax: 816-448-4610

We have arranged for a special group rate of \$119 per night. To make your reservation and obtain the special group rate, please call 816-448-4600 before January 31, 2008. Your reservation includes complimentary “On the House” breakfast, complimentary local calls and high speed wireless access. Secure underground parking is also complimentary. Much more information will be sent as soon as it’s available. For now, please make your hotel reservations, plan to attend and we’ll see you there!

New Leadership Appointed To IRON Solutions Board of Directors

IRON Solutions, LLC has announced the appointment of Tim Young as Chairman of the Board of Directors and Blaine Bingham as Vice Chair. Young's position was preceded by Steve Barr, CEO of Osborn & Barr Communications and principal in three John Deere dealerships in Iowa.

Young is the President and General Manager of Young's Equipment, Inc., a five-store, full-service Case IH Dealer in Regina, Moose Jaw, Assiniboia, Windhorst and Weyburn, all in Saskatchewan, Canada. Young's Equipment is a diversified company with a livestock equipment division, an application services division, as well as the traditional large dry land farm services segment. Young has served on the IRON Solutions Board of Directors since 2004.

Bingham is President of Bingham Companies, with corporate offices in Mesa, Arizona, and 11 locations throughout Arizona. Since opening their first dealership in 1955, Bingham Companies has grown to become one of the largest independent equipment dealers in the Southwest carrying Case, New Holland, Bobcat, Kubota, Toro, MacDon and Hesston equipment. Blaine is the past-president of the Far West Equipment Dealers Association and serves on the equipment dealer advisory board for Universal Underwriters Group. Bingham joined the IRON Solutions Board in 2005.

Common Heading For OPE Equipment in Yellow Pages

SouthWestern Association and the NAEDA OPE Dealer Council are working with AT&T and the Association of Directory Marketing to consolidate all outdoor power equipment under one heading - "Outdoor Power Equipment Sales & Service."

AT&T will for the first time make the "Outdoor Power Equipment Sales & Service" heading available in all the directories in the AT&T system. AT&T will also add "see also" reference to 16 associated OPE headings. As an example, an ad under the heading, "Snow Removal

Equipment" will also have a line reading, "See Outdoor Power Equipment Sales & Service."

The Association of Directory Marketing (ADM) members are following the example set by AT&T. More than 10 of the 22 ADM members have agreed to add the "Outdoor Power Equipment Sales & Service" heading to their directories or start the process for getting it accomplished. The same publishers also have either agreed to add "see also" references similar to AT&T's or start the process.

Dealer Benefits

The success of working with AT&T and ADM shows how association membership is a direct investment that delivers tangible benefits to the success of your dealership.

AT&T and its fellow ADM members listened because the SouthWestern Association is one of 18-affiliated associations working with NAEDA to represent more than 5,000 dealers throughout North America.



Helping dealers turn iron into **GOLD.**

Prices can vary by thousands of dollars between regions and between issues depending on regional demand, seasonal changes and crop intensity. Options hugely impact values. The Official Guides data is divided into seven unique regions throughout North America. These regional values offer the best source of data that helps dealers, lenders and insurers avoid mistakes that can cost thousands of dollars with a single bad decision.

- Darwin Melnyk, President-CEO, IRON Solutions

Our Official Guides Provide:

- Values based on actual sales reports from across North America - not just advertised prices
- Reports received on a daily basis from thousands of dealerships like yours
- Base model equipment values for true comparisons
- The ability to add individually-priced options to appraise the equipment more specifically and give you the most accurate appraisal to make the right deal

When making equipment deals, weak or old data costs you money. IRON Solutions is the leader in providing the best data for the most profitable deals. From print, to electronic, to web-based data - nothing else compares. Make every deal count as the best deal.

**IRON Solutions -
the gold standard in equipment data.**



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FMLA: The Top Six Mistakes Employers Make

By Lesley Sifers, Tax Favored Benefits

The Family and Medical Leave Act (FMLA) is again in the news. There is a political move afoot to create paid FMLA, which will certainly make this complex, and misunderstood, law even more burdensome. The current FMLA, passed in 1993, requires covered employers to provide up to 12 weeks of job-protected, unpaid leave in a 12-month period. Employer paid health benefits, including cafeteria plan benefits, must be continued during this time. The employee must be reinstated to the same or an equivalent position when they return to work. Employees have a lot of misconceptions about what the law allows and employers make a lot of mistakes when developing FMLA policies and administering leave. Here are a few common FMLA mistakes that employers make that lead to misunderstandings and, in some cases, litigation.

#1 - Believing you are not required to comply with FMLA because you do not have 50 employees. Part-time employees are counted on a pro rata basis. For example, if you have 48 full-time employees and four part-time people who work 20 hours per week, you have 50 employees. Counting your employees may be a bit complex if you have multiple locations more than 75 miles apart or remote employees who might be excludable. Beware, however, because even if the federal law doesn't apply, state law may.

#2 - Failure to develop and disseminate a FMLA policy. Communicating employee rights and responsibilities under FMLA is one way to prevent abuse and misunderstanding. A good, workable policy not only explains what the law permits but how you intend to administer your FMLA policies. For example, what 12-month period is the benefit year? What will you do if an employee takes other employment while on leave? How do employees arrange to handle paying their share of health insurance premiums or cafeteria plan contributions while on leave? How will you treat accrued paid time off, workers compensation disability, recertification of the need for leave? There are a lot of things to think through when putting a policy together.

#3 - Neglecting to train supervisors and managers about FMLA. Face it, direct supervisors and managers know more about what's going on in employees' lives than you do. They are the ones who need to understand what FMLA is and when and how to apply company policy. It should be part of their duties to recognize a qualifying situation and to direct the employee to the person in your company who will arrange for and administer the leave.

Continued on page 8

Save Money with credit card solutions that reduce costs



NOVA Information Systems, the endorsed payment processor of NAEDA, invites NAEDA-affiliated dealers to take advantage of the **lowest program rates in years**. Even if you're using another payment processor, call us for a **FREE** rate comparison. You have nothing to lose but higher fees.

For information, please call 800/546-1831, send your business and contact information by e-mail to merchantinquiry@novainfo.com or fax to 800/799-3984. **Please mention source code 82093.**



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Federal Legislative Update

“No-Match” Rule

The Small Business Administration’s (SBA) Office of Advocacy has joined the fray over the Department of Homeland Security’s (DHS) attempt to implement its new “no-match” rule. DHS wanted to use no-match letters sent to employers by the Social Security Administration (SSA) as evidence in criminal proceedings that the employer knew certain employees were in the U.S. illegally. SBA said it is prepared to join a lawsuit challenging DHS and SSA authority in the matter because DHS failed to meet requirements of the Regulatory Flexibility Act (RFA). This law requires agencies to consider the cost of the rule to small businesses. SBA said the rule “requires employers to take certain actions in response to receiving ‘no match’ letters that they were previously not required to take. Those requirements represent costs that should have been quantified by the agency in compliance with the RFA.

Judge Maxine Chesney of the U.S. District Court for the Northern District of California is expected to hear a request for a preliminary injunction against the DHS rule; she issued a temporary restraining order on Aug. 31 halting implementation of the rule and stopping SSA from sending out no-match letters.

Lower Capital Gains Tax

The Joint Committee on Taxation gave Congressional opponents of lower capital gains tax rates more ammunition. It released a report saying that continuing the 15 percent tax rate for capital gains and dividends would cost \$631.9 billion in fiscal years 2007-2011, making it the largest single tax expenditure by the federal government for the five-year period. Next most expensive tax policies are the exclusion of employer payments for health insurance and health care, the exclusion of pension contributions and earnings on employer plans, the home mortgage interest deduction, the earned income tax credit and the child tax credit.

Federal Government 2007 Fiscal Year

As has become the norm, the federal government’s 2007 fiscal year ended Sept. 30 with no 2008 appropriations bills enacted. Congress passed legislation extending 2007 spending levels through middle of November (when lawmakers intend to adjourn for the year). While they were at it, they passed a separate bill to raise the federal debt ceiling to \$9.815 trillion.

Consumer Product Safety Commission

Concern about products, primarily toys, being imported into the U.S. has caught Congress’s attention and may result in legislation to strengthen the Consumer Product Safety Commission (CPSC). A Senate bill would increase staffing and funding for CPSC, increase criminal and civil penalties, increase disclosure requirements for manufacturers, make it illegal for retailers to sell a recalled product and provide whistle-blower protection for employees of manufacturers and importers.

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Sales Manager Named at Unverferth Manufacturing

Unverferth Mfg. Co., Inc. is pleased to announce the promotion of Mike Ellerbrock to Sales Manager. Ellerbrock has served as Assistant Sales Manager since 1993 and has been a key asset to helping build the company’s Alliance and Unverferth sales groups. In this new position he will assume full day-to-day responsibilities of the company’s 30 plus outside territory managers, inside sales force and branches. Steve Unverferth, company President, stated, “Mike’s promotion allows the company to continue its expansion and focus on future sales opportunities and growth.” Ellerbrock began his career in sales with Unverferth Manufacturing in 1989.

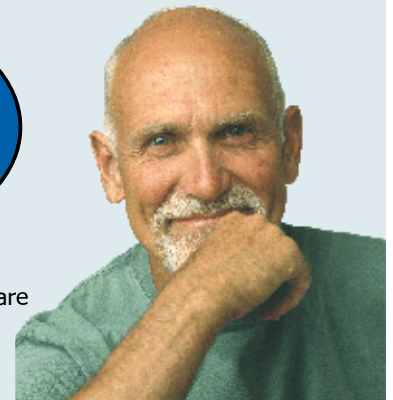
Federated Ranked in Top 100 for Good Faith Insurance Practices

Federated Insurance Co, SouthWestern’s endorsed insurance provider, was recently ranked in the top 100 for good faith business practices. The FBIC rankings also placed Federated in the top 100 for payment of claims. The FBIC rankings are done on a frequent basis and are intended to inform consumers and businesses on business practices of insurance companies operating throughout the U.S.

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Borrowing From the Movies

By Mike Jenkins, Federated Insurance Co.

For years, we've seen it in the movies and on television. The good guys catch the bad guys by using all sorts of tracking devices and monitors to follow the thieves and find the stolen goods. In the movies, only 007 James Bond or the top-level secret agents could access the devices and complex computer networks to thwart the thieves.

Today, it's not just futuristic imagining. Even you can employ the latest technology to virtually eliminate equipment theft at your dealership or to recover stolen property in minutes.

Using global positioning satellites (GPS), enhanced global positioning satellites (linked with cellular telephones), or radio frequency technology, your equipment can be monitored or located and identified in moments.

The system works by installing a transmitter, sometimes called a tag or personal tracking device, on the equipment at your dealership. Transmitters are becoming standard on some new farm and industrial equipment. The transmitter has an identification code for the particular piece of equipment and for your dealership. Once the transmitter is activated, either by movement outside your lot or by a call from your

dealership reporting the equipment is missing, the response center for the monitoring company can track your equipment to within 30 feet of its location.

Several companies manufacture this type of tracking equipment. Each manufacture has a different type of transmitter, different type of monitoring, and a different type of tracking method. Some companies allow users to build a "virtual fence" around their lots or any specific area to control the zone of alert. One company charges for the transmitter, then monitors only after they receive a call from the dealership indicating the equipment is missing, charging for services based on recovery of the equipment. Most, however, charge for the transmitter, then charge a monthly fee for monitoring the equipment.

Regardless of the method, these tracking devices are very accurate. In one instance, thieves stole a tractor-trailer rig, valued at \$84,000, from a construction site. They then went to another construction site where they loaded a \$30,000 backhoe into the enclosed van trailer. When the backhoe, equipped with a transmitter, was moved from the construction site, the specialist at the response center was alerted. The specialist called the sheriff's department

Continued on page 8



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More importantly, how can you be sure it will be a perfect fit?**



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An aging dealer population, downward pressures on dealers by main-line manufacturers, as well as market changes are forcing dealers to consider their future leaders.

Dealers are looking for ways to pass progressive operational, financial and personnel management techniques on to their replacements, branch managers and other key leaders. But for most dealers, there is simply not enough time in a day to take on such initiatives. Many dealers themselves are struggling to stay abreast of industry changes.

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and deputies arrested two thieves within one hour of the alert. Time would have been shorter, but the deputies were at first skeptical that the stolen backhoe was inside the trailer van they were following.

This technology also benefits equipment dealers who rent farm or construction equipment. The tracking devices can monitor the actual engine hour information to ensure proper billing. The fleet manager can even generate reports and maps from the latest location and engine hour update from an Internet browser.

Most of the monitoring is available nationwide since GPS and cell phones are used. Some tracking companies monitor on 24-hour basis, while others monitor only after the dealership reports missing equipment. Thus the cost of monitoring will vary considerably. Like VCRs and other electronics that have become commonplace, the prices of tracking devices will also go down as the technology advances.

Now you can use the same tools as the best movie detectives to prevent theft and recover equipment if a theft does occur. Thanks to new techniques and rapidly changing technology, you can be the hero of your own story.

This article provided by Federated Insurance Co., South Western Association's recommended insurer.

FMLA - The Top Six Mistakes Employers Make Continued from page 3

#4 - Thinking that FMLA only applies if the employee requests it. An employee has the right to invoke FMLA when the situation qualifies for leave under the Act. Recently, an employer called me after an employee used two weeks of vacation for medical treatment that would have been covered under FMLA. Things did not go quite as planned and the employee then requested 12 weeks of FMLA leave. To make matters worse, the employer used a calendar year as the benefit year and this situation occurred in the fall. In January, the employee had another 12 weeks of FMLA eligibility. In the end, the employee did not return to work after more than 26 weeks while the employer continued to pay for health insurance and hold the job open. If the immediate supervisor had understood FMLA and, if the employer's policy had used a rolling year, this leave would have lasted 12 weeks and the employer could have released the employee if so desired.

Editor's Note: This article will be continued in the next issue of the *South Western Association Flash*.

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