

SouthWestern Flash

March 2009, Vol.7, No. 3



In This Issue

- Safety Training
- HR Round Table
- Reporting Dealers for Guides
- After Market Sales
- Give it the "Old College Try"
- Dealers of Tomorrow Seminars
- Registration Forms for Area Meetings and HR Round-Table

Upcoming Events

Area Meetings

- Agenda and Schedule at right

HR Round-Table

- May 11-12, Kansas City, Mo.

Dealers of Tomorrow -

- Aug. 4-5, Manhattan, Kan.
- Oct. 13-14, San Antonio, Texas

SouthWestern Association

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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

Plan to Attend

SouthWestern Association Announces Spring Area Meetings

SouthWestern Association has scheduled area meetings for members in 2009. You are invited to attend one of the Spring Area Meetings in seven different locations. This year, they're scheduled from 11 a.m. until 3 p.m. each day, and lunch is included at no charge to members. *Please complete the registration form on page 13 if you plan to attend the area meeting near you.*

Agenda

- I. Welcome & Introductions - SWA Staff
- II. Association activities & update - SWA Staff
 - A. OSU-Institute of Technology Technician Training
 - B. Legislative Activities - Update
 - C. SWA On-Line Campus
 - D. Internship Program
- III. Open for Business™ Program
- IV. FACTA/Red Flag Rules - Are you ready for May 1 implementation?
- V. IRON Solutions – Reporting Your Sales
 - A. The new reporting rules
 - B. The Benefits of Reporting
- VI. Other Business
- VII. Adjournment

Dates and Locations

Thursday, April 16 Oklahoma City, Okla.	Best Western Saddleback Inn - 405-947-7000 4300 SW Third St.
Friday, April 17 Springfield, Mo.	Comfort Inn - 417-520-6200 3370 East Battlefield
Tuesday, April 21 Columbia, Mo.	Holiday Inn Select - 573-446-3941 2200 I-70 Dr. SW
Wednesday, April 22 Kansas City, Mo.	Hilton Kansas City Airport - 816-891-8984 8801 NW 112th St.
Friday, April 24 Wichita, Kan.	Hilton Garden Inn - 316-219-4444 2041 N. Bradley Fair Pkwy.
Tuesday, April 28 Colby, Kan.	Comfort Inn - 785-460-0131 2227 S. Range
Wednesday, April 29 Great Bend, Kan.	Highland Hotel & Conv. Center - 316-792-2431 3017 W. 10th St.

SouthWestern Association HR Round-Table

This seminar is open to all human resource professionals and anyone else who deals with HR issues in your company, whether it's the dealer principal, controller or other staff person. This is an excellent networking opportunity. Plan to attend this informative meeting addressing topics and areas of high interest that you'll find nowhere else.

When: May 11-12, 2009

Where: Hampton Inn & Suites Country Club Plaza,
Kansas City, Mo.

Schedule

Monday, May 11, 2009

- 6:00 p.m. Registration and Get-Acquainted Reception
- 6:30 p.m. Dinner (included in registration fee)
- 7:30 p.m. "Cutting Edge Generational Leadership Growth" - Jim Welch, The Growth Leader, Inc.

Tuesday, May 12, 2009

- 8:30 a.m. "Human Resources and Employment Law Compliance - What You Don't Know Can Cost You a Lot!" - John Neyens, Seigfreid, Bingham, Levy, & Gee
- 10:30 a.m. "SouthWestern Association - Your Partner in Hiring and Training" - Nicole Bloemendaal
- 11:00 a.m. "Effective On-Boarding Strategies to Increase Employee Retention" - Erika Brandt, AgCareers.com
- Noon Lunch (included in registration fee)
- 1:00 p.m. "Maximizing People Assets" - Bill Sharp, Percon
- 3:00 p.m. Adjourn

Seminar Program

"Cutting Edge Generational Leadership Growth" - Jim Welch, The Growth Leader, Inc.

What are the critical insights about leading through influence across different generations? What are the important differences that must be understood to maximize leader engagement and achieve desired outcomes? Join Jim Welch for a fun, entertaining, and powerful content session that will take you on a leadership journey to discover real world techniques for leading effectively across the generations. Jim will also highlight the generational leadership traps that can derail interactions between generations and how to avoid them. Jim will explore generational differences and similarities that will give you new insights and techniques you can begin using right now to lead through influence. Join Jim Welch as we "Sail The Seven Cs" together to lead and motivate across the generations during difficult economic times.

"Human Resources and Employment Law Compliance – What You Don't Know Can Cost You a Lot" - John Neyens, Seigfreid, Bingham, Levy, Selzer & Gee

As most of you know, regardless of the size of your business and the number of employees you have, there are seemingly countless and ever-changing employment laws that directly affect your business and your employee relationships on a day-to-day basis. Being fair to employees and establishing a good working environment is merely the first step in reducing the risk of substantial liability in this challenging legal environment. Good intentions, however, won't get you very far. One slip-up or oversight could cripple a business from both an operational and financial standpoint. This presentation is designed to give you guidance on how to comply with federal and state laws in hiring employees, maintaining employee relationships, and terminating employees, to help reduce the risk of discrimination claims, wage claims, immigration law problems, payroll tax issues, child labor violations, and other costly legal problems. This program will also address new employment laws and legal developments that affect most businesses in the industry.

"SouthWestern Association - Your Partner in Hiring and Training" - Nicole Bloemendaal, SouthWestern Association

SouthWestern Association invests in an employee-advantage program that enables you to consistently acquire and retain the very best people. Nikki Bloemendaal, SWA's Director of Education, will walk you through various aspects of the program, including hiring support from AgCareers.com, **Continued on next page**



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assistance in structuring internship programs, the dynamic training available through the SWA On-Line Campus, recruiting assistance and more. Many of these programs are available to members at no cost beyond their annual dues. Find out how you can put this partnership program to work in your dealership.

“Using Effective On-Boarding Strategies to Increase Employee Retention” - Erika Brandt, AgCareers.com

From this session, participants will take away a better understanding of what on-boarding is and why it is critical to your organization. On-boarding is the first step in engaging an employee and impacting retention. Learn the basics of an effective strategy as well as what's new in on-boarding ideas. Did you know that employee engagement of a new hire typically declines significantly after the first 90 days? Many feel that on-boarding only relates to the employee's first week, but effective on-boarding strategy extends beyond that first week and throughout the employee's first year. We'll walk through a five-step model, with practical tips and ideas to implement upon return to your dealership. Discover how effective on-boarding can create success for your organization!

“Maximizing People Assets” - Bill Sharp, Percon

Any significant change in the business environment demands careful management of all parts of the operation... inventory, cash flow, expenses and people. When customers are sitting on their wallets, everything employees do becomes more important. In this program, participants will be involved in a variety of very serious discussions about practical things they can do to assure that every employee is prepared to respond to customers with greater attention to detail. The group will also explore low cost/high return options for training people who are new or need some polish to get back to the top of their game.

Hotel Information

The Hampton Inn & Suites Country Club Plaza,
4600 Summit, Kansas City, Mo. 64112
816-448-4600, Fax: 816-448-4610

We have arranged for a special group rate of \$119 per night. To make your reservations and obtain the special group rate, please call 816-448-4600 before April 20, 2009. Indicate you are attending the “SWA Trade Association” meeting. Your reservation includes complimentary “On the House” breakfast, complimentary local calls and high-speed wireless access. Secure underground parking is also complimentary.

An HR Round-Table registration form is on page 14.

The Importance of Safety Training

Safety training should be a very important aspect of your business. As a business owner you are required by the government to maintain a safe workplace. For employees, routine work can dull alertness and a relaxed attitude can replace the caution that existed when the job was new and interesting. In many jobs the same route is traveled daily over the same roads or the same tasks are repeated with little conscious thought. Without some periodic reawakening to the ever-present hazards, lethargy deepens and the odds of an accident can increase.



Workers may not always recognize the importance of safety training or think of it as unnecessary because they've “been doing it for years.” But an important benefit of periodic safety training is the reminder that a danger can exist and no one is immune to accidents. Therefore, it is important for workers to understand the purpose of the training session, why it will be useful to them, and what can result from not following safety rules and procedures.

The safety training should be organized so that the material is presented in the order that will match the steps actually taken on the job. Make sure every worker understands the training material – not just that they were present or a test was given. Insist on questions from trainees after a session to tell you what did or didn't sink in. This will let you know what has to be reviewed again. If there's a general lack of understanding of hazards or safety rules and practices, schedule another safety meeting or plan a refresher course for a later date.

Employees should be able to immediately practice and apply new knowledge and skills. If workers don't understand safety training information well enough to use it on the job, the training has not been effective. There should be immediate feedback if workers are doing their job safely or not. Supervisors should watch employees do their jobs and question them to identify what they do or don't know.

Most of these tips are relatively simple and inexpensive solutions, but the safety payoff can be enormous. Remember, training is only effective when workers understand and use what they've learned. It takes less than a second to lose the rest of your life.

To improve safety at your organization, pick a topic and take five minutes each week with your employees. Here are a couple of good examples for easy safety awareness training:

- Slips, Trips & Falls
- Pick up – Mop up – Move Hazards on Pathways/Work areas
- Housekeeping

Continued on page 6

Reporting Dealers for Spring 2009 Official Guide

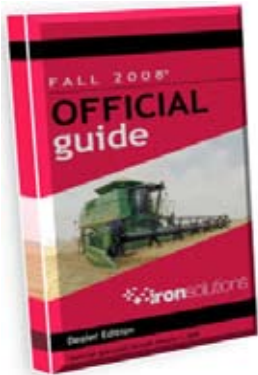
Thanks to these dealers in SouthWestern's trade territory who reported for the IRON Solutions Spring Official Guide during the period November 1 through January 26. Reports earn members discounts on their subscriptions, and ensure that equipment values are fair and accurate.

If you're not currently using the Official Guide, you might not be making the best deal possible on every trade. As a reporting member, you earn a discount on your purchase of Guide subscriptions. Can you afford NOT to use the Official Guide? Talk to your SWA Regional Manager today to learn more.

Ag Power Inc - Hillsboro, KS
Agri Center dba F & W Tractor - Hutchinson, KS
Alamo Ag- Con Equipment Inc - San Antonio, TX
American Implement Inc - Garden City, KS
American Implement Inc - Scott City, KS
Arnett New Holland Tractor - Arnett, OK
Ballard's Tractor - Alba, TX
Barbee-Neuhaus Implement Company - Weslaco, TX
Bob Lowe Inc - Chickasha, OK
Bowie County Equipment - De Kalb, TX
Brady Implement Company - Brady, TX
Brazos Valley Equipment Co - Waco, TX
Bretz Inc - Dighton, KS
Browns Implement Inc - Floydada, TX
Bruna Brothers Inc - Washington, KS
Bruna Implement Co. - Marysville, KS
Bruna Implement Company - Clay Center, KS
Carrico Implement Co Inc - Lincoln, KS
Carrico Implement Co Inc - Hays, KS

Carrico Implement Company Inc - Beloit, KS
Central New Holland - Oklahoma City, OK
Chickasha Ford New Holland - Chickasha, OK
Cisco Equipment - San Angelo, TX
Colby Ag Center LC - Colby, KS
Colby Implement LLC - Colby, KS
Crown Power & Equipment - Eldon, MO
Crown Power & Equipment - Columbia, MO
Crown Power & Equipment - Jefferson City, MO
Crown Power & Equipment - Salisbury, MO
Crown Power & Equipment - La Monte, MO
Cusack Equipment - Oklahoma City, OK
Dairyland New Holland Tractor Co. - Sulphur Springs, TX
Dauer Implement Company - Salina, KS
Dean Machinery Company - Chillicothe, MO
Dean Machinery Company - Sedalia, MO
Dean Machinery Company Inc. - Kansas City, MO
Deems Equipment - Nevada, MO
Deems Farm Equipment of Marshall - Marshall, MO
Continued on next page

When making equipment deals, weak or old data costs you money - Period.



The *Official Guides* – Dealer Reporting Program supports the collection of vital and actionable equipment sales information that can support increased profitability for your dealership during all market conditions.

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.



the gold standard in equipment data.

SouthWestern Association supports the Official Guides – Dealer Reporting Program.

LEARN MORE

Contact Mark at IRON Solutions, 877-266-4766 ext. 6258

Reporting Dealers - cont.

Deerfield Ag - Garden City, KS
Derr Equipment - Savannah, MO
Earl Ladd & Sons Inc - Muleshoe, TX
Earley Tractor Inc. - Cameron, MO
Edgeller & Harper International - West Plains, MO
Enid New Holland - Enid, OK
Ericson Equipment Company - Artesia, NM
Five Star Equipment Inc - Spearman, TX
Fordyce Equipment, Inc. - Bethany, MO
Fritz Implement Inc - Monett, MO
Gallatin Truck & Tractor Inc - Gallatin, MO
Garden City Farm Equipment Inc - Garden City, KS
Golden Rule, Inc - Syracuse, KS
Golden Valley Tractor Co. - Clinton, MO
Green Hills Ag, Inc. - Brookfield, MO
Hansford Implement Company - Spearman, TX
Hansford Implement Company - Dumas, TX
Harpster Equipment Co - Moberly, MO
Hartzler Equipment Company - Lamar, MO
Hartzler Equipment Company - Nevada, MO
Hartzler Equipment Company - Harrisonville, MO
Hendershot Equipment Company - Stephenville, TX
Hendershot Equipment Inc - Decatur, TX
Henderson Implement Company Inc - Columbia, MO
Henry Bros Implement Inc - Seneca, KS
Henry Bros Implement Inc - Hiawatha, KS
Heritage Equipment Company, Inc. - Plainview, TX
Heritage Equipment Company, Inc. - Amarillo, TX
Heritage Equipment Company, Inc. - Lubbock, TX
Heritage Equipment Company, Inc. - Lamesa, TX
Heuer Sons Implement - Cape Girardeau, MO
Hirsch Feed & Farm Supply Inc. - West Plains, MO
Holt Company of Texas - Corpus Christi, TX
Houston County Equipment Co - Crockett, TX
Hoxie Implement Company Inc - Hoxie, KS
Iron City Equipment LLC - Las Cruces, NM
J & H Farm Equipment Inc - Newton, KS
J & W Equipment Inc - Iola, KS
Jackson County Equipment Company - Edna, TX
James Bros Implement Co Inc - Amarillo, TX
James Brothers Implement Co - Plainview, TX
John Schmidt & Sons Inc - Mt Hope, KS
Johnson Implement Company - Coleman, TX
KanEquip Inc - Herington, KS
KanEquip Inc - Topeka, KS
KanEquip Inc - Clay Center, KS
KanEquip Inc. - Garden City, KS
KanEquip Inc. - Ellsworth, KS
KanEquip, Inc. - Dodge City, KS
KanEquip, Inc. - Marysville, KS
KanEquip, Inc. - Wamego, KS
Kay Jan, Inc. - Leoti, KS
Kiowa New Holland - Kiowa, KS
Kleiber Tractor & Equipment Inc - La Grange, TX
Kuhlman Impl. & Hdwr., Inc. - Linn, KS
Landmark Equipment, Inc - Fort Worth, TX
Landmark Equipment, Inc - Waxahachie, TX
Landmark Equipment, Inc. - McKinney, TX
LandMark Implement, Inc. - Smith Center, KS
LandMark Implement, Inc. - Phillipsburg, KS
Lanford Equipment Co - Marble Falls, TX
Lang Diesel Inc. - Smith Center, KS
Lang Diesel Inc. - Sabetha, KS
Lang Diesel Inc. - Colby, KS
Lang Diesel Inc. - Hays, KS
Lauf Equipment Company Inc - Jefferson City, MO
Lawson Implement Company Inc - Hamilton, TX
Lincoln Farm Supply Inc - Lincoln, KS
Marshfield Machinery Company - Marshfield, MO
Martin Farm Power - Colby, KS
Martin Farm Power - Chanute, KS
Martin Farm Power - Main - Topeka, KS
Martin Tractor Co. - Chanute, KS
Martin Tractor Company - Concordia, KS
Martin Tractor Company, Inc. - Colby, KS
McConnell Machinery - Ottawa, KS
McConnell Machinery Company - Lawrence, KS
McLaughlin Equipment Inc - Cheney, KS
McMaster New Holland Tractor Inc - Decatur, TX
Modern Farm Equipment Company - Fulton, MO
Oakley Ag Center - Oakley, KS
Oakley Implement - Oakley, KS
O'Dell Tractor Co., Inc. - Independence, MO
Oglesby Equipment Co., Inc. - Hereford, TX
Olathe Ford Tractor & Equipment Co - Olathe, KS
O'Malley Equipment Co, Inc - Iola, KS
O'Malley Equipment Company Inc - Independence, KS
Oregon Trail Equipment, Inc - Marysville, KS
Ozark Power Center Inc - Springfield, MO
P & K Equipment - Norman, OK
P & K Equipment - Purcell, OK
P & K Equipment Inc - Kingfisher, OK
P & K Equipment Inc. - Enid, OK
Panhandle Implement Company - Perryton, TX
Payne County Implement Co - Stillwater, OK
Porter Henderson Impl. Co. - San Angelo, TX
Porter Henderson Implement - Big Spring, TX
Porter Henderson Implement Co I - Ballinger, TX
Prairieland Partners - Winfield, KS
Prairieland Partners - McPherson, KS
Prairieland Partners - Marion, KS
Prairieland Partners - Hutchinson, KS
Prairieland Partners - Anthony, KS
Prairieland Partners - Emporia, KS
Prairieland Partners-East Kellogg - Wichita, KS
Prairieland Partners-West Street - Wichita, KS
Randolph Farm Equipment - Carrollton, MO
Ray Lee Equipment Co Ltd - Dimmitt, TX
Ray Lee Equipment Co Ltd - Floydada, TX
Ray Lee Equipment Co. Ltd - Olton, TX
Ray Lee Equipment Co. Ltd - Plainview, TX
Ray Lee Equipment Company Ltd - Clovis, NM
Riggins R-Co. LLC - Marshall, MO
Rother Bros. Inc. - Fairview, OK
Rother Bros. Inc. - Clinton, OK
Rother Brothers Inc - Kingfisher, OK
S & H Farm Supply Inc - Rogersville, MO
S & H Farm Supply Inc - Lockwood, MO
S & H Farm Supply Inc. - Mountain Grove, MO
S & H Farm Supply Inc. - Joplin, MO
Saginaw Implement Company Inc - Rhome, TX
Scott Power & Equip - Dalhart, TX
Scott Power & Equipment Inc - Elkhart, KS
Scott's Tractor & Equipment - Smithville, MO
Seiver Implement Company Inc - Donna, TX
Shamburger Implement Inc - Levelland, TX
Shuck Implement Company - Lawrence, KS

Continued on next page

Storrier Implement Inc - Iola, KS
 Straub International - Larned, KS
 Straub International - Marion, KS
 Straub International - South Hutchinson, KS
 Straub International - Great Bend, KS
 Straub International - Wichita, KS
 Straub International - Salina, KS
 Sydenstricker Implement Co. - Rocheport, MO
 Sydenstricker Implement Company - Tipton, MO
 Terry County Tractor - Brownfield, TX
 Terry Implement, Inc. - Gallatin, MO
 Texarkana New Holland - Texarkana, TX
 Thomas Implement, Inc. - Altamont, KS
 Tulsa New Holland Inc - Tulsa, OK
 Tuttle Motor Co - Poteet, TX
 Unruh Foster, Inc. - Montezuma, KS
 Unruh-Foster, Inc - Dodge City, KS
 Unruh-Foster, Inc. - Sublette, KS
 Vahrenberg Implement Inc - Higginsville, MO
 Washington County Tractor Inc - Brenham, TX
 Watson Tractor & Implement - Farmington, NM
 Watts Tractor Company - Anson, TX
 WC Tractor - Navasota, TX
 Wichita Tractor Co. - Wichita, KS
 Williamson County Equip Co - Taylor, TX
 Winchell's, Inc. - Phillipsburg, KS

- A Clean Work Area is a Safe Work Area: Remind Workers to Pick up Tools/Waste/Etc; This Will Help Prevent an Injury
- As safety and HR professionals, Essential Corporate Solutions, Inc. strives to keep our customers compliant with the always changing government regulations.
- *SouthWestern Association recommends Essential Corporate Solutions and Dispute Solutions, Inc. for your human resources, safety and ADR services. You can contact Kelly Dykes at 800-880-1722 or 972-485-5135. Web site address: www.essentialcorporatesolutions.com and www.dsi-adr.com.*

Tax Updates

- The American Recovery and Reinvestment Act of 2009 has allowed for changes in the Section 179 and Bonus First-Year Depreciation.
- Section 179 – The maximum amount of Section 179 allowed has increased from \$133,000 to \$250,000 for 2009 tax years. In addition, the \$530,000 investment limitation has been increased to \$800,000.
- Bonus First-Year Depreciation – Qualified property placed in service between 1/01/09 and 12/31/09 is allowed first-year 50-percent bonus depreciation. In addition, the first-year passenger automobile limits have increased by \$8,000.

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- **Simple Documentation** – NFL prepares all necessary documents
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Helping Dealers Succeed

Great People - Your Number One Asset!

By: John Walker, President, After Market Services Consulting Co., Inc.

"Good help is hard to find!" As often as that phrase is repeated we will add a few words for you to remember. Good help is hard to find, but for those of you who don't work at it (24 hours a day) we can promise you that the situation will not get better in the future.

As long as we have been around the equipment industry it has been the same story: "We just can't seem to find good qualified personnel!"

Have you asked yourself how other dealers are so successful at finding good people and you aren't? Is it just the luck of the draw, or is it what successful dealers are doing right that really counts?

Successful recruiting dealers have discovered just how important people are to their business and have decided they can no longer recruit personnel in the future as they have done in the past. In a word, they have started thinking "outside the box" for new ways to attract personnel. These same dealers have discovered the truth to the adage: "If you think hiring good people is expensive then try hiring bad people for a comparison!" Recognizing the truth in this statement allows them to move out of the norm and develop "pay for performance" programs for their employees. People in any equipment

dealership are the principal's greatest and most important asset. You could well have the number one line of product within your industry and market, but without caring, responsive and proactive personnel, few customers will "beat a path to your door" to buy your product. You will be an "also ran" in your endeavor to be successful.

Measurable Performance

So many times we accept the statement that good people are impossible to find. We also start to believe that what we currently have is the best we are going to get. Over the years we have experienced dealers who have accepted mediocrity because they believe that they just couldn't find someone better to do the job. Most equipment dealerships are good places to work. In many dealerships it is an eight-to-five job. If you do just what is expected of you and ride out the slow years, you will be there for retirement, and you will have experienced a couple of promotions based upon your time - in grade. In too few dealerships do we see any measurement of the individual's performance that is based upon measurable standards. Goal

Continued on page 10



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



"Thanks to my employer for providing Toolchex as an employee benefit. It has made a big impact on my take home pay this year."

Luis Navarro Technician

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

Give It The Old “College” Try

By Barry Villaverde, Tax Favored Benefits - the endorsed provider of retirement plan services for SouthWestern Association members. They can be reached at 800-683-3440.

Costs for education are rising. According to the College Board, the average college costs in 2007-2008 are up 6.3% from last year for private four-year schools and up 6.6% from last year for public four-year schools. A moderately encouraging statistic is that approximately 56 percent of students enrolled in four-year colleges or universities attended institutions that charge tuition and fees of less than \$9,000 per year (www.collegeboard.com). However, add in the potential additional costs of room and board, books, and incidentals and you have a price tag that looms large, especially when you multiply it by four or more years. But don't despair; there are many options available to help defray and limit those costs such as securing a share of the more than \$130 billion in financial aid that is available, locating a college or university where tuition is more affordable and encouraging your child to take a reasonable amount of hours that allow for a part-time job.

In addition, there are multiple investment options now available that are specifically geared toward helping save for your child's education. This article will provide a thumbnail

sketch of these plans along with a listing of web sites to help locate additional information.

The Coverdell Education Savings Account

Anyone whose adjusted gross income is within set limits may contribute an annual maximum of \$2,000 per student under age 18. (Note: The total contributions from any and all persons to one child's account may not exceed \$2,000 per any given year.) Although the contributions are not tax deductible, the money accumulates on a tax-deferred basis and distributions are tax-free as long as they are used for eligible expenses. An advantage of this account over others is that the funds are not limited to use for qualified higher education expenses but may also be used for eligible costs associated with attending primary or secondary schools.*

Should the original beneficiary not need the funds for educational purposes, they may be transferred to an account for one of the original beneficiary's relatives, including cousins, step-relatives and in-laws. Also, for any distributions

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The SouthWestern Association recommends the NAEDA Discount Freight Program



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Helping Dealers Succeed

For eligible FedEx services and rates, contact your association or PartnerShip. All FedEx shipments are subject to the applicable FedEx Service Guide. FedEx service marks used by permission. PartnerShip LLC, an independent transportation broker, produced this advertisement.

Tax Favored Benefits - cont.

taken for a non-qualified expense, the earnings portion of the withdrawal is subject to ordinary income taxes plus a 10% tax penalty. Finally, the funds must be used by the beneficiary's 30th birthday.

There are two types of Section 529 plans: the prepaid tuition plan and the college savings plan.

Prepaid Tuition

Sometimes called "guaranteed savings" plans, they allow for the pre-purchase of tuition based upon today's prices but paid out at the future cost when the beneficiary is in college. In other words, they provide a hedge against the increase in tuition. These plans are either administered by states (there are only 18 states that currently offer them) or by higher education institutions. Each plan has its own set of rules and restrictions so be sure to request the most recent plan details from the plan administrators. In addition to the state-administered plans, there is the Independent 529 Plan offered by more than 250 private colleges and universities.

College Savings

This plan is more like an investment account, which affords an opportunity for investments to grow, hopefully at a rate exceeding the rate of tuition increase per year. Contributions are made with after-tax dollars, earnings are tax-deferred and qualified distributions used for educational purposes are federal income tax free. Some states offer similar tax breaks and offer incentives such as matching contributions to low-income families. The account owner maintains control over the money in this account and your 529 plan contribution qualifies for the \$12,000 annual gift tax exclusion. Finally, as in the Coverdell ESA, earnings on non-qualified withdrawals may be subject to ordinary income taxes and a 10% federal penalty tax.

Where to Go For More Info

Due to the variation in state offered plans, the specifics of each plan will differ greatly. It would be beneficial to seek the advice of an investment adviser when considering which options are best for your family. Additional information

may be found at the following web sites:

www.collegeboard.com

www.savingforcollege.com

www.finaid.com

www.independent529plan.org

www.collegesavings.org

* This benefit is effective through 2010 unless extended by Congress



It's time to enjoy the fruits of your labor.

There's no denying that you've worked hard and sacrificed a lot for your business.

Now it's time to get your life back and take control so you can run your business, instead of your business running you.

Spader Business Management offers innovative solutions like Total Management 1 and 2 workshops, 20 Groups, and consulting programs that can take your company to new levels of performance and improve life-work balance for you and your employees. Which ultimately allows you to work on your business instead of in your business.

For more information and to see what Spader can do for you, visit spader.com, or call 800.772.3377. You and your family will be glad you did.



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After Market Sales - cont.

setting for managers is seldom done, with the exception of highly successful dealerships.

We continually hear dealers tell us that they understand they need strength in this or that position, but then they always add to the comment, "You know you just can't find good people these days." Then there is a besides, "Besides, ole Charlie has been with us for years and we can't move him aside or put him on the street."

Service Manager Position

This is when owners and managers are in the position to be held hostage by employees. Dealers mentally accept the fact that they can't improve and continue to live with the situation. We once had a dealer principal tell us he had a problem with his service manager. The problem was the service manager *didn't like people*.

Service managers typically manage more personnel in the dealership than any other manager. Therefore, when we suggested to the dealer that he either terminate the manager or send him to a Dale Carnegie class, the dealer replied, "We can't do that, he has been with us for 20 years." The dealer was being held hostage! For 20 years this service manager had not only been running off customers but more than likely many good, qualified technicians. The dealer was willing to ignore this problem because he sincerely believed that they would be

unable to replace the individual, so he put up with the service manager's performance.

We see this situation many more times in the equipment dealer's service department than in any other area of the dealership. This is a sad situation; sad because there is nowhere within a typical equipment dealership that offers greater opportunity for profitability. Quite frankly, there is no other position within the dealership that can drive more profit dollars to the bottom line of the dealership. In all too many instances it is the star technician who is eventually asked to become the service manager. He has spent his time on the road or in the shop. He is beat and, as so many dealers tell me, he is burned out as a technician and would like to come in as our new service manager. In the dealer's eyes this guy has earned the position - he has worked hard for the dealership. However, the problem is that this technician has not learned the position. The dealer is putting a square peg in a round hole and missing one of the greatest opportunities to fill the position with a professional who can turn the shop around and make a pile of money for the dealer.

Incidentally, I don't care how big or small your dealership is, the position of Service Manager is responsible for managing the greatest percentage of personnel within any dealership.

Continued on next page

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It is not a common situation for a technician, no matter how good he is, to develop the people skills necessary to become a service manager.

Terminating Personnel

A dealer may think that doing something like this for a burned out technician is doing the technician a favor. Nothing could be further from the truth and, in actuality, the dealer is putting himself in a hostage position that will develop sooner or later.

Why is it that so many principals and owners of businesses are afraid to take the necessary steps to remove inadequate personnel and/or personnel who continually flaunt the rules? We sometimes believe that some dealers would only terminate employees after the third case of fraud or the third case of employee theft. Don't we realize that sometimes a termination is beneficial not only to the company, but to the individual being let go?

Many express the fear that to hire a replacement will be too expensive and that bringing in someone new will force the pay scale to increase for the whole department or the entire dealership. It is incredible the innate fears some dealers work with. Unfortunately these dealer fears are like "rotten apples in a barrel" spoiling the rest of the employees' attitudes about how they are going to work at their jobs.

There are many solutions to these problems. One answer might be to set up some dealer standards and pay people on the basis of payment for performance. You might even want to hire people on a temporary basis until they have proven their qualifications. Too many people are hired and before we know it a year has gone by. We know the individual is not "cutting it" but then the worry sets in and we tell ourselves again that "it is better than nothing." Then before we know it we are once again being held hostage. Hire an employee with a specific level of performance in mind. But, if the employee fails to meet your standards of performance, you have the option of cutting your losses and moving forward at the end of no more than six months.

Everyone Benefits

In this manner, the company, the terminated employee and of course every other employee in the dealership will benefit. They will recognize that it is necessary to follow established standards and their performance will improve. This happens every time the decision is made to let a non-producing employee move on.

To avoid being held hostage in the future, begin reviewing your hiring practices now. Review your dealership's policies and procedures. Update and revise your entire dealership's pay plans. Think seriously about developing programs based upon paying for performance.

Give some thought to bringing in a professional human relations manager to take this burden off the dealer's and managers' shoulders. Bring in someone free to make his/her own decisions, to think outside the box, to figure out how best to develop "top notch" personnel so your dealership will grow and prosper. You won't regret it.

In reviewing your hiring practices, we might recommend your reading our article: "Where Are the Great Ones Going (Staying) and Why?" This article should be of particular interest to anyone seeking professional product support personnel.

We have indicated on numerous occasions that hiring dealership personnel is a full-time job requiring continuous effort. Put together a package that has the wherewithal to attract, hire and hold the best possible employees for your business.

You can be assured that hiring professionals will only do three things for your dealership: 1) Increase your sales, 2) Increase your profitability, and 3) Dramatically improve your customer satisfaction indexes.

Being held hostage by inadequate, unqualified employees with no "work ethic" will, over the long haul, destroy any equipment dealer's business. Remember, when hiring always look for professionals with strong work ethics who are looking for a long-term career and not just a paycheck or not just a job. Work ethic, integrity, intelligence and experience - if you cannot find a candidate with these traits all the experience in the world will not make up for the lack of these traits.



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Business Management - Focus of Dealers of Tomorrow Seminars

Mark your calendar now to attend the 2009 Dealers of Tomorrow Seminars scheduled for Aug. 4-5 in Manhattan, Kan., and Oct. 13-14 in San Antonio, Texas. David Spader, lead trainer and consultant for Spader Business Management, will be the seminar leader at both locations.

Improving Customer Service

This workshop, presented at both Manhattan and San Antonio, begins by assessing each person's ability to successfully resolve customer service issues. It then builds on the understanding through skill-building exercises and tools you can take back to your dealership.

- Assessing and Understanding Your Customer Service Skills
- Case Study Application
- Understanding Your Customers Better Than They Understand Themselves
- How Customer Service SHOULD Change Based on the Customer's Needs
- Customer-Smart Selling and Service Simulation
- Understanding Customer Satisfaction and Loyalty

Breaking Down Barriers: Improving Interdepartmental Relationships - Manhattan Only

One of the biggest challenges in managing dealerships is getting all of the departments working together smoothly. When not managed properly, turf wars and departmental "silos" begin to develop and erode the company's performance. This session will provide you with several ideas and tools to begin improving the working relationships between departments. Topics include:

- How to Resolve Conflicts Between Departments
- Developing Goals Everyone Can Buy Into
- Creating a Shared Purpose
- Case Study Activities

Understanding My Leadership Motivations: Why Do I Do What I Do? - San Antonio Only

One of the least understood aspects of effective leadership is learning how to motivate different people. As current and future leaders, it is essential that we first understand what our own motivators are. This workshop will help you identify the three primary motivators that determine both your "fit" and "satisfaction" in various jobs. Equally important, you will learn the types of environments where you are likely to be a "misfit." To accomplish this, you will complete, print and bring

three online leadership assessments with you to the workshop.

At the end of this session, you will better understand your own leadership motivations and also how to work with others who have different motivations. We will conclude with an action plan that will help you leverage your current motivational strengths while also putting together a game plan in the areas that aren't a perfect fit. Topics include:

- Why People Do What They Do (and How to Manage Them)
- Three Types of Leadership Motivators
- Work Interests: What Types of Work am I Most Passionate About? How do These Passions Fit With My Current and Future Roles?
- Work Values: What Beliefs Guide My Decision-Making and What Roles Fit Best with My Values?
- Work Style: How Can I Leverage My Personal Preferences and Habits to Become More Successful?
- Action Planning: Developing an Action Plan to Improve Your Performance

More information on the Dealers of Tomorrow Seminars is available by contacting Olivia at the Association offices - 800-762-5616. Registration forms will be available in April.

Remembrance

Robert (Bob) Roth, 76, died March 25 at Presbyterian Manor, Lawrence, Kan. Bob was president of Western Association in 1983 and served as Co-Chair of Straub International from 2001 until his death. He served as president and owner of Roth Equipment Company in Larned, Kan. from 1963 until his retirement in 1990.

In 1991 he became Mother House Administrator for the Dominican Sisters in Great Bend, Kan. until his retirement in February 2008. Bob's community service in the Larned and Great Bend area included involvement in Rotary Club, the Golden Belt Community Foundation, and the Santa Fe Trail Center. He was also very involved in activities at the University of Kansas.

Bob is survived by his wife, Rosalee, and his son, Richard Alan and wife Richelle, a daughter Elizabeth Ann Best and husband Mike, sister-in-law, Virginia McAdoo, five grandchildren and a niece and nephew. Memorials may be sent to the CKMC Heartland Cancer Center, Golden Belt Community Foundation, Grace Community Church of Great Bend or the Santa Fe Trail Center, all in care of the Beckwith Mortuary, P.O. Box 477, Larned, KS 67550.

**SouthWestern Association Area Meetings
April 16-29, 2009**

SCHEDULE & REPLY FORM

Please complete this form to let us know *how many* from your store and *who* is attending – and *where!* Lunch is included for everyone who attends. It is important that we know your plans as we must guarantee a count to the hotel for food, room set-up and other arrangements.

All programs being at 11 a.m. and will conclude no later than 3:00 p.m. Thank you for your attendance!

- | | | | |
|--------------------------|--|---|--------------|
| <input type="checkbox"/> | Thursday, April 16
Oklahoma City, Okla. | Best Western Saddleback Inn
4300 SW Third St. | 405-947-7000 |
| <input type="checkbox"/> | Friday, April 17
Springfield, Mo. | Comfort Inn
3370 East Battlefield | 417-520-6200 |
| <input type="checkbox"/> | Tuesday, April 21
Columbia, Mo. | Holiday Inn Select
2200 I-70 Dr. SW | 573-446-3941 |
| <input type="checkbox"/> | Wednesday, April 22
Kansas City, Mo. | Hilton Kansas City Airport
8801 NW 112 th St. | 816-891-8984 |
| <input type="checkbox"/> | Friday, April 24
Wichita, Kan. | Hilton Garden Inn
2041 N. Bradley Fair Pkwy. | 316-219-4444 |
| <input type="checkbox"/> | Tuesday, April 28
Colby, Kan. | Comfort Inn
2227 S. Range | 785-460-0131 |
| <input type="checkbox"/> | Wednesday, April 29
Great Bend, Kan. | Highland Hotel & Conv. Center
3017 W. 10 th St. | 316-792-2431 |

Please list name(s) of attendees: _____

Dealership/Store name: _____

Address: _____

City, State & Zip: _____

If you need directions or additional address information, please call your association office at 816-561-5323.
PLEASE RETURN THIS FORM TO: FAX: 816-561-1249
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PLEASE REPLY TODAY OR NO LATER THAN APRIL 10!

SouthWestern Association HR Round-Table Registration Form



Please Print or Type

Name(s) _____

Company Name _____

Address _____

City _____ State _____ Zip _____

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E-mail _____

Round-Table Pricing

Cost if Paid By
April 20, 2009

Cost if Paid
After April 20

SouthWestern Association Member.....\$149..... \$199

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