NEW YORK STATE
Retailer

The Retailer is a publication of the Retail Council of New York State
James R. Sherin, President and Chief Executive Officer

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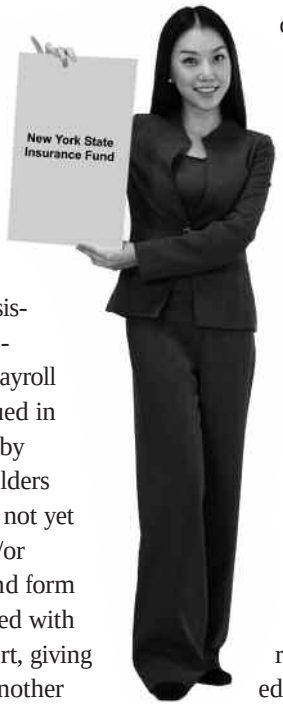
Safety Group 493 participants: Return your payroll audit forms

Many members of Safety Group 493 will receive a document in January from the New York State Insurance Fund (NYSIF) regarding their 2009 payroll audit. This document may be entitled "payroll report" or "payroll statement" and both are used to determine actual employee payroll for last year. It is also possible that policyholders have been or will be contacted by NYSIF's Payroll Audit Department to be scheduled for a physical audit.

If you have been asked to complete a payroll report or statement, it is very important that this document be completed and returned to NYSIF as soon as possible. Please be sure to check your report or statement for the date it is due back to NYSIF. Typically, you have 30 days to complete the paperwork.

If you haven't received either form, or are unsure if you are scheduled for a physical audit, please call the Council for assistance at (800) 442-3589. Estimated payroll reports will be issued in early March 2010 by NYSIF to policyholders whose forms have not yet been received and/or processed. A second form is generally included with the estimated report, giving the policyholder another opportunity to submit the actual payrolls for the prior year(s). The estimated report will generate additional premium billing, which can only be corrected by receipt of your payroll report or statement.



Workers' compensation renewal policies are based on audited payrolls. By submitting the payroll report or statement in a timely fashion, you assist NYSIF in more accurately estimating your policy payroll on the next renewal. Upon receipt of your payroll report/statement, NYSIF will correct the 2009 estimated payroll to actual and forward notice of either a credit or an additional premium on the next invoice.

If there is a substantial

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Free labor law compliance teleseminar!

Read more on page 5 about the upcoming seminar to take place Feb. 17 at 8:30 a.m. on the topic of hiring and termination practices. Register using the enclosed form or at our Web site: www.retailcouncilnys.com.

Retail Council OF NEW YORK STATE

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Strong finale to holiday shopping gives retailers much needed boost

Retailers were hoping for a last-minute shopping frenzy to bolster holiday sales and consumers didn't disappoint. Week before Christmas sales were considered a success by 70 percent of surveyed retailers who ultimately gave the 2009 season a "B-" letter grade, an improvement over the "C-" they awarded last year.

Seventy-four percent of retailers polled by the Retail Council of New York State said their week-before-Christmas sales were better than or the same as their sales during the same week in 2008. After-Christmas activity also appears to have improved over last year – 58 percent of merchants reported sales that were better than or the same as their sales in 2008 for the days immediately following the holiday.

Retailers throughout the state reported the results through the Retail Council's annual "Holiday Sales Watch," a periodic snapshot of sales activity in stores small and large. This third Holiday Sales Watch was conducted Dec. 28 and 29 and gauged retailers' perception of sales activity the week before and just after Christmas. This report concluded the Council's assessment of the holiday season.

"We could hear the relief in many members' voices as we conducted this final survey of the season. It wasn't a year of

huge growth….but it was still a solid improvement over 2008," said Retail Council President and Chief Executive Officer Jim Sherin.

In the wake of the worst holiday season in nearly 40 years, 53 percent of merchants surveyed by the Retail Council were generally pleased with sales activity following 2009's Black Friday weekend. Retailers took it in stride when consumers took their normal hiatus from holiday shopping the first two weeks of December, but were counting on last-minute shoppers to round out the season.

During the final survey process, some downstate merchants complained about the snowstorm that crippled holiday shopping the critical Saturday before Christmas (Dec. 19). Others were thrilled to have escaped the multiple storms that walloped much of the state during December weekends in 2008.

"Many retailers can reflect positively on Holiday Season 2009 because they had realistic or perhaps low expectations of what consumers would be able to deliver. As a result, merchants ordered less inventory than prior years and stocked practical, lower-priced merchandise that was attractive to this year's frugal shopper. These strategies appear to have paid off," said Mr. Sherin. "We're hopeful that the success of this holiday season is another sign of economic recovery for our country."

The Holiday Sales Watch wouldn't be possible without the support of our members. Many of you graciously participate in this annual process year after year. Thank you, thank you, thank you to those who volunteered to help us in 2009. We truly appreciate your input.

New York State Retailer

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The Retail Council of New York State is a full-service membership trade association that represents nearly 5,000 stores, of all size and sort, and affiliated businesses throughout the Empire State. The "Voice of Retailing" in New York State, the Council offers money-saving group benefit programs and government relations expertise to our members. For more information, visit www.retailcouncilnys.com.

2010 session prediction: It's anybody's guess

[Editor's note: Retail Council Executive Vice President and Director of Government Relations Ted Potrikus takes a first-person look for a tealeaf or two that might reveal a few clues about the direction of the 2010 Legislative Session in New York State.]

Executive Vice President and Director of Government Relations Ted Potrikus.

Santa Claus once brought one of my brothers one of those electric football games that featured plastic players with magnetized bases in various football player poses. We'd spend all kinds of time reviewing our playbooks and lining up the players on the metal football field so that when it came time to hit the switch, offense or defense, we'd be ready.

We'd hit the switch. The metal field would hum. And vibrate. And every meticulously-placed player would begin to just sort of spin around on his own in unpredictable direction, with the 22 pieces usually meeting in the middle of the field in some sort of magnetized scrum that we'd hope would produce a result for one side or the other.

I got to thinking about that game while talking to a Retail Council member who called recently asking for a prediction or two about the New York State Legislature's 2010 Session. Because as we've seen – particularly in the past two or three years – there has to be an invisible switch somewhere in the Capitol's ether that, when activated, zaps every good intention, best effort and well-manicured plan just like the electrified football field that usually left us frustrated and dizzy.

If nothing else, 2010 promises to be exciting, regardless of the definition one applies to that amorphous word. We head into the new session with a governor who enjoys only small pockets of support but is, at this writing just before Christmas 2009, locking more deeply into a fractious and public battle with the state Senate Democratic Majority. That year-old Majority conference itself is reported to be stymied by internal divisions and growing pains that can slow progress on issues large and small. Senate Republicans, who lost the majority during the 2008 elections, are working to hang tough as a unified 30-vote bloc and angling to re-take the Senate leadership in November's elections.

Combine the proverbial 800-pound gorilla and the elephant in the room and you'll see the unspoken mammoth that is Election Day 2010. All 212 state Legislature seats will be up, as will the office of the governor, the state comptroller, the attorney general, and New York's two United States senators (not to mention countless and now essential local races and, of course, the state's delegation to the House of Representatives). At this writing, it's not clear who's running for what and against whom – and only time will decipher that particular puzzle.

In short, politics can't help but be a part of every vote that will be taken in the months ahead.

Dictating those votes, too, will be the state's dismal fiscal condition. Governor Paterson spent the latter part of 2009 complaining bitterly about what he said is the state's drastically low bankbook balance, calling legislators back to fill a budget gap and still, weeks later, delaying state aid payments to local governments and school districts. With his budget due to be released in mid-to-late January, and due for action by the state Legislature by April 1, pundits are predicting another year of a budget deficit reaching into the double-digit billions.

So for the first part of the year, Retail Council members can count on the government relations team parsing microscopically the governor's budget proposal and the Legislature's subsequent revisions. In a year short on predictability, we are pretty sure that we can count on proposals from one corner or another that will look for goodies like last year's $50 fee to reapply as a sales tax vendor for New York State – the sorts of one-shots that add up to erode every merchant's bottom line.

And while the deficit and the politics crowd center stage, there will be the countless issues we confront annually –

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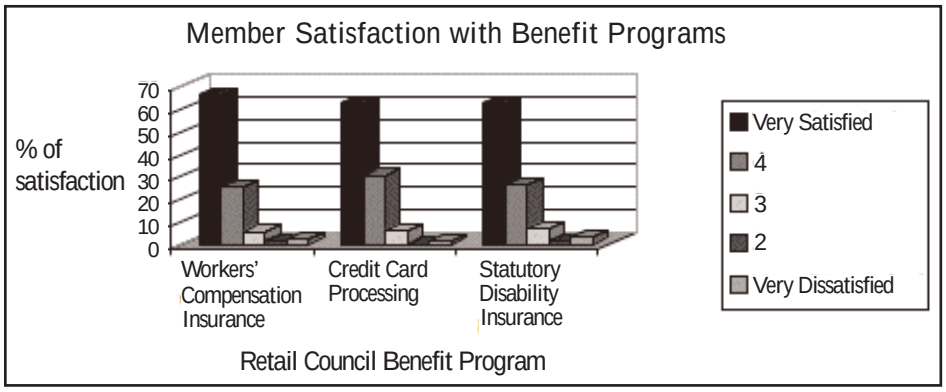
Membership survey results revealed

Nearly 25 percent of Retail Council members graciously took the time to complete our membership survey in September and October 2009. Here's what you had to say about your satisfaction with the Council, the programs/services we offer and how we communicate with you:

Member Satisfaction

Overwhelmingly, members are satisfied with the Retail Council. In fact, 97 percent of survey respondents said that they would recommend the Retail Council to a business colleague.

The table to the right tells more about the level of satisfaction with our major programs:



When asked about the Council's Government Relations activities on members' behalf, 94 percent of responding members told us they felt properly informed about our activities before the state Legislature. Ninety-six percent said they were satisfied with the Council's advocacy in the Capitol.

Future Programs and Services

The Retail Council also tried to gauge member interest in benefits and programs we have considered implementing in the future. The survey conveyed the following information:

- 43.9% of respondents indicated they would be interested in an e-mail marketing support program that would help members send e-newsletters and promotions to customers.
- 36% would be interested in access to banking relationships that provide loans and other services.
- 69% would be interested in a discounted office supplies program.
- 40% would be interested in a long-term care insurance program.

Given the high level of interest in discounted office supplies, the Council is investigating possible partners and hopes to launch a program of this nature in 2010.

Communication

When asked about the Council's Web site, 60 percent of members were aware of www.retailcouncilnys.com. Member reaction to the development of a members' only section was mixed; those who responded to the question were most interested in accessing forms (like workers' compensation C-2 claim forms) or making changes to membership contact information.

Sixty percent of members who responded to the survey read every issue of the Council's monthly newsletter, the *Retailer*. Members generally seem satisfied with the content of the newsletter and find it informative, timely and applicable to your businesses.

Many of you gave us story ideas for the newsletter. While all the ideas were good, we are particularly intrigued with the suggestion to write member profiles regularly. We also liked the idea of fielding questions from members on retail matters, researching the answer and providing it to the general membership in our newsletter and e-newsletter; if one member has a question it's likely that many of you share the same or a similar dilemma. We will explore these ideas and attempt to put them into action in 2010.

Of general interest

- Sixty-three percent of survey respondents have a Web site.
- Nearly 65 percent of members still prefer to receive news and information from the Council via U.S. mail.
- Only a fraction of members (11%) use social media of any kind. Of those engaged in social media, Facebook and Twitter are most popular.

The Retail Council is working with the information we gained from the survey results to rethink our strategies for the future and determine how we can best meet the needs of members. We hope to reach out to some of you to further explore ideas that you proposed in your survey. If you requested information or had a criticism for us, you'll receive a phone call from a Council staff member to follow up (if you haven't already).

The Retail Council cares about your input – it's the reason we asked all of you to complete a survey in the first place! If you have other thoughts or suggestions that you would care to share with us, call (800) 442-3589. Your comments are always welcome.

Hiring and termination practices topic for upcoming seminar

Join Dick Polsinello and Dorianne Beyer Esq. of Labor & Monitoring Consultants (LMC) for a members-only teleseminar scheduled for Wednesday, Feb. 17, 2010 at 8:30 a.m. Dick and Dorianne will discuss employment at will, progressive discipline, proper documentation and hiring and termination practices before opening the lines to answer any of your personnel questions. Between the seminar and Q&A, we anticipate the event will last approximately one hour.

You'll find the registration form for the teleseminar enclosed in this newsletter or register online at www.retailcouncilnys.com. You can also register by calling our office at (800) 442-3589.

Remember, Dick and Dorianne of LMC also provide

free 20-minute consultations to answer your personnel and labor standards questions. This is a member benefit of the Retail Council of New York State. To use the service, simply call LMC at (917) 606-1051. Or e-mail your question(s) to Dick at labrmon@nycap.rr.com for a confidential response.

Save on state tax debts through Amnesty Program

The governor recently signed legislation authorizing the PAID (Penalty and Interest Discount) Program. PAID gives taxpayers with older unpaid bills for any tax, fee or surcharge imposed or formerly imposed by, or authorized under, state tax law a chance to save up to 80 percent of the penalty and interest they owe. Bills less than three years old are not eligible under this program.

The program will start Jan. 15, 2010. To take advantage of the program's savings, eligible taxpayers must make all payments by the program's expiration date, March 15, 2010. If you don't pay in full by that date the opportunity for these savings will be lost forever and any unpaid tax debts will continue to accrue interest at the full statutory rate.

Why PAID may be good for you:

- You can save:

  - 80% of accrued penalty and interest on unpaid bills issued on or before Dec. 31, 2003;

  - 50% of accrued penalty and interest on unpaid bills issued after Dec. 31, 2003 and on or before Dec. 31, 2006.

- Unpaid tax bills are bad for your credit rating and can lead to liens and other enforcement actions.

- The state is increasing its efforts to collect unpaid bills. If you act now and pay what you owe, you can take advantage of the savings and avoid collection actions.

As of this writing at the end of December 2009, the state intends to mail letters to taxpayers who qualify for the PAID discounts in January. This notification will include a list of the taxpayer's eligible tax liabilities, the reduced amounts due for each eligible tax liability under the program, and the amount of the potential savings for each eligible liability. The notice will also include instructions on how to make a payment under the program.

As of Jan. 15, you can also use www.tax.state.ny.usa to see if you have eligible bills, gather more information and participate in the program.

Tax season reminder: members can deduct 69 percent of Council dues

It's that time again – tax season. The Retail Council reminds members that 69 percent of the Council's annual dues paid in 2009 are a tax-deductible business expense. Your total dues payment is not deductible because the Council lobbies state government on your behalf. Several years ago, Congress reduced the amount of tax-deductible dues that a member of a trade association can claim based on the extent that the association's staff engages in lobbying.

Retail Council members should contact a tax professional if they have questions about their dues and tax implications.

Retail Council officer recognized by police foundation for contributions to law enforcement

The 2009 Chief George C. Tenney Award was presented to Tom Zapf on Dec. 3, 2009. Mr. Zapf, vice president of legislative and government affairs for Macy's Holding Corp., also serves as secretary on the Retail Council's Board of Directors.

The Chief George C. Tenney Award was established in 2005 by the N.J. Police Chiefs Foundation to honor an individual or organization for outstanding contributions to professional law enforcement.

Mr. Zapf not only serves as a Trustee for the N.J. Police Chiefs Foundation, he has been a champion for many worthy organizations such as the N.J. Law Enforcement Torch Run; NJ State PBA Local 192; Sons of the American Legion, Post 279 N.J.; Harley Davidson Owner's Group, Bergen County Chapter; National Rifle Association; N.Y. Firefighter's Burn Center Foundation; and the N.Y.P.D. Museum.

He has volunteered at N.J. Special Olympics, N.J. State Police Troop B, Lincoln Park, N.J. Citizen Advisor to Mayor & Police Chief, and Marine Corps Toys for Tots and is a mentor for the Wounded Warrior Project of N.Y. City and Deacon of First Reformed Church of Lincoln Park.

Mr. Zapf has been making valuable contributions to the Council for more than two decades. He is an active participant of the Council's Legislative Committee, in addition to serving as secretary. Congratulations, Tom, on this well-deserved achievement.

Tom Zapf, vice president of legislative and government affairs for Macy's Holding Corp., and Retail Council board of directors secretary.

Have you received an award or been honored for a business achievement you're proud of? Let Michelle Bruck, Council marketing and communication coordinator, know and we'll share it with fellow members. Michelle can be reached at mbruck@retailcouncilnys.com or at (800) 442-3589. We can all use a pat on the back from time to time!

Retail Council promotes Melissa Googas

The Retail Council has promoted Melissa Googas to assistant director of government relations.

In her new post, Melissa will continue to assist Executive Vice President and Director of Government Relations Ted Potrikus with managing the Council's government relations program, tracking and analyzing legislation and working with lawmakers and staff on the wide variety of issues affecting our members. The number of legislative issues Melissa covers has expanded with each year she has been with the Council.

The Retail Council hired Melissa as government relations associate in 2005. Prior to joining the Council, she was an intern with the Commission on Independent Colleges and Universities where she researched current laws and proposed legislation, as well as various grants and fundraising opportunities.

Melissa holds a bachelor's degree in political science from the State University of New York at Plattsburgh and a master's in business administration from the College of St. Rose. She resides in Albany, N.Y.

"Melissa's professionalism, poise, enthusiasm and dedication to the cause are characteristics rare in government relations work in Albany these days," said Potrikus. "Retail Council members can be proud to have Melissa carrying their issues into the State Capitol."

Return your payroll audit forms

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increase in premium, the earlier the payroll report/statement is submitted, the better. The additional premium generated by the payroll audit will be divided according to the number of renewal installments remaining for the current policy period. This gives you, the policyholder, the option to pay the premium in installments or pay the entire balance in full.

In addition to ensuring accuracy on your workers' compensation insurance for the year, you must return your payroll report/statement to be eligible for any declared dividend from the Retail Council in November 2010. The Council sent checks to more than 1,200 eligible members of Safety Group 493 in November 2009 as part of a more than $4.2 million dividend. Don't miss out on the opportunity to receive this benefit of participation in our Safety Group because you haven't returned the audit form!

Although you should mail the original, signed payroll report/statement to NYSIF directly, you can also fax a copy of the report to the Retail Council. We can expedite the audit process for you and retain the copy for our records in case you misplace yours.

Should you have any questions about the audit, please call the Retail Council's Insurance Services Department at (800) 442-3589 and ask for Virginia or Ken.

2010 session prediction

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everything from consumer protection to banking to environmental protection to business operations. We look for labor issues to feature prominently, as well, given the important role that organized labor plays in New York's political scene.

That's a long way of answering the question, "What do you think will happen this year?" The short and honest answer is this: "Anything. Everything. Nothing."

Retail Council President Jim Sherin and Melissa Googas, newly promoted to the post of the Council's assistant director of government relations, and I have spent the last several months lining up our players as best we can and, really, are ready for whatever happens when that magnetic field starts buzzing and it's time for us to determine which way the players are spinning. All of us urge every interested Retail Council member to stay fully up-to-date and engaged in our government relations effort – send us your e-mail address and we'll add you to our free, members-only legislative updates that we send out whenever retail issues emerge. And call anytime if you have questions.

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Take control of your shipping costs with the Retail Council Discount Shipping Program!

The Retail Council Discount Shipping Program gives small and medium-sized business owners shipping discounts usually reserved only for higher volume shippers. PartnerShip, your Retail Council-endorsed shipping management provider, created this FREE program to help members reduce their shipping costs and add profits right to their bottom line! Retail Council members enrolled in the free Discount Shipping Program receive substantial discounts on *inbound (think of all those boxes coming in from your suppliers that you pay shipping on!) and outbound* shipments utilizing FedEx®, a leading carrier in the transportation industry.

- Save up to 26%* on select FedEx Express® services
- Save up to 20% on select FedEx Ground® services
- Save up to 10% on select FedEx Home Delivery® services
- Save 62% on freight shipments with FedEx Freight®

The program is FREE, with no obligations and no minimum shipping requirements. Go to www.PartnerShip.com/56RCNYS to enroll in the Retail Council Discount shipping Program, view a summary of your discounts, review frequently asked questions, and submit a free shipping analysis. You'll save from your very first shipment — and every shipment after!

If you have any questions, please call PartnerShip at (800) 599-2902 or send us an e-mail at sales@PartnerShip.com.

*Includes a 5 percent online processing discount. Full details available at www.PartnerShip.com/56RCNYS/discounts.asp.

About PartnerShip

PartnerShip LLC administers the Retail Council Discount Shipping Program and offers Retail Council members discounts up to 26 percent with FedEx. For more information, or to enroll in the free program, please visit PartnerShip.com/56RCNYS, contact PartnerShip at (800) 599-2902 or e-mail sales@partnership.com.

For eligible FedEx services and rates, contact PartnerShip. All FedEx shipments are subject to the applicable FedEx Service Guide or FXF 100 Series Rules Tariff. FedEx service marks used by permission.