



# CONVENTION '82

MIXING THE "WAVE OF THE FUTURE" WITH SOME NEW ORLEANS TRADITION

## WEDNESDAY, AUGUST 18

12:00 Noon - 6:00 p.m.

### REGISTRATION

Registration will take place on the 2nd floor of the **Hyatt Regency Hotel**. Your registration packet will be awaiting you.

6:00 p.m. - 8:00 p.m.

### OFFICIAL OPENING RECEPTION

Hosted by BORG-WARNER ACCEPTANCE CO., this kick-off party will feature cocktails, hor d'oeuvres and a real New Orleans jazz band. Don't miss this official New Orleans welcome in the exhibit area.

6:00 p.m. - 8:00 p.m.

### EXHIBITS

Exhibit hall is officially open. All exhibits will be in the French Market Exhibit Hall on the 2nd floor of the Hyatt Regency.

## THURSDAY, AUGUST 19

8:00 a.m. - 8:00 p.m.

### EXHIBITS

8:00 a.m. - 9:00 a.m.

### CONTINENTAL BREAKFAST

Hosted by MAGNAVOX

9:00 a.m. - 11:00 a.m.

\*Seminar—CURRENT LEGAL ISSUES: THEIR IMPACT ON RENTAL POLICY AND MANAGEMENT

Hosted by CENTURY SALES

9:00 a.m. - 11:00 a.m.

\*Seminar—MICROWAVE COOKING AND MERCHANDISING

Hosted by SANYO

2:00 p.m. - 4:00 p.m.

\*Seminar—IMPROVING COLLECTIONS

Hosted by WHIRLPOOL

2:00 p.m. - 4:00 p.m.

\*Seminar—MICROWAVE COOKING AND MERCHANDISING

Hosted by SANYO

### OPEN EVENING

The APRO Convention Committee left this evening free for you to enjoy the attractions of

New Orleans. Visit the French Quarter and try some of the famous New Orleans cuisine. Information on sites and restaurants is available at the hotel.

## FRIDAY, AUGUST 20

8:00 a.m. - 8:00 p.m.

### EXHIBITS

8:00 a.m. - 9:00 a.m.

### CONTINENTAL BREAKFAST

Hosted by ENTERTAINMENT MARKETING SALES REPS & H.H. SCOTT

9:00 a.m. - 11:00 a.m.

### APRO BUSINESS MEETING

Meeting and elections of Board of Directors

2:00 p.m. - 4:00 p.m.

\*Seminar—IMPROVING YOUR MEDIA EFFECTIVENESS—HOW TO PLAN AND BUY MEDIA

Hosted by N.E.C. INFORMATION SYSTEMS

2:00 p.m. - 4:00 p.m.

\*Seminar—MICROWAVE COOKING AND MERCHANDISING

Hosted by SANYO

7:00 p.m. - 8:00 p.m.

### COCKTAIL PARTY

In exhibit area

8:00 p.m. —

### GALA DINNER

Hosted by DYNAMIC DISTRIBUTORS, in the Grand Ballroom, this banquet will be a night to remember. Come for the food, fun and entertainment.

## SATURDAY, AUGUST 21

8:00 a.m. - 12:00 noon

### EXHIBITS

8:00 a.m. - 9:00 a.m.

### CONTINENTAL BREAKFAST

Hosted by N.E.C. INFORMATION SYSTEMS

9:00 a.m. - 11:00 a.m.

Seminar—IMPROVING PROFITABILITY THROUGH INVENTORY MANAGEMENT

Hosted by DATA DESIGN & DEVELOPMENT

12:00 noon

### OFFICIAL CLOSING

(continued)

## CONVENTION '82

\* SEE BELOW FOR MORE INFORMATION ON SEMINARS

APRO would also like to give special thanks to the rest of the sponsors:

Fisher Corporation—Thursday a.m. coffee break  
South Central Marketing—Thursday p.m. coffee

break  
General Electric—Friday a.m. coffee break  
Universal Consumer Products—Friday p.m. coffee break  
Gusdorf Corporation—Saturday a.m. coffee break  
Philco—Souvenir briefcase  
Magnavox—Registration portfolio

## CONVENTION SEMINARS

### DEAR DEALER AS YOU REQUESTED . . .

Repeatedly, we've heard that you want the opportunity to learn, through APRO and other members, how to improve your professionalism and your operating results. You told us last year on the convention survey. You told us on the phone. You were specific about what you wanted when we sent out the survey of training needs and you've proven you meant it by attending the planning seminars conducted so effectively by Chuck Sims.

So here it is folks! The Wave of Your Future: Increased professionalism and improved results. The APRO Training Committee and the Board of Directors reviewed the survey findings to bring you the following programs.

- Ed Winn, our hard-working APRO Legal Counsel will update you on the IMPORTANT things you MUST know to be in the rental business today, including the latest on pending legislation which affects our industry.

- **Collections** rated at the top of your list on the training survey, followed by **Media Effectiveness** and **Inventory Management**. We have chosen the IDEA EXCHANGE format so that you can have YOUR QUESTIONS answered with alternatives presented by a panel of leading authorities in each area. These will be like Talk Shows, but you will ask the questions. Ed Winn will be host and moderator. You'll have a chance to present your questions in advance; if all these are answered and we still have time, we will accept questions after you enter the session. Since most questions or problems have a variety of solutions, you will be able to choose the idea which best suits your market, your situation and your style.

As a SPECIAL BONUS, we will present small group sessions (limit 30 per session) on MICRO-WAVE RENTALS: A MICROWAVE FOR YOUR FUTURE. Microwave ovens present an excellent marketing opportunity for the rental industry, but

experience shows they require special marketing techniques and selling skills. These sessions will be scheduled at the same time as the Idea Exchanges, so be sure you assign someone from your organization to capitalize on this opportunity.

Thanks and thanks again to the fine sponsors whose support makes it possible to bring you this wide array of opportunities for improving.

An outline of the topics for each session is included in this pre-convention issue of your Newsletter. Be sure to look it over. And do give us your questions so we can respond to your needs. That's what APRO is all about. Your registration entitles you to attend all sessions.

See you in New Orleans.

Rozanne Kowalczyk, Chairman  
APRO Training Committee

### SEMINAR OUTLINE

#### I. CURRENT LEGAL ISSUES: THEIR IMPACT ON RENTAL POLICY AND MANAGEMENT

Format: Lecture/Guest Speaker

Speaker: Edward L. Winn, III

APRO General Counsel

- Collection practices — The industry's biggest headache
- Advertising
- Disclosure
- Federal Trade Commission Regulations
- Implications of the new tax laws

#### II. IMPROVING COLLECTIONS

Format: Panel Discussion

Moderator: Edward L. Winn, III

Panelists: Joe Arnette, Colortyme TV Rentals, Houston

Robert Harris, Remco Enterprises, Houston

Bob Parker, Leisure Time Sales & Service, San Antonio

(continued)

**SEMINARS (continued)**

Rozanne Kowalczyk, Colortyme TV Rentals, Bloomington, Illinois

Ron Happe, Rent-To-Own Corporation, Visalia, California

- APRO Collections Practices Policy
- Managing the Customer — Effective Collection Techniques
- Effective Skip Tracing

**III. IMPROVING YOUR MEDIA EFFECTIVENESS—HOW TO PLAN AND BUY MEDIA**

Format: Panel Discussion

Moderator: Edward L. Winn, III

Panelists: Dennis Palmquist, Quality TV Rental, Austin

Chuck Sims, Remco Enterprises, Houston

Vic Roy, Colortyme TV Rentals, New Orleans

Frank Nichols, Hanchey & Associates, Dallas

Dick Gravel, Mr. Steve's of Indiana, Lafayette

- Who is the customer?
- What is your message going to be?
- How will you reach him?
- How much will it cost you?

**IV. IMPROVING PROFITABILITY THROUGH INVENTORY MANAGEMENT**

Format: Panel Discussion

Moderator: Edward L. Winn, III

Panelists: Dave Happe, Rent-To-Own Corporation, Visalia, California

Gary Wilburn, Universal TV &

Appliance Rental, Inc., Cincinnati

Dave Keeling, Borg-Warner Acceptance Corporation, Atlanta

Bernie Stevens, Dynamic Distributing Company, Cincinnati

Mike Sheriff, Data Design & Development, Denver

- Negotiating with the Suppliers
- Buying and Scheduling Delivery of Goods
- Taking Care of the Merchandise
- Inventory Control Records

Three additional seminars on microwave cooking and merchandising will be put on by SANYO ELECTRIC, INC.

Format: The seminars will include two sections:

1. A. Emerging opportunities with microwave ovens in rental stores
- B. Recommendations for successful programs
2. A. Basic ABC's of microwave cooking and technology
- B. Complete cooking demonstration

Moderator: Thelma Pressman, Sanyo Director of Consumer Education and Services.

Ms. Pressman has over 17 years of experience in the microwave industry; she's a consultant to Bon Appetit Magazine; a well known microwave columnist; and a microwave educator at the University of California. The seminars will be generic programs on microwave cooking and merchandising. Because of the format, these seminars will be of interest to members with multiple attendees (co-principals, managers, wives, etc.)

DETACH AND RETURN

**CONVENTION REGISTRATION APPLICATION**

Name \_\_\_\_\_ Spouse \_\_\_\_\_

Firm \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

Phone \_\_\_\_\_ Zip \_\_\_\_\_

	FEES	AFTER AUG. 1
MEMBER	\$ 50	\$ 65
MEMBER SPOUSE	35	50
NON-MEMBER	150	200
NON-MEMBER SPOUSE	135	185

For more information phone (504) 588-9991  
Return to:

**APRO Convention Headquarters**  
330 Exchange Alley #104  
New Orleans, LA 70130

## SUBSTANTIATION OF TRAVEL AND ENTERTAINMENT DEDUCTIONS

*The following information regarding substantiation of T & E deductions is a portion of an article which appeared in the April, 1979 issue of Client Report. It has been included in this issue largely due to the emphasis IRS is placing on appropriate records in this area.*

The Specific recordkeeping requirements that must be met in order to deduct expenditures for travel, entertainment or business gifts are as follows:

No deduction will be allowed unless the following elements can be substantiated by adequate records or other evidence:

- The amount of the expenditure
- The dates of departure and return for each trip and the number of days spent on business.
- The business purpose of the expenditure.
- The place of travel or entertainment.
- A description of business gifts, the business relationship of the recipient and the date given.
- The business relationship to the taxpayer of the person(s) being entertained.

Beware of estimates or approximations because the IRS will disallow them. Also, your deductions will be more credible when a record is made at or near the time of expenditure. Thus, the more time between an expenditure and its entry in your diary or account book, the more corroborating evidence may be required.

As to the actual recording of T & E expenses, it is not necessary to itemize every single expenditure — such as taxi fares and telephone calls. These items can be totaled on a daily basis.

### ABOUT THE HYATT

APRO wants you to enjoy every moment of your stay at the convention, so the convention will be held in the Hyatt Regency Hotel. There you'll find a full compliment of bars, restaurants and even a shopping mall without ever leaving the hotel. If you want to see the sites, the French Quarter and Bourbon Street are only minutes away and the Superdome is just outside the door. A city bus is available to take you to the French Quarter and back for just 30¢ each way. But the bus quits running after 6:00 PM, so a taxi is suggested for evening traveling. There are three tour desks in the hotel along with brochures on all of the sites. More information on the hotel's facilities and services will be available upon arrival.

However, documentary evidence in the form of credit card stubs, receipts or paid bills is required for (1) all expenditures for lodging while traveling away from home and (2) any expenditure of \$25 or more.

If you cannot support certain expenditures with diary entries and receipts, the IRS may accept the deduction if it is corroborated by oral or written statements from the person or persons who were involved in the travel or entertainment or who were recipients of business gifts. Keep in mind, however, that such supporting evidence is often difficult and expensive to obtain, and the IRS is not required to accept it.

Thus, it is wise to keep an account book or diary with you when you travel so that you can make an entry as soon after the expenditure as is practical. Even if you take a client or customer out for dinner in your home town, it is wise to record the expense as soon as you get home — while you still have the receipt in your pocket. If you wait until the end of the month or quarter to record your T & E expenses, you are trusting your recall and hence may be omitting valid deductions.

A final consideration — A well-recorded diary complete with documentation is not the only thing the IRS will look at if your tax return is selected for audit. IRS agents will "step back" from your records and consider, among other things the following factors:

- The materiality of the deduction in relation to the size, nature and location of the business.
- Quality of internal controls — whether personal expenses can be easily filtered through and be claimed as T & E.
- The condition of your supporting records. If the IRS disallows T & E deductions because of poor supporting records, you can be assessed a 5 percent non-deductible penalty for negligent records.
- T & E practices in your industry.
- Prior audit results.
- Business benefits of expenses incurred.

Now is a good time to set up an account book or diary for your T & E expenses. Some people have found it useful to attach receipts, paid bills, etc., on the back of the page that records the expenditure. Then, if your supporting records are questioned, you will not have to worry about matching entries with receipts.

contributed by Jayde Sprecker  
Kirkpatrick, Sprecker & Company  
Certified Public Accountants

## NUTS & BOLTS

### ...ON HIRING

A CRIMINAL RECORD by itself is not grounds these days to reject a job applicant. A job can be denied when the crime is related to the particular job being applied for. But a blanket policy that discriminates against those with records of any type is illegal.

### UPDATE ON THE DEPRECIATION QUESTION

The APRO office has new information about the "depreciation" question that affects how rental dealers keep their books and pay their

taxes. This information will be explained during the legal seminar at the APRO convention. APRO dealers will want to be sure to get the update on the latest tax information.

### THE APRO BOOTH

Be sure and visit the APRO booth while you're at the convention. Everything the APRO office sells will be available for inspection, purchase and order. Convention mementos will also be available.



★ ★ ★

Isiah Thomas, a Detroit Piston and Rookie of the Year, will be appearing at the APRO convention. Isiah will be in the exhibit hall on both Thursday and Friday and will be autographing pictures.

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NEW APRO MEMBERS:

Bruce Collett Action TV Rentals Salt Lake City, Utah	4 stores	George T. Spencer Appliance TV Rental Centers Lawton, Oklahoma	1 store
M. Peter Hart Mel Hart Rentals, Inc. Bridgeport, Connecticut	1 store	Charles W. Reeves, Sr. All Star Rental, Inc. North Charleston, South Carolina	1 store
Jerry Ballard Easy Time Inc. Dallas, Texas	3 stores	Zale S. Kohler Woodville Appliances TV Rental, Inc. Oregon, Ohio	3 stores
Larry Tinney Royal Crown Leasing, Inc. Fayetteville, North Carolina	5 stores	Edgar H. McClure Ed's Rentals Batesville, Arizona	1 store
Jim Graham Colortyme TV Rentals Dallas, Texas	42 stores	Bradley Williams Curtis Mathes Home Entertainment Center Mt. Vernon, Illinois	3 stores
Richard Medley Hill Country Rentals Kerrville, Texas	1 store	W. C. Evans The AAA Company San Angelo, Texas	4 stores
Arnold I. Kornstein Movies & More Warwick, Rhode Island	1 store	C. Paul Black Rent-All Equipment, Inc. St. Joseph, Missouri	2 stores
Jim Pascoe AAA Delta Video Niagara Falls, New York	1 store	Rick Strickland Derby Rents & Sells Lawton, Oklahoma	1 store
Peter Pierre Automatic Leasing, Inc. Pinedale, California	2 stores	Claude Wolfe American Rentals Orlando, Florida	2 stores
Michael Fortwengler House of Color Santa Clara, California	3 stores	William Thornsberry Quality Rentals of Fort Smith, Inc. Fort Smith, Arizona	1 store
Thomas Doyle TV Mart Monterey, California	2 stores	John Ihrig John Ihrig & Associates LaJolla, California	1 store
Ronald E. Dunn Mr. B's Rentals of Tucson Tucson, Arizona	1 store	Michael J. Farley A.M. Telerentals, Inc. Columbus, Ohio	1 store
John W. Findarle Findarle & Co., Inc. Riverbank, California	2 stores	Glen Pearson Diversified Leasing, Inc. Sumter, South Carolina	1 store
L. Franklin Betts L. Franklin Betts Co., Inc. Chattanooga, Tennessee	1 store	Leonard Ostrow Wil-Len Enterprises, Inc. Rocklin, California	3 stores
Alfred E. Smith C.M. Rentals Inc. Pueblo, Colorado	1 store		

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## MEMBERS (continued)

James L. Hagan Tradin' Jim's Rental Center Radcliff, Kentucky	1 store
Dana Guildner B & B Distributing Co., Inc. Fort Dodge, Iowa	1 store
Donald Webb Ren-Own Feasterville, Pennsylvania	1 store
Joseph R. Vlasek J.R. Curtis Mathes Showroom, Inc. Des Moines, Iowa	3 stores
David B. Snell Preferred Appliance Service, Inc. Phoenix, Arizona	2 stores
Robert E. Massa National Rentertainment Centers, Inc. Enid, Oklahoma	1 store
Ernest Caldwell Caldwell's TV & Appliance, Inc. San Antonio, Texas	2 stores
David W. Bixel Justice Rental Company Dallas, Texas	3 stores
Robert K. Rickert, Jr. Best-Way TV & Appliance Rentals Norfolk, Virginia	1 store
J. S. Thandi National TV Rental, Inc. Houston, Texas	10 stores
Albert Schauer Curtis Mathes Home Entertainment La Habra, California	2 stores

Frank Felty Tel-Star Enterprises, Inc. Bristol, Tennessee	5 stores
Thomas Lang Appliance Television Rentals, Inc. Rochester, New York	1 store
Burton Seiden Video Rental U.S.A., Inc. Thornton, Colorado DBA/Rent Town	1 store
Max A. Meeks Action Rentals Inc. of SW Florida Ft Meyers, Florida DBA/Action TV Rentals	2 stores
Jeffrey G. Vollmar Vollmar, Inc. Memphis, Tennessee DBA/Home Entertainment-Appliance Rental	2 stores

### New Associate Members:

Randy Marx Sun Belt Sales, Inc. Plano, Texas
Martin Gormley Tappan Appliances Mansfield, Ohio
Steven Sherman Sanyo Electric, Inc. Little Ferry, New Jersey
Ronald Williams Marshall-Williams Assoc., Inc. Hillsboro, Texas
Fred Kidd C & L Supply, Inc. Vinita, Oklahoma

## CUSTOMER SATISFACTION ABOUT BBB COMPLAINTS

Rental dealers who try to maintain professional and high-quality goods and services should note that a recent report from the Dallas, Texas Better Business Bureau indicates that the four "pressure points" of a rental store operation — delivery, customer service, repairs, and credit-collection — happened to be the four most common areas of complaints received by the Dallas BBB office in 1981. Although only a tiny fraction of all the complaints received concerned television outlets (only 1.9%), the list is a good barometer of customer attitude in a major metropolitan area.

Out of all types of companies having complaints lodged against them with the Dallas BBB in 1981, mail order companies, auto dealers, and home furnishings stores made up 29% of the total. The types of companies having the highest percentage of **settled claims** with dissatisfied customers were: savings and loans (90% settlement rate); department stores (89% settlement rate) and credit card companies (87% settlement rate). The companies having the lowest rate of settlement of claims lodged with the BBB were roofing contractors, home improvement companies, and paving contractors.

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## TRAINING

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### APRO STRESSES PLANNING AT SEMINAR IN CALIFORNIA

Thirty-five APRO member rental dealers met recently in Carmel, California to learn more about strategic planning in the rental industry. Chuck Sims, President of Remco Enterprises, Inc., was the group leader for the two day seminar. Dealers at the seminar ranged from one store owners to twenty store owners and all exchanged information and ideas and practiced techniques for planning the future of the rental business.

The seminar stressed the need for a clearly defined company purpose. It was explained that companies need a philosophy to guide their operations, and if carefully thought out in advance, the purpose and philosophy could prevent many of the typical management problems that arise in the rental business. Also noted were the recent advances in the application of industrial psychology in developing managerial organization. It was recommended that dealers further explore this area to better organize company processes of employee placement.

Another point stressed was the need to analyze current circumstances in order to prepare for the future. The group spent several hours discussing external and internal factors that affect the rental industry. The group discussed interest rates, advertising costs, energy costs, real estate costs and unemployment as part of the external analysis. They also analyzed the rental industry's marketplace focusing on such topics as ethnic mixes, traffic patterns, neighborhood store locations and product mixes. Dealers also noted the political/legal arena and such factors as taxes, new state laws, wage and hour records, and how they may affect the rental industry.

Comments were elicited from the group on social conditions, trends and technology, and products and systems, as they may impact the rental industry.

Dealers then turned their attention to an internal analysis of the rental industry, focusing on such items as competition, history of the business and revenues. Different calculations useful for measuring productivity were pointed out, for example, expenses per employee, revenues per employee, balance on rent per employee, etc. The group had widely differing opinions as to the key result areas in the rental industry from credit management to increasing BOR, to merchandising, to site location, to revenue growth, to sales growth, to keep rate.

Once the dealers understood how to analyze the internal and external conditions affecting the

industry, they focused their attention on developing strategies for changing the direction of a rental company. The difference was explained between strategic plans which are more long term and action plans which are short term specific goals to be developed by different employees of the company. The group then explored mechanisms for analyzing whether specific goals had been met.

Other issues of particular importance to rental dealers that were discussed by the group included compensation of employees, financing and budgeting.

A cocktail party hosted by Universal Consumer Products, Houston, provided an opportunity one evening for rental dealers to get together on a casual basis and share information. The evaluations of the seminar by group participants were uniformly high and the APRO Board and Staff wish to express their gratitude to all of the dealers who participated for contributing to the seminar's success. APRO looks forward to sponsoring similar activities for members in the near future.

Ed Winn, III

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### APRO WANTS TO KEEP YOU INFORMED

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The congress of the United States will introduce 8,000 bills this year. And the fifty state legislatures will generate thousands more. Staying ahead of this flood of legislative activity is a difficult task, even for well-funded organizations with that as their main purpose.

APRO wants to keep you abreast of the many court decisions and legislative actions across the nation that impact the rent-to-own industry. In order to thoroughly monitor every potential law or agency ruling in every state where rental dealers do business, we need your input.

APRO's recent fast response to the proposed legislation in Pennsylvania which would restrict the ability of rental dealers to do business in that state was prompted by a telephone call from an affected dealer. He read about it in a local newspaper. Details of trade association Counsel Ed Winn III's work on the Pennsylvania issue and similar legislative affairs in Michigan have appeared in *The APROACH*. With your assistance, APRO can continue its involvement in these legal issues.

Membership in a trade association to promote the interests and welfare of your industry and your own business is your right; keeping the association informed of what's going on in your area is your responsibility as a member. Even more importantly, it's in your own best interest.

Bud Holladay  
APRO, Chairman of the Board

## EXHIBITS

How can you benefit from attending the APRO convention? Check this list of names of important suppliers and vendors to the rental industry against your needs in today's competitive marketplace:

- AMERICAN BANKERS GROUP  
Leased Property Insurance
- CASS (Computer Assisted Sales Systems)  
Computer software & hardware distributor
- DATA DESIGN  
Computer software & hardware distributor
- DYNAMIC DISTRIBUTORS  
Manufacturer representative
- ENTERTAINMENT MARKETING SALES REPS  
Electronics manufacturer Representatives
- GENERAL ELECTRIC  
Appliance & TV manufacturer
- GUSDORF  
Electronics furniture
- H.H. SCOTT  
Hi-fidelity manufacturer
- KENWOOD  
Audio manufacturer
- MAGNAVOX  
TV manufacturer
- MARSHALL WILLIAMS & ASSOC.  
Property & casualty insurance
- MARANTZ  
Audio manufacturer
- MORSE/PILOT  
Audio manufacturer
- N.A.P. CONSUMER ELECTRONICS  
Philco & Magnovox manufacturer
- PANASONIC  
TV & appliance manufacturer
- PHILCO  
TV manufacturer
- QUASAR  
TV & appliance manufacturer
- R.P. McDAVID  
Electronics & appliance distributor
- SANYO  
TV & appliance manufacturer
- SOUTH CENTRAL MARKETING/FISHER CORP.  
Audio Manufacturer/Representative
- SPEED QUEEN  
Appliance manufacturer
- TAPPAN  
Appliance manufacturer
- TARTAN SALES CORP.  
Manufacturers representative
- TECHNICA ELECTRONICS CORP.  
TV manufacturer

- UNIVERSAL CONSUMER PRODUCTS  
Rental Industry Distributor
- WESTINGHOUSE CREDIT CORPORATION  
Finance
- WHIRLPOOL  
Appliance manufacturer

No where else will you find as many suppliers, vendors and consultants to your business, because APRO is the only organization created just for you and your type of business. All exhibits will be in the French Market Exhibit Hall on the second floor of the Hyatt-Regency Hotel. The hotel offers 23,500 square feet of exhibit space, so you can take your time and see what's new in electronics, appliances, computers and more.

## WHERE DOES YOUR DOLLAR GO?

Trade association dues and payments for the first four months of 1982 amounted to a little over \$57,234 and were spent in the following manner (expressed as a percentage of income):

Headquarters salaries	9.3%
Headquarters rent	1.8%
Legal-Accounting	5.2%
Telephone, Office and Supplies	5.6%
Postage & Printing	4.8%
Newsletter Publishing	5.8%
New member packets & related materials	8.5%
Dues, Subscriptions & Staff training	1.1%
Contract Office Pay	1.2%
Federal & State Taxes	4.0%
Legal Consultation for Special Projects	7.0%
Travel Exp. HQ	0.4%
Convention Aids	0.2%
Total Expenses	54.8%

Headquarters staff report that \$12,000 in member dues for 1982 are still uncollected from companies on the membership roll since 1981 or earlier, and 3rd billing is underway to collect these funds for APRO operations through the end of 1982.

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## **GOVERNMENT REGULATIONS UPDATE ON PENNSYLVANIA AND MICHIGAN LEGISLATION**

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APRO staff members have been actively engaged in assisting Michigan legislators draft legislation to regulate the rent-to-own industry. Original efforts in that state had come from legal aid lawyers and had simply declared that rental purchase agreements were credit sales. That would have meant dealers in that state would have to disclose the cash selling price of their goods, the total price of the goods it held until term, and the annual percentage rate charged on the transaction. Responding to input from the industry, members of the House Consumer Affairs Committee agreed to consider separate legislation as an alternate to including rental purchase agreements under the state Retail Installment Sales Act. APRO attorney, Edward L. Winn, III, as well as other attorneys for rental dealers and representatives from the industry, have met twice in Lansing, Michigan to assist in this new regulatory effort.

Negotiations are continuing as details of the draft legislation are being worked out. Predictions are that nothing concrete will occur in Michigan before 1983. Copies of the proposed bill are available upon request in the APRO office.

In Pennsylvania, there exists a law on the books already that effectively declares rental purchase agreements of the kind most dealers are using to be credit sales in that state. Importantly, in addition to the disclosures that the new law requires, the law requires dealers to wait twenty-one days after a consumer has defaulted on his lease to pick-up merchandise. In an effort to avoid the twenty-one day wait period dealers

in Pennsylvania have been redrafting contracts in an effort to avoid coverage of the new law.

In a recent meeting with a Deputy Attorney General in Pennsylvania, Edward Winn, III, reports that apparently the new kind of Lease Purchase Agreement is going to work in Pennsylvania. Essentially, instead of merely transferring title to the merchandise to a customer at the end of eighteen months or seventy-eight weeks or whatever the term of the rental agreement, several rental dealers are now conducting a bona-fide sale at the end of the rental period for a price which is equivalent to the fair market value of the used merchandise at that time.

No lawsuits have yet been filed in Pennsylvania to test the validity of these new contracts. APRO is nonetheless monitoring closely the developments in that state to provide information for dealers there in an effort to help them conform their business with the new law.

Government regulation is a factor that will vitally affect how every rental dealer does business in the future. It is imperative that dealers pay attention to what their own state legislators are doing and also that they give support to the trade association's efforts at the federal level.

As the details of the proposed federal regulations get worked out, APRO will provide those details to its members to solicit their comments and suggestions. If there are APRO members who have contacts in Washington, please furnish that information to the APRO office so that we can begin contacting those representatives.

Ed Winn, III

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## **ELECTION RUN-DOWN**

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On August 20 APRO members will be electing 16 persons to the APRO Board of Directors. Five of these people will then be nominated and elected from among the Board of Directors to serve as the officers.

This is your opportunity to assure continual progress and growth in your trade association. Your participation and your vote will make a difference. So remember, it is not only your privilege as a member to vote, it is your responsibility.

The rules and procedures for the annual election are set in the APRO By-Laws. For those of you who are unfamiliar with the process, here is a brief run-down.

Each regular member shall have one vote on

each matter brought before the association. Each regular member may vote in person, or may vote by proxy through the Board of Directors. A regular member desiring to vote by proxy shall notify the Board of Directors of such at least ten (10) days before the meeting.

For those of you interested in running, any regular member in good standing is eligible to serve on the Board of Directors. Each Director shall hold office until the next annual meeting and until his or her successor shall have been elected and qualified. Members of the Board of Directors may, upon proper election, succeed themselves.

If you have any questions, please consult the APRO office.

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Please send me more information on APRO.

NAME: \_\_\_\_\_ COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

*Tear this card out and send to: APRO, 1866 Austin National Bank Tower, Austin, Tx 78701*

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Bulk Rate U.S. Postage <b>PAID</b> Permit No. 1242 Austin, Texas
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*Association of  
Progressive Rental Organizations  
1866 Austin National Bank Tower  
Austin, Texas 78701  
(512) 478-6521*

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