

October/November 1990

The magazine of the rent-to-own industry

# Progressive Rentals

***Special issue:***

**Rent-to-own's state  
association network**



**Product focus: Audio**

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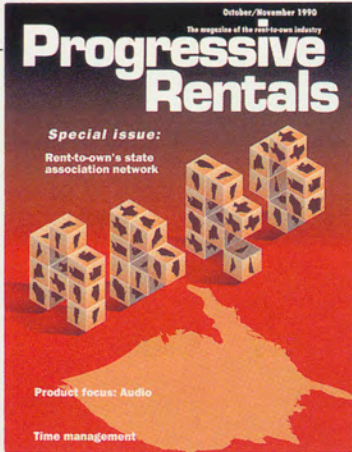
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ON THE COVER: State rent-to-own associations, and the growing body of rental-purchase laws they represent, are the building blocks of RTO's national network. Our special package on state associations begins on page 20.

COVER DESIGN BY:  
Joel B. Mathews,  
Alexandria, La.

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## FEATURES

### 10 Multi-disc CDs the ticket

Rent-to-own audio suppliers and store personnel sometimes disagree on what's hot and what's not. But they all agree that high-end CDs are becoming a must in today's RTO store.

### 14 Time management's simple

The time we have now can't be bottled up for use later. By adopting a few good habits, however, you can begin to handle routine — and not-so-routine — tasks more efficiently.

### 18 Do credit checks fit RTO?

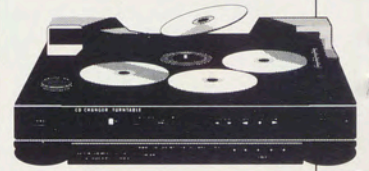
Rent-to-own, with its traditional claim of no credit checks, has had little to do with credit-reporting services. A few specialized uses of credit reports can prove handy, though.

### 20 Rent-to-own's network

APRO has become the national voice of rent-to-own dealers, but not without help from a growing number of state groups. We see how both work together to strengthen the industry.

### 40 CBS covers RTO industry

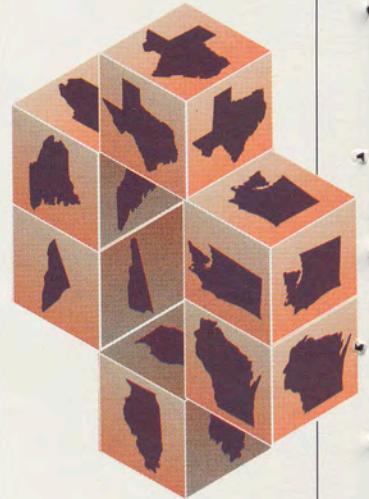
After a lot of anticipation from rent-to-own people everywhere, CBS finally broadcast its network story on RTO in late October. We record the coverage in words and pictures.



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## PRESIDENT'S VIEW

# Some have forgotten, but 'honor' is still a word that has meaning



**T**his month's installment of the *President's View* is going to be a little different from any of the previous ones I've written. You see, they give me this column each issue to say a few things that are on my mind, and my comments are printed — unedited.

In the past, I've spent my allowance of print on praising the activities of APRO and all those who are associated with it, and inviting those not in our membership to join. I'm sure most of you who read this are as tired of reading the same old stuff as I am of writing it. So this month, we have a new message from the pulpit.

The subject is honor. My dictionary defines honor as: "Esteem, respect." But I think it goes deeper than that. I also associate the words "fair," "ethical," "honest," "trustworthy" and "decent" with the concept. I suppose I'm somewhat old-fashioned in my views, but I believe that a businessman can still be successful and embrace the above concept of honor.

As an industry, we have spent thousands of hours, and millions of dollars, trying to convince state and federal legislators and scores of consumer advocates that our dealers are fair, ethical, honest, trustworthy and decent. In short, we've taken great pains to present our profession as honorable. But are we really?

Granted, for the most part, the dirty-window operator of yesterday has gone away, to be replaced by a more professional, more aware businessman. But have we taken this too far? Have contracts, legal battles, injunctions, greed and on-upmanship displaced our sense of morals?

When I hear of dealers price slashing to "beat the competition" I wonder why they don't just do a better job than their competitors to achieve an edge. When I hear about a dealer practicing unsavory collection practices, I wonder how they have survived this long — and hope they won't last much longer. When I hear of dealers who take a good amount of money out of the communities they deal in and don't put anything back in, I wonder how they expect to receive just treatment by those who govern the communities. And, finally, when I hear about rental dealers fighting a legal battle with each other over a meaningless issue, I wonder if we have really progressed that much at all.

If greed, lawsuits, contract disputes, back-stabbing, extortion, price slashing and price gouging are the words that the industry will live by in the future, then I and all the rest of the honorable people in this business are ashamed of it.

Ted Wilson  
APRO president

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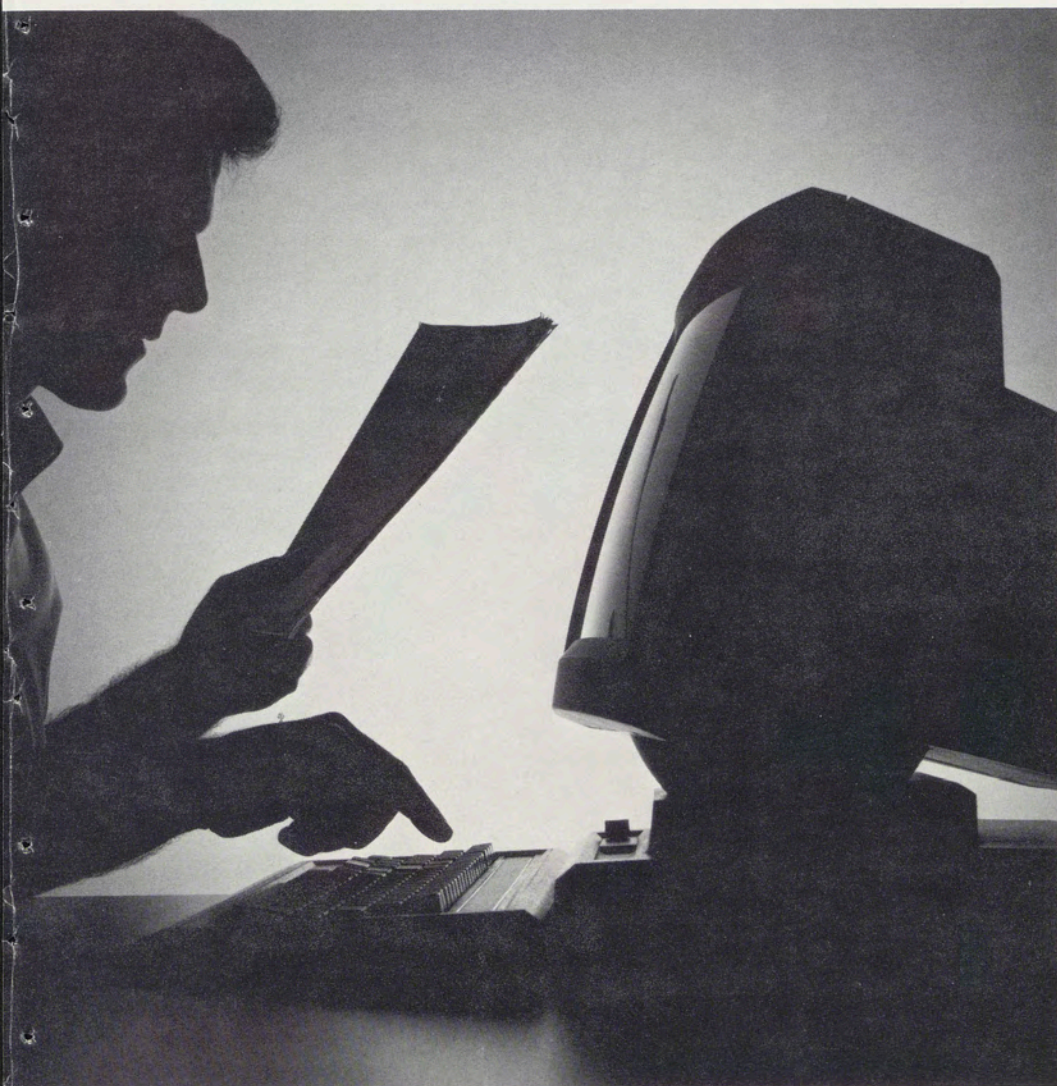
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## APRO member services, membership benefits

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**TRAINING SEMINARS** — Seminars conducted by professional consultants and experienced rental dealers cover selected topics designed to aid professional management of rental operations.

### PUBLICATIONS

• **Progressive Rentals** — the feature-oriented "magazine of the rent-to-own industry" is issued every other month.

• **RTO Network News** — The "monthly newspaper of the rent-to-own industry" focuses on current national and state legislative/regulatory issues.

• **Who's Who in Rent-To-Own** — The most complete national listing of rental dealers available. Published annually.

• **Administrative aids** — Samples of various standard business forms used frequently by rental dealers.

• **Collections Manual** — A guide of offering preventive maintenance and effective results for the industry's biggest headache — skips and stolens.

• **Skip-Trace Manual** — A comprehensive guide to locating missing persons.

• **Legal Defense Packet** — Available to all members to minimize legal research costs.

• **Bankruptcy** — An indispensable guide in dealing with a bankruptcy case.

• **Convention seminars** — Cassette tapes are available.

**BUSINESS PROTECTION** — APRO assists state associations in their organizational efforts and in monitoring the legislative process. APRO's Special Projects Fund addresses key needs for the rent-to-own industry as it enters the 1990s.

**INSURANCE** — APRO offers insurance programs designed specifically for rental dealers.

**RENTAL INDUSTRY STATISTICS** — Periodically, members will be asked to participate in a survey. The information will be confidential, and compiled so that general industry statistics are available to all members.

**CONSULTATION** — Wage-hour and EEOC consultation is available, with the first phone call at no cost to the member.

**NETWORKING** — The sharing of creative ideas; knowledge of developing trends; and participation in the development and direction of the rent-to-own industry.

**COMMUNICATIONS** — One of the most valuable benefits of membership is the vast opportunity for interaction with other people in the industry. This is a result of APRO members' willingness to share ideas with others. At the convention, the seminars or informally — in person or over the telephone — ideas are continually being discussed and debated.

PR

## DIRECTOR'S DESK

# Strong state associations and a strong APRO benefit our industry



**T**he winds of change have been blowing in this industry and this association for some time now. This is, in my opinion, an invigorating environment, full of opportunities for those who accept the challenge of looking at old problems in a new light. Some may disagree with me on this. They may like the way things are, or have been, and feel threatened by change. I certainly respect this, even though I have a resolute belief in the positive at-

tributes of change.

This issue of *Progressive Rentals* is devoted to rent-to-own state associations; their history, their importance to the industry, and their relationship with APRO. There are those states whose dealers saw the need to organize and did so, without any assistance from APRO. There are other states where APRO played a major role in organizing dealers in the state. And there are those states where APRO merely assisted enthusiastic dealers to band together. Whatever the case, it is unimportant who takes any credit for organization. The important thing is that there are people and organizations who care enough about this industry to work hard to see it prosper.

It has been the policy of the Association of Progressive Rental Organizations for several years, now, to be of whatever assistance it can in helping dealers in a particular state to organize and to stay organized. APRO provides many services to the state associations. We will arrange meeting rooms, send out notices of meetings, publicize state activities, help legislative issues, publish state directories and arrange for cosponsored, employee-based educational seminars. Such seminars have helped inject up to \$1,500 into the treasuries of individual state associations.

It is the desire of our association, its staff and board of directors to support, not control, the development and continued existence of state associations in the rent-to-own industry. The key to success in this effort is participation. We encourage all of you who are APRO members to join and participate in your state association. Likewise, we ask that if you are a member of a state association and not a member of APRO, that you join us. We all can be more effective in making our industry safe and well respected if we join together and support one another.

As one of the founders of a state association recently said: "We would like (APRO) to support us, and we will support APRO. If we do that, (our industry) will be much stronger."

Can we all agree on that?

Bill Keese

APRO executive director

# CD players with multiple-disc changers quickly joining RTO lines

Rent-to-own customers want the latest innovations in audio, too

**C**Ds, CDs, CDs — ask rent-to-own dealers across the country (as we did) what is hot in audio, and the reply is the same — CDs. Compact discs aren't new this year, of course, but the uncompromising demand for them may be. Rent-to-own customers have been looking for CDs for a while now, but a year ago many still clinged to the notion of having a turntable as well. In 1990, this is rarely the case.

Now, it's CDs all the way, and what's big in CDs are the advances in changers. The new carousel changers can, for example, allow the listener to change four or more discs while the music on another disc continues to play. That's a big improvement over the cartridge changer, which requires the listener to stop the music to change discs. Steve Sherman of Welton-Tekwood says he expects to see CDs

Text by  
Barbara C. Stooksberry  
Graphic by  
Joel B. Mathews

in high demand in all markets by Christmas.

The population is more aware of the availability of carousel changers now, says Rocky Caldwell, marketing manager, home audio, for Philips Consumer Electronics in Knoxville, Tenn. And that's why changers are in more demand today than ever before.

John Blair of the TRIB Group, a nationwide buying organization for small- to mid-size RTO dealers, also cites the five-disc changer as the big news in CDs. In addition, Blair confirms,

customers still want the many bells and whistles they've traditionally sought.

Customer interest in CDs and the five-disc changers has not escaped the notice of RTO store managers and sales personnel. The latest advances in CDs and changers are something just about every customer is demanding.

The customer wish list also extends to the size speaker most want — big — and the sound they want to hear — pure and loud. The 100-plus-watt systems are in demand, and the customer credo most often remains the same: "Bigger is better."

Customers in increasing numbers have shopped around and have a pretty good idea what they want when they come into a rent-to-own store. They've shopped the retail stores and know the brand names and features that are important to them.



Richard Young, assistant manager of a Rent to Own/Best-Way store in Norfolk, Virginia, finds his customers to be very knowledgeable. Many are young men stationed at nearby military installations who are looking for powerful systems — 100 watts or more — made by recognized manufacturers.

"They want good looks and plenty of lights," says Young, as well as dual cassette players and, of course, the requisite five-disc CD player and the remote control are givens.

Bruce Bennett, operations manager for an Amigo TV Rentals location in Albuquerque, N.M., also believes his customers have shopped the retail stores and found what they wanted before hitting the rent-to-own stores. "They're looking for something that's flashy, with plenty of knobs and lights, a 14-band equalizer, multi-disc CD player and 150-watt speakers."

Customers who shop at Champion TV & Appliance in Buffalo, N.Y., look for much the same. "Rack systems always sell," says Norman Suarez, a member of the sales staff at one Champion store. "They want dual cassettes, CD changers and major wattage," he adds.

There is no clear consensus on home entertainment centers, however. Although some dealers and manufacturers are getting away from these centers, others still find a strong market for the all-in-one units. In fact, Zenith, which has been out of audio for the past five years, plans to re-enter the audio market in 1991 with introduction of two home entertainment centers, according to Norman Smith, national manager, rental markets.

Steve Sherman of Welton-Tekwood, on the other hand, doesn't see any growth potential in home entertainment centers. Although his company is a major supplier of home entertainment centers for the rental industry, Sherman thinks "many markets are

*"They're looking for something that's flashy, with plenty of knobs and lights, a 14-band equalizer, multi-disc CD player and 150-watt speakers."*

— Bruce Bennett, operations manager,  
Amigo TV Rentals store

saturated" with the systems. "I don't see growth here," he says, adding that he expects to see instead a decline because of "saturation and aggressive promotion of home entertainment centers in the past."

Home entertainment centers continue to be a big item for Sanyo-Fisher, according to David Claus, public relations coordinator for the company. Fisher's "Preference systems," in which "Preference separates" are put together and sold as one system, have been "quite successful for Fisher," says Claus. Fisher offers a Dolby prologic "surround sound" processor/amplifier on all Preference systems.

In 1991, Quasar will offer an all-in-one AV remote control that controls the TV, VCR, CD and entire audio section of its home entertainment systems. Their center sections include a feature unique to Quasar, according to Fred Erdmann, marketing manager for TV and audio products — the Alpha-Numeric Scrolling Read-out, which indicates your position within the center section at any time. In addition to being an attractive feature to the consumer, the readout makes it easier for personnel to demonstrate the system to the consumer.

Thomson Consumer Electronics, meanwhile, has already rolled out its RCA Hi-Fi systems. The four different "systems" include features such as a five disc CD changer, Dolby® Surround Sound, 100 to 120 watts per channel, 15- or 31-key remote control, graphic equalizer and rack (included in all).

There's even an array of video jacks to help consumers build their own home "theater," according to Al Arras, general manager, RCA Hi-Fi.

The enthusiasm with which home entertainment centers are embraced by rent-to-own customers seems to vary from store to store, as well. Mike Piper, accounts manager for Chad's Rentals in Idaho Falls, Idaho, sees a trend away from home entertainment centers, although his store still rents a lot of them. One customer objection is that the whole unit must go in for repair when only one component is malfunctioning, and the customer loses the use of the entire system while repairs are being made.

Home entertainment centers are still a big part of the business of Champion TV in Buffalo. At this writing, Champion is promoting home entertainment centers with 19-inch TVs, 30-watt stereos and VCRs or with 26-inch TVs, Sanyo 50-watt stereos and hi-fi VCRs. Other Champion stores offer home entertainment centers with 100-watt stereos.

"Bigger is better," reiterates Rocky Caldwell of Philips, and "more powerful is better." In addition, the rental customer wants serviceability, which is why Philips makes two systems exclusively for rent-to-own that feature more serviceable speakers than those manufactured for the retail market.

Caldwell says the larger cities are beginning to see a trend toward minisystems, but that hasn't shown up in RTO yet, although he expects to see

*Continued on next page*

it in a year or two. The same goes for high-end shelf systems — the rent-to-own customer is still looking for good quality rack systems rather than the shelf systems that are gaining popularity with big-city retailers.

Sanyo-Fisher's Claus agrees that the "bigger is better" approach still prevails. Boom boxes, for example, could be made smaller, he says, but they would lose a lot of their appeal. Re-

gardless, Fisher does offer smaller stereo systems with such high-tech features as computerized CD-to-cassette capability, which allows smoother CD to cassette transfer.

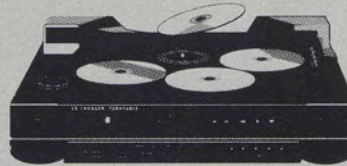
Quasar offers a full line of bookshelf systems and rack systems, with the all-purpose remote in its rated systems and in most of the unrated. According to Erdmann, the trend toward compact bookshelf systems started in Europe

and has spread almost worldwide, with the United States as the last major hold-out for the bigger systems.

Charles Michie of Michie Distributing, an AV (audio-video) distributor based in Carrollton, Texas, that carries Sansui, Sherwood and Sylvania, disagrees on the size issue. He thinks powerful systems in compact units are the direction things are going. Already available are compact units with three-

## Who's who in audio

\* = Associate member + = Advertiser Y = Convention exhibitor



Audio represents a huge chunk of the rent-to-own market. This list includes audio suppliers that support APRO either as an associate member, convention exhibitor or publications advertiser.

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Hayden, ID 83835  
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Audio/video systems

piece speakers — two foot-high, 6- to 8-inch wide speakers and a separate unit for the bass that can be placed elsewhere. This type of system has a lot of appeal for apartment dwellers. Rich Heckelman, assistant marketing manager of sound and telecommunications for Toshiba, says his company is not in "home audio" per se, but does have mini-component systems that could work well in the rent-to-own market.

"Flexibility" is the key, says Don Dattillo, audio marketing manager for Sharp Electronics in Mahwah, N.J. Today's audio customer wants to be able to connect everything together to perform such functions as playing the audio from their movies through their audio system, which provides a much better sound than if played through the television.

It is not uncommon for manufacturers to market audio systems specifically designed for the rental industry. Welton-Tekwood, for example, offers a fully assembled rack system that features a durable cabinet and good quality stereo that can be rented out for \$12.95 to \$19.95 per week, with emphasis on the lower end of that range.

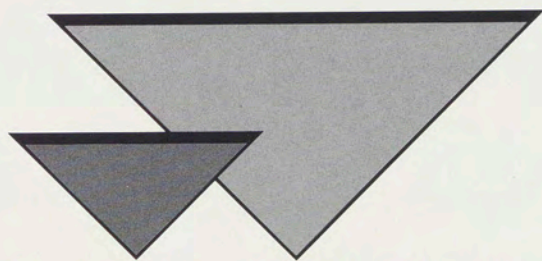
"These units bridge the gap between low-end units sold at some retail outlets and high-fidelity systems that start at \$17.95, 19.95, and up," says Welton-Tekwood's Steve Sherman. They're designed with the durability and serviceability the RTO industry demands.

Quasar also considers rent-to-own one of its better channels of distribution, and takes the needs of the RTO dealer into consideration when designing rack systems. Quasar's units are on casters to make them easier to move, and its 50- and 100-watt systems have removeable speaker grills to facilitate repairs.

One thing our informal survey of suppliers and RTO store personnel did make clear: What's new and innovative in audio heads up the list of what the customer expects to find when he or she walks into the rent-to-own store.

*PR*

*Barbara C. Stooksberry is a Texas-based freelance writer. Joel B. Mathews is a graphic designer based out of Louisiana.*



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# Learning to juggle the demands on your time takes discipline

Keys to time management are maintaining 'to-do' lists and prioritizing

*(Editor's note: Unfortunately, this will be Rex Thornton's last of many contributions to Progressive Rentals. It will be published in two installments. Please see facing page.)*

By Rex H. Thornton

"If I save 10 minutes today can I put it in a box and use it next week when I need 10 more minutes to finish a job?"

Time. We all have the same amount — 24 hours a day. Deciding how to use that time is a key concern to managers. Managers have a double concern about time: How to best use their own time and how to get their employees to use their time. Both uses of time should be to the benefit of the organization as well as the individual.

If time were something that we could save at one point for use later, few of us would ever have any problems related to time. If I save \$10 on one purchase, I still have that \$10 that I can either save or spend for something else later on. The problem with time is that once it's gone, it's gone. We can only choose how to spend the time we have available. Saving time is not an option. We can finish one job more quickly and choose to spend the remaining time in a different manner, but we cannot "save" it and hold it in a "time account" for later withdrawal and use.

## **Recognizing the problem of time management**

Life is the process of spending time. To help determine how to spend your time, you must first understand the nature of the problem relating to time. The problems start with its relentless passage and then progress to the people



and situations that demand portions of our time. Biology demands part of our time — sleeping, eating, bodily functions and so forth take about 12 hours per day. Take away another two hours a day for travel, shopping and related activities and you have approximately 10 hours left to perform the work necessary to earn a living. This brings us to the point of identifying the rest of the problem.

In the work environment there are many people and situations that make demands on the eight to 10 hours that we spend in earning a living. I will identify the demands that are made on management, but remember that there are similar demands made on every person within the organization.

Management demands are those that are made on you by higher levels of management. Management has the right to make requests of your time because members of management are the ones who pay either directly or indirectly for your time. They are also the ones who can ask you to change priorities on the tasks that you're doing. In other words: "Stop what you're doing and start doing this." (For owners who do not have to respond to a board of directors see the section on external demands for the equivalent to this level

of demand.)

Management demands can also be called internal demands or job demands. These are the demands for your time that are a direct result of your job requirements. This is what you are paid to accomplish or manage for the business. Such things as budgeting, scheduling, setting BOR gains, assigning routes, meeting payroll, talking to customers, solving employee problems, making or checking bank deposits — and on, and on, and on. In short, all of the activities that make up your job. These are the ones that most time management programs outline techniques for handling. Well, they almost do. You will understand this statement more when I get to the solutions for time management problems.

Peer demands are those demands for your time that are made by others on about the same organizational level. Sometimes these are direct demands for your help on a work related project. This time is rather easy to identify and evaluate. The other peer demands for time is time spent in jokes, "bull" sessions and general discussions that appear to be work related but which result in no definite plan of action or results. These "discussion" times among peers are important, however, in developing strong working relationships and they may later contribute to the development of plans that produce positive results.

These "discussions" may or may not have any positive value to business results but one thing is certain: They do take part of the time you have available for other purposes. You make the decision to spend your time in idle conversation rather than to use it in some

*Continued on page 39*



Rex Thornton, 47, was a friend to many in RTO.

## RTO industry mourns loss of a friend, Rex

Many people throughout the rent-to-own industry have lost a good friend.

Rex Thornton, president of Performance Management Associates and a long-time APRO supporter, died Sunday, Oct. 28, in an automobile accident.

Thornton was a management expert with close ties to the rent-to-own industry. The former director of human resources and management training for Curtis Mathes left the company in 1988 to pursue several business ventures, including Triad Learning Systems, Megatrends and Rent City. Per-

formance Management Associates (PMA), a Dallas-based training and management consulting company, was his most recent creation.

The 47-year old, who had more than 25 years experience in training, management and consulting, was an APRO seminar speaker and regular contributing author to *Progressive Rentals* magazine.

He earned a master's degree in administrative science (organization management) from the University of Alabama in 1980 and a bachelor's degree in industrial-arts education from Auburn University in 1967.

Major corporations and organizations sought Thornton out as a speaker. They included Monsanto, American Honda Motor, Alabama Power Company, federal and state government agencies, APRO, Radio

Shack Dealers Association and the National Association of Retail Dealers of America.

Former Triad partner Larry Randolph said Thornton's death will leave a void for those who knew his good-natured demeanor and reputation as a professional. "He certainly had a lot of friends," Randolph said the week after the fatal accident. "Our phone's been ringing off the hook."

Thornton's funeral was Friday, Nov. 2, in Birmingham, Ala. Thornton is survived by his wife, Jo Ann; a son, 17-year-old David; and daughter, 15-year-old Lisa.

Marie May, an RTO industry publisher, has helped organize a college fund for Thornton's teen-agers. Contributions should be sent directly to: The Rex Thornton Children's College Fund, 2823 Canyon Dr., Grapevine, Texas, 76051. *PR*

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## PROFILES

*(Editor's note: This is a regular department profiling APRO members, attendees at conventions and seminars, and prospective members. D.J. Thomas, APRO assistant director of government affairs, coordinates and conducts the interviews.)*

### Betty Coolidge Central Village, Conn.



Betty Coolidge, owner of Mrs. T's Rentals in Central Village, Conn., has developed such a good reputation that third-generation customers do business with her. That's considered quite an accomplishment in the relatively young rent-to-own industry. She learned of the RTO concept from the original Mr. T — Ernie Talley, who addressed the subject at a NARDA convention in the early 1960s and who some consider to be the founder of rent-to-own. She evolved into RTO by July 1974. Even though there was a recession at the time, her business flourished

and within a few years she had four locations. Today, she has two locations in northeast Connecticut.

**Q. Can you give us a history of your business development?**

I just wish you (APRO) had been around in the early days. We had to trip and pick ourselves up and see what we could do with it on our own. I do think now that many of our members have come so, so far and I can truthfully say I am proud of the fact I do rent. Like Bud Holladay said, in the beginning you put your hand over your eyes and said: "Yes, I do rent-to-own." We did the advertising, collections, pickups and everything else. We did it all. I used to hear war stories about the way some people conducted their business in an unethical manner. I would not want that to be part of my business.

**Q. What do the 1990s hold for you?**

I don't really know. With the (Persian) Gulf crisis and the economy I would not want to put all my eggs into one basket and have something happen to it. I am not planning on expanding at this time.

**Q. Speaking of the Gulf crisis, how has that affected your operations?**

We have cut down on gas expenses. We are trying not to make unnecessary trips. Our drivers use a checklist to ensure they have everything needed before starting out. We do service a large area of northeast Connecticut and our deliveries may be 15 miles between two stops. I cover a radius of 50 to 60 miles and even go up into Rhode Island and Massachusetts.

**Q. How active are you in your state association?**

Alan Dobzinski has been kind enough to keep me very well informed on what is happening in our state. We network through phone calls and correspondence. The association has a lobbyist that works on our behalf and watches out for our interests. Primarily we are lying low in Connecticut and don't want to make any deals if they are not beneficial to the rent-to-own industry. I believe that state associations are a necessary part of this industry.

**Q. A final note?**

Whoever is in control at APRO — you are heading in the right direction. Bill Keese is doing an exceptional job. Keep up the good work. PR

### Kimberly Zerphey Austin, Texas



Kimberly Zerphey of Zerphey Rentals in Austin, Texas, and her husband, Charlie, migrated to the Lone Star state from Pennsylvania after graduating from Millersville State College. She began her rent-to-own career in 1980 as a secretary in a Pennsylvania rental store owned by Chad Hazam. After progressive promotions, Hazam offered Kim and Charlie the opportunity to buy into four stores in Texas. They did, and moved to Texas and bought three more stores within the following two years. Zerphey Rentals currently operates seven stores in Texas as part

of the Rent America chain.

**Q. What does your future hold?**

Expansion, but with recent events, such as Kuwait and the national budget, I am fearful that our expansion might be slower than what we originally set out to do. There will be more stores, but it will be with careful planning. I also think there is a shift in the attitudes of the financiers which affects everyone in our industry. *(Editor's note: APRO conducted a financial summit conference in Atlanta on Nov. 14 to address this subject; see page 45.)*

**Q. What are the key ingredients that motivate you and your business?**

I will say three key ingredients are, first, make sure you place customers and employees ahead of yourself. Second, in dealing with customers and employees, set out policies and practices and be consistent about them. Third, the commitment to know you always can be better and do better every day. Sometimes, people get all wrapped up in dealing with everyday details or problems that you forget about the customer or employee. We cannot let ourselves ever forget them. I must say, I am very proud of my employees.

**Q. What are some of the business practices you've developed in operating a successful enterprise?**

Every day you need to reflect on what was accomplished that day and then set goals for the next day. Also, a lot of determination to do things right. The economy and laws are tough and changes occur which affect our business. You have to keep on your toes and keep up.

**Q. A final comment?**

Contributions to special projects (previously LDIF), whether you are a member or not, is very important. *(Editor's note: For more on the APRO Special Projects Fund, see recent issues of RTO Network News.)* You have to realize that is insurance to your livelihood. Allen Lewis of Amigo Rentals did a very good job of going for the heart at the last APRO convention and put it in a nutshell exactly why special projects funds are needed for worthwhile projects — tax issues, legislative, public-media responses and not being spent on lavish offices or frills. I walked away knowing I would give what I could and wishing more people would realize this is a necessary part of our industry. PR

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# USE THE POWER



# Customer credit checks contradict RTO's purpose, but can be useful

Services such as skip-trace database are proving valuable to dealers

*(Editor's note: A longer version of this article also recently appeared in the industry's newspaper, RTO Network News, as a two-part series.)*

By Ed Winn III

"NOCREDITCHECKS" proclaim the ads of many rent-to-own companies around the country. That advertisement is designed to give comfort to customers who have found themselves in the embarrassing position of applying for credit and being turned down.

The rental industry is not alone in marketing the absence of credit checks to consumers. Used car lots, furniture retailers and other businesses which carry their own notes also offer the promise of "your job is your credit," or "no credit hassles."

A credit check for most people means a written report furnished by one of the major credit reporting services or an affiliate. Credit verification is big business in America. TRW, Chilton, Credit Bureau, and other credit reporting agencies keep up-to-date credit files on hundreds of millions of Americans and make that information available to retailers, banks, other financial institutions, insurance companies and prospective employers.

A consumer report contains a wealth of information about an individual consumer. It will show residence history, employment history, complete and ongoing information about the consumer's bill-paying habits, as well as information contained in public records about involvement in lawsuits, bankruptcies and other information which might affect the ability to pay debts. Creditors report this information to credit reporting agencies on an on-

going basis, and typical credit reports show month-by-month and account-by-account how a consumer pays bills.

The conventional wisdom in the rent-to-own industry is that rental dealers need not get credit checks run on prospective rental customers since most rental customers have, at best, a checkered credit history. Some are too new in the work force or too new in town to have established any credit history at all; others have simply had a bad credit history.

Whether it is, indeed, true that rental dealers have nothing to learn from a credit report, it has become the industry practice not to check rental customers' credit through this formal process.

Short term car rental companies do not run credit checks on their customers, either. Nor, as a general practice, do rental yards. On the other hand, many furniture rental companies and most car leasing companies will run credit checks on their customers.

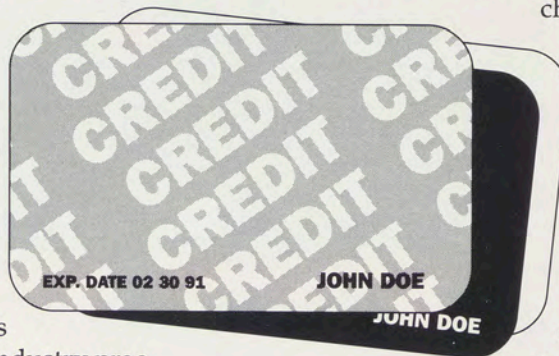
There is nothing inherently suspect about running a credit check on a prospective rental customer. Retailers and banks and other lenders preparing to extend credit do it as a matter of course. But there are other businesses which regularly run the credit reports when the question is not whether to extend

credit, but rather more of a "character" check on the person. Employers may run credit checks on prospective employees for this reason. Likewise, insurance companies may run credit checks not so much to see whether a prospective customer is going to pay an insurance bill, but rather because a person pays bills may be reflective of what kind of person he or she is.

The only real danger to rental dealers in deciding whether to run a credit check is the issue of false advertising.

Obviously, rental dealers cannot run credit checks and then advertise "No Credit Checks." That is simply false advertising. But if a rental dealer wanted to run a credit check on prospective rental customers, the dealer could, like any other retailer, subscribe to a credit reporting service and do so.

There is nothing in the checking of a prospective customer's credit that is going to have any significant impact on how the contemplated transaction, i.e. a rent-to-own transaction, is likely to be viewed by a court. There are all kinds of "non-credit" reasons that businesses run credit checks on people — employment, insurance, tenant screening by apartment owners, etc. Dealers who have never analyzed the issue may want to investigate the costs of credit reporting services and make an independent decision whether they want to run credit



checks on their prospective rental customers, and not ignore the issue just because a competitor across the street advertises "no credit checks."

With all of this information about U.S. citizens being collected by private companies who in turn exchange it with others, small wonder that the federal government in 1979 stepped in to ensure that some controls were put on the process.

### *The Fair Debt Collection Practices Act*

Before enactment of the federal law, consumers had no protection against inaccurate or misleading information appearing in their files. In many cases, consumers could not get their own files to see what was in them. The act gives consumers certain rights when dealing with consumer reporting agencies. Those rights, in turn, attempt to ensure the accurate collection and dissemination of information about consumers.

Were it not for the exclusions contained in the definition of consumer report, then a rental company when collecting rental applications from prospective consumers might be characterized as a consumer credit agency because, in the process of getting a rental application, the dealer is collecting information about the consumer's personal characteristics, etc.

A rent-to-own company would have a permissible purpose for a consumer report because of the business transaction with the consumer, i.e. the rent-to-own transaction. That is the only category in which a rental company would fall, since it is not extending credit, etc.

Relevancy is protected by requiring users of consumer reports to notify consumers if the report is used to turn down a consumer for credit or employment purposes. There are penalties for violations of the statute against consumer reporting agencies as well as against users and those suits can be

brought either by wronged consumers or by the Federal Trade Commission.

In addition to the federal Fair Credit Reporting Act, there are 17 states with their own fair credit reporting acts. With a few exceptions, these state statutes track the federal law.

An important question for rental companies is whether the information they are obtaining in a rental application rises to the level of a consumer report. During negotiations in California concerning the rental-purchase bill there, the representatives from that state's attorney general's office were of the opinion that many rental applications do, in fact, rise to the level of a consumer report and they wanted those applications regulated. However, the federal act allows companies to collect information about consumers for their own purposes without the process rising to the level of a consumer report.

The federal act requires that consumer reporting agencies have procedures for identifying prospective users and, further, that agencies certify that users are getting reports for permissible purposes under the act. Dealers who contemplate subscribing to a reporting service will have to identify their companies and certify that they have a legitimate business need for the information.

Rental dealers need to be aware that the whole consumer reporting industry is private. This information is not being collected by the government nor is it available to the government for any purposes. Absent a specific permissible purpose under the act, no government agency is entitled to see a consumer report.

Consumer reporting agencies must have procedures established for disclosing the contents of consumer reports to consumers upon proper request. Consumers may get this information in person or in writing. Further, consumer agencies must have "trained personnel" to explain the information in a con-

sumer report to consumers.

As a part of the penalty provisions, consumer agencies and users are given limited immunity for private lawsuits alleging defamation, invasion of privacy or negligence.

If a consumer questions the contents of his file, the agency has a duty to reinvestigate. If it finds an error, it has a duty to delete the error. If it finds no error, the consumer has a right to supply a written statement not to exceed 100 words in the file. The consumer agency must include this written statement from the consumer in all future reporting and, further, must send the statement to all prior recipients of the file during the past six months (two years for employment purposes).

Suits against users of consumer reports have been rare. This is because users have few responsibilities under the act. Users of consumer reports for credit, insurance or employment purposes must disclose to the consumer their reliance upon the consumer report and the name and address of the consumer reporting agency when the report is used as a basis for denial of credit or an adverse employment decision.

None of these statutory requirements would apply to rent-to-own companies. In other words, a rental dealer who used a consumer report and decided not to rent to a consumer based on the report would have no obligation to disclose any information to the rental customer. Legal Services Corporation in its materials advises that this surely is an oversight in the law, but according to the language in the act, as well as the official staff commentary of the Federal Trade Commission, a business using consumer reports for other than credit, insurance or employment purposes has no obligation to disclose use of the report to a consumer.

In addition to traditional consumer

*Continued on page 47*

## Rent-to-own's expanding network began with dealers' common goal



By  
D.J.  
Thomas

nly a handful of rent-to-own dealers, at first, were entertaining the idea of starting their own national trade association. Bud Holladay, Chuck Sims, Claudia Filloramo and a few others got together in Dallas around 1980 to consider the question. They wanted to reflect a proactive approach to tackling the growing challenges of their young industry. Concluding that the time was right, they named it the Association of Progressive Rental Organizations.

Ten years later, APRO has become the voice of rent-to-own dealers around the country, but not without a lot of help from affiliated state groups.

In 1983, the first of many state RTO associations formed in Connecticut. Also in 1983, Texas dealers formed the Texas Association of Rental Agents (TARA). Michigan was the first state to enact dealer-supported RTO legislation, in 1984, although a Michigan RTO organization didn't emerge until several years later.

Ensuing years have seen RTO's network grow, both in numbers (nearly 40 state groups are in place) and strength (almost half the states — 24, to be exact — have dealer-supported laws on the books).

New Hampshire, Vermont, Maine, Washington and Kansas all took the first steps toward organizing this fall. In October, a regional meeting with New Hampshire, Vermont and Maine rent-to-own dealers explored a possible regional organization for the New England states. However, since there are differing statutes and issues to consider, representatives from each state decided to establish their own associations.

Nevada is the latest state (at press time, at least) to begin organizing a rent-to-own association. Dealers there were scheduled to meet in late November for that purpose.

Seattle was the site Washington rent-to-own dealers chose to hold their first official meeting and training seminar in September. They organized their state association and planned to retain a lobbyist to monitor the state legislature.

State RTO associations have always had very close ties with APRO, points out Roger Sharp, an APRO officer who maintains an active role in state and national activities.

Sharp, president of the West Virginia dealers' association and chairman of the state association presidents'

**There are "three exceptionally good reasons for the RTO industry to become a tight-knit family — the media, legal-aid advocates and legislative bodies."**

— Roger Sharp

committee, says there are "three exceptionally good reasons for the RTO industry to become a tight-knit family — the media, legal-aid advocates and legislative bodies."

Sharp believes in the power of networking, but he realizes it takes a grass-roots effort from a diverse group of people to make the concept work. "First, individual RTO dealers, whether large or small, must see the need to interact with fellow RTO dealers," Sharp says. "Second, that need should be meshed with a commitment to interact with others. Third, state associations must become strong organizations, with vital voices for their local members. They must be able to stand the test of time and be recognized by those outside RTO arenas. Finally, a national, united voice on all fronts ... is in the best interest of everyone."

Ron Waters, APRO director of government affairs, closely monitors developments across

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### Founders of Texas RTO group got 'ready to defend' business early

The Texas Association of Rental Agents (TARA), although it wasn't the first state rent-to-own association to organize, is considered a forerunner of its peers.

TARA's founders had foresight. A mixture of finance company (many were also members of the Texas Finance Association) and rental businessmen, they realized a strong voice for RTO was needed in Texas. What's more, they knew the state association had to be firmly established — before any problems surfaced.

"We were ready to defend," says Troy Allen, an RTO dealer in Tyler who currently owns four stores.

"That was the primary reason we decided to do something about forming an association — just the protection," confirms Bill Bixell, president of Bixell Enterprises, a Dallas-based finance company. "We knew with the size and the way the rental industry was growing and the number of people involved, it was just a matter of time before something was

going to happen."

"We never got organized to pass legislation," adds Milton McNeely, president of Independent Investment Corp. in Amarillo. "Most of the folks who were involved in the organization were aware of the potential for negative legislation. We wanted to get organized so we could handle it if and when the time came."

Led by Ed Fletcher, the group's first president, TARA formed in 1983. (Texas was one of the earliest state RTO groups to organize; Connecticut dealers were the first.) Two years later, the threat they had anticipated came. But it proved to be in the form of an unlikely adversary. During the 1985 legislative session, Chris Brancart, a University of Texas law student, persuaded legislators to introduce compan-

*Continued on page 23*

By  
**John  
Gormley**



### Washington state dealers 'new kids on block'

New kids on the block.

Don't confuse them with the teen-age rock group of the same name. Rather, the phrase describes one of the youngest state rent-to-own groups—the Washington Rental Dealers Association.

The organization, representing RTO dealers from the Pacific Northwest state, got off to a strong start with its first meeting and seminar in September.

The regional cosponsored "collections" seminar, conducted Sept. 19 in Seattle, attracted almost 90 participants and yielded the new association \$1,500 in a profit-sharing arrangement with APRO. (Under the regional-cosponsorship program, APRO returns half of the surplus money from seminar registration fees to the states where seminars are conducted.)

During the group's first business meeting the next day, Sept. 20, participants representing two-thirds of the state's rent-to-own stores voted to form. They elected Kevin Quinn of Quality Rentals as their first president.

Quinn says he and others had been thinking about a Washington association for some time, and Quinn visited at length with APRO representatives and dealers from other state groups on the subject.

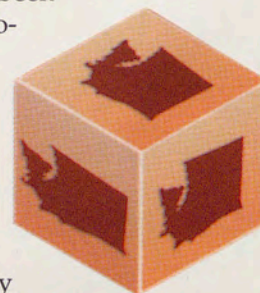
The new association will maintain a "watchdog" role on governmental and regulatory forces in the state, according to Quinn.

"It is very quiet legislatively and we want to keep it quiet."

PR



Washington  
state president  
Kevin Quinn



# Since passing law and reorganizing, Indiana has grown 'sophisticated'

The Indiana Rental Dealer Association (IRDA) was formed in January of 1987, and its dealer-supported rent-to-own bill passed the state legislature that spring.

Some state RTO associations would let it go at that. After all, Indiana's rental-purchase law became effective more than three years ago. However, Indiana's dealer group has kept going strong and has developed into a "fairly sophisticated organization," says APRO Director of Government Affairs Ron Waters, who travels around the country working with many different state RTO groups.

IRDA completed its second successful mini-convention this fall, earning approximately \$16,000 to help fund the association's ongoing legislative monitoring and pay for other routine expenses, according to David P. David, IRDA president and owner of Full-O-Pep, a chain of rent-to-own stores.

The mini-convention, besides being a valuable member service, is an important source of non-dues revenue for the association. "Otherwise people would have to shell out a considerable amount of money," says David, who adds that annual member dues are held to \$100 per store.

IRDA's mini-conventions encompass the areas of seminars for member training, a trade show for vendor-dealer access and a regular business meeting. This year, between 150 and 175 people attended the two-day event conducted in late September.

The association has around 45 members representing 130 stores in the state. IRDA's leadership is committed to continued vigilance in the legislature, says veteran board member Dick Grauel, since "we are very aware that there are several who would still like to do us in."

For a while, the Indiana organization appeared to lack focus. But that situation changed in February of 1989, when group members voted to reorganize after a period of relative inactivity. "Once the law was passed ... it went fine for a couple of years and then a few problems started to come

up," recalls David. "Several of the members — Dick Grauel, myself and some others — talked about it and decided

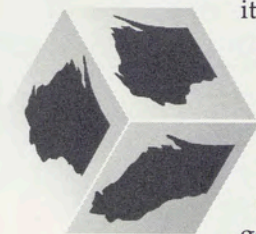
that we need to have somebody as a watchdog at all times."

That watchdog turned out to be Jim Smith, the original lobbyist who worked for passage of the Indiana statute in 1987. "Jim Smith ... is the person we went back to," says David, who is also an APRO board member. "We felt very comfortable with him. He knew a lot of politicians on a first-name basis and was very well accepted. And vice versa.

"They've just done a fantastic job of keeping in touch and letting us know what was going on."

Grauel, former APRO president and owner of Mr. Steve's chain of rent-to-own stores, agrees that the \$1,000 monthly expense of retaining Smith's lobby firm is well spent. He also believes that developing a working relationship with the department that oversees the rent-to-own business in Indiana has proven beneficial.

*Continued on page 38*



Indiana dealers have their own mini-convention, complete with an exhibit hall for vendors.

## Special section: State RTO associations

TEXAS,  
continued from page 21

ion bills in the Texas House and Senate that called for severe restrictions on rental-purchase transactions.

Fletcher says Brancart stumbled onto rent-to-own as a topic for a school project, and his early involvement in creating a bill that would govern the RTO business in Texas was little more than chance. "To shorten the story, he decided to use that to move through UT on his graduation paper," said Fletcher.

Brancart convinced an assistant to Sen. Ted Lyons to push his bill, and Lyons ended up sponsoring the original Senate version, S.B. 698. The same staff assistant recruited a sponsor in the House, Ernestine Glossbrenner, who added Anne Cooper and Anita Hill as cosponsors of H.B. 2119. The main problem at this point? Rent-to-own representatives were not involved in the process. Predictably, both pieces of legislation were heavily skewed toward a pro-consumer and anti-business slant. In fact, the original statute would have categorized RTO in Texas under deceptive trade practices rather than business and commerce, which Fletcher believes is its rightful place.

Many of the early provisions, Fletcher recalls, would have "been something that, with the lawyers nipping at your heels, you couldn't have lived with. The original intent would have made it very difficult. (The bill) had so many loopholes that we could've been classified as a sales contract. It could have put you out of business."

Both TARA and APRO representatives got involved. Some of TARA's members contacted Ed Winn, APRO legal counsel, to discuss their views on the proposed legislation. TARA leaders decided they had two possible courses of action. One was to encourage defeat of the bill. The other was to propose amendments which would make it fair.

"We felt like that if we could clean the bill up that would be the best way to go," Fletcher explains.

With that game plan, TARA hired a former state representative as its legal counsel. At the

same time, Bill Bixell and other TARA members contacted their own representatives who were involved — most notably cosponsor Hill from the Dallas area — about amendments which would make the law reasonable.

TARA representatives did their groundwork, including developing the amendments and testifying before lawmakers to build support for the changes. The result was a workable law for both sides. "Anita Hill introduced the amendments on the floor," recalls McNeely. "That was one of those trusting situations."

Adds Fletcher: "With the sponsors of the bill agreeing to these (amendments), she took it on the floor and made all of those amendments and was able to bring it on through."

When the vote was taken on the final version of the Texas statute, "we had no opposition," Fletcher says.

With a concerted effort, TARA members managed to turn a negative, and potentially disastrous, situation into a positive one.

"Actually, from the first Senate bill that went in the whole complexion of everything changed by the time we got done," McNeely points out.

Influencing legislators is done through personal contact developed long before any big issues surface. "I don't think the (amended) law would've passed if these people wouldn't have known the people they do," says Scott Bixell, vice president — operations for Bixell Enterprises. "I think you would've gotten the door shut in your face. You don't know what's going to happen so you might as well get together now. And I think that because of 30 or 25 years of doing that, it helped tremendously."

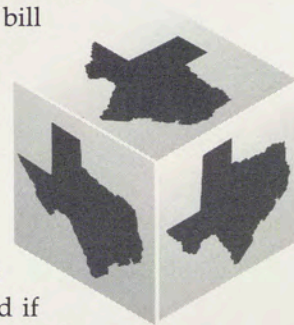
Thanks to TARA's efforts, the law that

*Continued on page 36*



**When the vote was taken on the final version of the Texas statute, "we had no opposition."**

**— Ed Fletcher**



Rent A  
Prestigious  
Impression

**RCA**





## **THOMSON CONSUMER ELECTRONICS**

*For more information write to:* THOMSON CONSUMER ELECTRONICS Rental Marketing Dept.  
600 N. Sherman Drive, Indianapolis, IN 46201

# Special section: State RTO associations

## The state network



Colorado's Pelter

STATE: ALABAMA  
 FORMAL NAME: ALABAMA RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: 1985  
 RTO LAW PASSED: 1985  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: None  
 CURRENT PRESIDENT: Jimmy Wammock  
 PRESIDENT'S COMPANY: Curtis Mathes  
 ADDRESS: 1343 Bessemer Rd.  
 CITY, STATE, ZIP: Birmingham, AL 35208  
 PHONE: (205)923-4400  
 FAX: None

STATE: ARKANSAS  
 FORMAL NAME: ARKANSAS RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: 1987  
 RTO LAW PASSED: February 1987  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Bill Brady, Little Rock  
 CURRENT PRESIDENT: Ernest Hodges  
 PRESIDENT'S COMPANY: Quality Rentals, Inc.  
 ADDRESS: P.O. Box 733  
 CITY, STATE, ZIP: Russellville, AR 72801  
 PHONE: (501)968-7910  
 FAX: None



Connecticut's Dobzinski

STATE: CALIFORNIA  
 FORMAL NAME: CALIFORNIA RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: 1988  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: None  
 CURRENT PRESIDENT: Douglas Crist (acting)  
 PRESIDENT'S COMPANY: Curtis Mathes  
 ADDRESS: 1700-C Brundage Lane  
 CITY, STATE, ZIP: Bakersfield, CA 93304  
 PHONE: (805)395-0616  
 FAX: None



Florida's Tillotson

STATE: COLORADO  
 FORMAL NAME: COLORADO RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: May 1989  
 RTO LAW PASSED: March 1990  
 NUMBER OF MEMBERS: 25  
 LOBBYIST: Fred Anderson, Boulder  
 CURRENT PRESIDENT: Tim Pelter  
 PRESIDENT'S COMPANY: House of Rentals  
 ADDRESS: 7180 W. Colfax  
 CITY, STATE, ZIP: Lakewood, CO 80215  
 PHONE: (303)237-5147  
 FAX: (303)232-0964



Georgia's McCullar

STATE: CONNECTICUT  
 FORMAL NAME: CONNECTICUT APPLIANCE RENTAL DEALERS ASSOCIATION  
 ABBREVIATION: CARDA  
 WHEN FOUNDED: 1983

RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: John King, Hartford  
 CURRENT PRESIDENT: Alan Dobzinski  
 PRESIDENT'S COMPANY: The Rental Experts, Inc.  
 ADDRESS: 357 Whalley Ave.  
 CITY, STATE, ZIP: New Haven, CT 06511  
 PHONE: (203)782-0669  
 FAX: None

STATE: DELAWARE  
 FORMAL NAME: DELAWARE RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: April 1990  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Bill Wood / Bob Byrd, Wilmington  
 CURRENT PRESIDENT: Robert "Bob" Moore III  
 PRESIDENT'S COMPANY: Rental Management, Inc.  
 ADDRESS: 124 E. Kings Hwy # 301  
 CITY, STATE, ZIP: Maple Shade, NJ 08052  
 PHONE: (609)778-5500  
 FAX: (609)778-5937

STATE: FLORIDA  
 FORMAL NAME: FLORIDA RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: August 1987  
 RTO LAW PASSED: September 1988  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Sam Bell, Tallahassee  
 CURRENT PRESIDENT: Margo Tillotson  
 PRESIDENT'S COMPANY: Champion TV & Appliance Rentals  
 ADDRESS: 661 Beville Rd., Suite 206  
 CITY, STATE, ZIP: South Daytona, FL 32119  
 PHONE: (904)788-8742  
 FAX: (904)788-8742  
 EXECUTIVE DIRECTOR: Hugh Ray, P.O. Box 13237,  
 Tallahassee, FL 32317-3237; phone, (904)561-3928;  
 FAX, (904)681-3241.

STATE: GEORGIA  
 FORMAL NAME: GEORGIA PROGRESSIVE RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: 1985  
 RTO LAW PASSED: July 1985  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: James Walker, Augusta  
 CURRENT PRESIDENT: Mac McCullar  
 PRESIDENT'S COMPANY: ATM Enterprises, Inc.  
 ADDRESS: 6400 Hillandale Rd.  
 CITY, STATE, ZIP: Lithonia, GA 30058  
 PHONE: (404)482-2400  
 FAX: (404)482-8971

STATE: IDAHO  
 FORMAL NAME: IDAHO RENTAL DEALERS ASSOCIATION  
 WHEN FOUNDED: 1988

# Special section: State RTO associations

RTO LAW PASSED: None  
NUMBER OF MEMBERS: Not available  
LOBBYIST: None  
CURRENT PRESIDENT: Douglas Perry  
PRESIDENT'S COMPANY: Rental World, Ltd.  
ADDRESS: 5777 Fairview  
CITY, STATE, ZIP: Boise, ID 83704  
PHONE: (208)378-0606  
FAX: (208) 378-0608

STATE: ILLINOIS  
FORMAL NAME: Illinois Rental Dealers Association  
WHEN FOUNDED: 1987  
RTO LAW PASSED: June 1987  
NUMBER OF MEMBERS: 16  
LOBBYIST: Herman Bodewes, Springfield  
CURRENT PRESIDENT: Jerry Reppert  
PRESIDENT'S COMPANY: RK Rentals, Inc.  
ADDRESS: 128 W. Davie  
CITY, STATE, ZIP: Anna, IL 62906  
PHONE: (618)833-2158  
FAX: (618)833-5813

STATE: INDIANA  
FORMAL NAME: Indiana Rental Dealers Association  
ABBREVIATION: IRDA  
WHEN FOUNDED: 1987  
RTO LAW PASSED: 1987  
NUMBER OF MEMBERS: Not available  
LOBBYIST: James Smith, Indianapolis  
CURRENT PRESIDENT: David P. David  
PRESIDENT'S COMPANY: Full-O-Pep  
ADDRESS: 601 N. Walnut # 2  
CITY, STATE, ZIP: Bloomington, IN 47404  
PHONE: (812)332-6554  
FAX: (812)332-6554

STATE: IOWA  
FORMAL NAME: Iowa Rental Dealers Association  
WHEN FOUNDED: 1989  
RTO LAW PASSED: 1989  
NUMBER OF MEMBERS: 28  
LOBBYIST: Ed Yellick/Ned Chiodo, Des Moines  
CURRENT PRESIDENT: Don Maifeld (acting)  
PRESIDENT'S COMPANY: Rentown  
ADDRESS: 212 Main St.  
CITY, STATE, ZIP: Cedar Rapids, Iowa  
PHONE: (319)266-2914  
FAX: None

STATE: KENTUCKY  
FORMAL NAME: Kentucky Rental Dealers Association  
WHEN FOUNDED: July 1988  
RTO LAW PASSED: July 1990  
NUMBER OF MEMBERS: 27  
LOBBYIST: Robert Spurlin, Richmond  
CURRENT PRESIDENT: David Shapero  
PRESIDENT'S COMPANY: Sir Rental  
ADDRESS: 1125 Bardstown Rd.  
CITY, STATE, ZIP: Louisville, KY 40204

PHONE: (502)451-2150  
FAX: None

STATE: MARYLAND  
FORMAL NAME: Maryland Association of Rent-to-Own Dealers  
ABBREVIATION: MARTOD  
WHEN FOUNDED: November 1988  
RTO LAW PASSED: September 1989  
NUMBER OF MEMBERS: 9  
LOBBYIST: Franklin Goldstein, Baltimore  
CURRENT PRESIDENT: Bill Kasper  
PRESIDENT'S COMPANY: Today Rentals  
ADDRESS: 3505 Eastern Ave.  
CITY, STATE, ZIP: Baltimore, MD 21224

PHONE: (301)675-9300  
FAX: (301)675-3469

STATE: MASSACHUSETTS  
FORMAL NAME: Massachusetts Rental Dealers Association  
WHEN FOUNDED:  
RTO LAW PASSED: 1986  
NUMBER OF MEMBERS: Not available  
LOBBYIST: None  
CURRENT PRESIDENT: Bob Crane Sr.  
PRESIDENT'S COMPANY: R.D. Crane, Inc.  
ADDRESS: 18 Grassmere Dr.  
CITY, STATE, ZIP: Falmouth, MA 02540  
PHONE: (508)457-1388  
FAX: (508)548-8917

STATE: MICHIGAN  
FORMAL NAME: Michigan Rental Dealers Association  
WHEN FOUNDED:  
RTO LAW PASSED: 1984  
NUMBER OF MEMBERS: Not available  
LOBBYIST: None  
CURRENT PRESIDENT: William P. Coleman  
PRESIDENT'S COMPANY: Coleman Enterprises, Inc.  
ADDRESS: 5519 East Cork St.  
CITY, STATE, ZIP: Kalamazoo, MI 49001  
PHONE: (616)342-9888  
FAX: (616)342-9344

STATE: MINNESOTA  
FORMAL NAME: Minnesota Rental Dealers Association  
WHEN FOUNDED: October 1988  
RTO LAW PASSED: 1990  
NUMBER OF MEMBERS: 28  
LOBBYIST: Ted Grindal, Minneapolis  
CURRENT PRESIDENT: Daniel Pelletier  
PRESIDENT'S COMPANY: Rent-A-Center  
ADDRESS: 3007 Lyndale Ave.  
CITY, STATE, ZIP: Minneapolis, MN 55408  
PHONE: (612)825-8340  
FAX: None

## The commitment

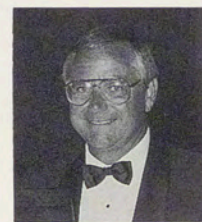
Members of the APRO Government Relations Committee voted unanimously to redirect the emphasis on securing federal rent-to-own legislation and devote more resources to the state RTO network and other, more pressing, industry issues.

The committee met Thursday, Nov. 1, in Dallas.

Chairman Dave Egan said APRO would maintain a monitoring role of Congress while turning its attention to current issues such as financing and taxation.

At the same time, APRO will take steps to strengthen its ties with state rent-to-own associations, which are building a growing body of law that protects the RTO business.

Egan was scheduled to present the committee's recommendations to the APRO Executive Committee, which met in Atlanta on Tuesday, Nov. 13, in conjunction with APRO's RTO Financial Summit Conference.



Illinois' Reppert



Indiana's David

Continued on page 32

## APRO staff dedicated to member needs



*Bill Keese,  
executive director*

Have you ever called a business office needing help on a question, only you're not sure if you've got the right person on the other end of the phone?

The APRO office has 10 staffers available to help with questions on the association — or provide information about the rent-to-own industry. Here's a brief list of staff mem-

bers by job title and basic duties. It's intended to help you the next time you need to call the APRO office:

- **Bill Keese**, executive director. Manages the business affairs of the association and works closely with the president and board of directors in executing policy and goals.

- **Ron Waters**, director of

government affairs. Oversees the national legislative effort, administers the APRO Special Projects Fund (which replaces the Legal Defense and Information Fund, or LDIF) and works closely with state associations.

- **D.J. Thomas**, assistant director of government affairs. Coordinates APRO's regional-seminar program, under which state RTO associations and the national association cosponsor one-day training sessions for store employees. Also oversees APRO's certification program. Finally, Thomas works with Waters in coordinating activities with the state RTO associations.

- **Debbie Hansen**, director of member services. Handles a myriad of projects all aimed at giving APRO members real value, including seminars, rental and vacation retreats, other meetings and annual convention. Also chairs the APRO Vendor Relations Committee, which is comprised of vendors representing different products marketed to rent-to-own dealers.

- **Shelley Martinek**, assistant director of member services. Supports director of member services in ongoing projects, provides members with information on specific benefits and maintains membership lists, dues billing and circulation information on APRO publications. Also serves as an APRO representative at regional and national trade shows such as the furniture markets, etc.

- **Hilde Parker**, member services. Troubleshooter who helps correct member-store mailing addresses in the APRO database and answers members' questions. Responsible for mailing APRO "how-to" manuals to members. Also administers APRO's annual advertising contest for members — the



*Ron Waters,  
director,  
government affairs*



*John Gormley,  
director,  
communications*



*Debbie Hansen,  
director, member services*



*D.J. Thomas,  
assistant director,  
government affairs*



*Cindy Ganther,  
advertising manager*



*Shelley Martinek,  
assistant director,  
member services*

### **APRO staffers:**

Members of the full time APRO staff, who work in the Austin, Texas, national office, are pictured here so you can connect a face with a name when you phone in. Not pictured is a secretary-receptionist, since the position was open at press time.



*Hilde Parker,  
member services*



*Christine Fulton,  
bookkeeper*

Rental Advertising Excellence (RAE) program.

- **John Gormley**, director of communications. Coordinates the planning, writing, editing, design and production of APRO's publications, including *Progressive Rentals* magazine and the monthly tabloid *RTO Network News*.

- **Cindy Ganther**, advertising manager. Provides sales and support for advertisers in APRO publications, maintains current readership information for advertisers and assists director of communications with budget making and planning.

- **Christine Fulton**, bookkeeper. Handles accounts receivable and payable. Maintains budget and financial reports for the association and its various departments.

•••

Here are some general guidelines that may prove helpful when calling the APRO office:

- If your question or topic centers around substantive issues or policy matters, ask for Bill Keese.

- If it's concerning government regulations or state rent-to-own laws, ask for Ron Waters. (If it's a specific legal question, call Ed Winn, APRO general counsel, at 512-474-6436.)

- If it's education-related; regarding state-association meetings or state seminars — or the APRO certification program, ask for D.J. Thomas.

- If it has to do with the annual convention, ask for Debbie Hansen or Shelley Martinek.

- If it's a question about specific member benefits, associate membership (for vendors), dues billings or APRO at the market shows, ask for Shelley Martinek.

- If it's about your company's mailing address, the RAE awards or any of APRO's "how-to" manuals, ask for Hilde Parker.

- If it's about advertising in APRO publications, ask for Cindy Ganther.

- If it's about editorial content in APRO's publications, or a specific story or idea, ask for John Gormley.

The APRO phone number is (512)794-0095; FAX inquiries can be sent to (512)794-0097.

Regardless of your request or interest, there's an APRO staffer who can help. *PR*

Photo courtesy of Caesars Palace



Caesars Palace is the site of APRO's 1991 convention, scheduled for Aug. 11-15.

## Comparing conventions

The contrast between Orlando, Fla., and Las Vegas, Nev., is undeniable. One features lush palm trees and lots of daytime attractions. The other thrives on neon and a play-all-night atmosphere.

APRO members will share those contrasting experiences — at least those who attended the 1990 convention in Orlando and who opt to make the 1991 trip to Las Vegas.

The Aug. 11-15 event in Las Vegas will emanate from Caesars Palace. Another outstanding program is planned, including a repeat of APRO's legendary "toga party."

On the exhibit-show side, almost half of the 170-plus booths have already been reserved, according to Debbie Hansen, APRO director of member services.



The fabled 'duck march' was a twice-daily attraction during last summer's APRO convention at the Peabody Orlando.

APRO staff photo

## MEMBER SERVICES

# APRO traveling to major winter markets

APRO personnel will staff booths and provide member services during four major winter markets in early 1991.

APRO's annual participation in these markets is based on their relevance to the rent-to-own industry, according to Shelley Martinek, APRO assistant director of member services.

"The APRO booths will be designated as meeting places and message centers for rent-to-own dealers," said Martinek, "so feel free to meet your colleagues there."

Here are the dates, names, cities and booth numbers to remember:

- Jan. 10-13 — CES 1991: International Winter Consumer Electronics Show; Las Vegas, Nev. (Visit APRO booth No. T-13 in the Las Vegas Convention Center; also, APRO hospitality suite Friday, Jan. 11, at Bally's from 5:30 to 7:30 p.m.)

- Jan. 26-29 — Atlanta Winter Furniture

Market and Southeastern Appliance & Electronics Show; Atlanta Market Center. (Visit APRO booth in elevator lobby of the Apparel Mart, at the entrance to temporary exhibits.)

- Jan. 11-17 — Dallas Super Market (temporary furniture showrooms, Jan. 11-15; permanent showrooms, Jan. 12-17); Dallas Market Center. (Visit APRO booth in the world trade center.)

- Feb. 28-March 3 — Tupelo Furniture Market. (Visit APRO booth L-3, located near the entrance of the Mississippi National Furniture Mart.)

Discount airfares, hotel accommodations and other member services in conjunction with these market shows are available through APRO. For more information and registration materials, contact Martinek at (512)794-0095.

# DALLAS SUPER MARKET

January 10-17, 1991

Official logo of the Dallas furniture market.

Also, look for your APRO registration packet in the mail — or for registration forms in future editions of *RTO Network News* and *Progressive Rentals* magazine.

PR

## TRIB has impressive meeting

APRO representatives were there when TRIB Group held its fall "Meeting of the Minds" in Panama City, Fla., Thursday through Sunday, Oct. 25-28.

Friday, Oct. 26, was a busy day. The board of directors met at 8:30 a.m. to begin a full morning of discussions and presentations by the attending vendors.

John Blair is TRIB's executive director. Members of TRIB's board are Lowry Shrader, chairman; Mike Corley, president; Jim Simms, vice president; David Blevins, treasurer; Don Adams, Ron Sowers; Maribeth Duffy; Don Bennett; Robert Fishman; David Pyle; and Darrell Tissot, directors.

Among the participating vendors was APRO, represented by Ted Wilson, president; Bill Keese, executive director; and Debbie Hansen, director of member services. Wilson, Keese and Hansen reported to the TRIB board on APRO's activities this past year and what to expect from APRO during 1991.

Members of TRIB met all afternoon, with Shrader, chairman of the TRIB board, moderating. Later in the afternoon, each vendor was invited to address the entire membership regarding new products and services, and to answer questions members might have.

APRO hosted hospitality suites the next two nights.

"We're very pleased to have been invited to participate in this 'meeting of the minds,'" said Wilson. "TRIB Group and APRO have an excellent working relationship," he continued.

Keese added: "Many of APRO's members and board members also belong to TRIB. This industry is well served by a quality buying group like TRIB."

PR

# PROMOTIONAL DOOR HANGERS

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## Special section: State RTO associations

COMMON GOAL,  
continued from page 20

the country. He routinely helps dealers form associations in states where legislation may likely develop — or where consumer groups try to impose unreasonable restrictions on the rent-to-own business.

Rent-to-own dealers, usually with assistance from APRO, formulate policy and guidelines for their state. They often hire a lobbyist to keep an eye on the legislative arena; draft a rental-purchase bill with guidance from legal counsel; establish membership dues; adopt by-laws; and activate a network of dealers in their own state.

State groups are autonomous, Waters emphasizes. They organize and govern themselves. APRO acts as an overall umbrella, providing information such as how other states have written successful legislation, adopted articles of incorporation and raised money. Waters also attends various state meetings around the country, providing updates on activity across the network and current APRO programs.

Kevin Quinn, president of the recently formed Washington Rental Dealers Association, says APRO made the job of forming an association in his state much easier. "We always wanted to form, but did not know how to go about it. With APRO's direction in the last few years of establishing state associations, it was time to get started. We are currently a watchdog association. It is very quiet legislatively and we want to keep it quiet."

RTO state associations most often are formed on the heels of industry intelligence indicating pending legislation — or some other legal threat. Reaction to adverse conditions has always been one major reason people with common concerns get together to form an association. Trade associations, because they represent a number of people in the same business, leverage a greater impact on regulatory forces (legislative bodies, government offices, etc.) than do individual companies or people.

Networking is an important tool for associations, and rent-to-own is no different. While APRO is directly responsible for setting national policy and taking steps to strengthen the industry and its image, the state network is where issues crop up and where actions begin their ripple effect on RTO dealers elsewhere. A strong network, with informed participants making the right

decisions, means a strong industry.

So, state groups have been organized and are kept viable mainly through membership dues and non-dues sources of revenues, such as mini-conventions that include seminars and exhibits. Dues are normally assessed based on the number of each member's stores, and the amount per store will

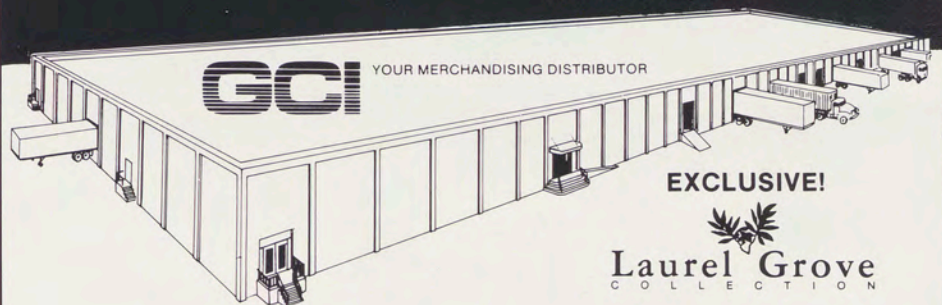
Continued on page 37

### WHY RTO FURNITURE IS NO LONGER A HAIR-RAISING EXPERIENCE IN THE MID-ATLANTIC...



ROGER SNOGRASS, JR.  
DIVISION MGR.  
GCI FURNITURE  
APRO ASSOCIATE MEMBER

BECAUSE GRASS DOESN'T GROW ON A BUSY STREET



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RICHMOND, VA 23222

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804-228-5700

# Special section: State RTO associations



**Maryland's Kasper**

*NETWORK,  
Continued from page 27*

STATE: MISSOURI  
FORMAL NAME: Missouri Rental Dealers Association  
WHEN FOUNDED:  
RTO LAW PASSED: 1988  
NUMBER OF MEMBERS: Not available  
LOBBYIST: John Brittain, Jefferson City  
CURRENT PRESIDENT: John Thompson  
PRESIDENT'S COMPANY: C & J Thompson, Inc.  
ADDRESS: 200 E. Rollins  
CITY, STATE, ZIP: Moberly, MO 65270  
PHONE: (816)263-2840  
FAX: (816)263-5379



**New Jersey's Moore**

STATE: NEBRASKA  
FORMAL NAME: Nebraska Rental Dealers Association  
WHEN FOUNDED: November 1989  
RTO LAW PASSED: 1989  
NUMBER OF MEMBERS: Not available  
LOBBYIST: Michael O'Bradovich, Omaha  
CURRENT PRESIDENT: Blane Annoye  
PRESIDENT'S COMPANY: CARI Rentals  
ADDRESS: 4950 Dodge  
CITY, STATE, ZIP: Omaha, NE 68132  
PHONE: (402)553-4950  
FAX: (402)553-4317



**North Carolina's Tinney**

STATE: NEW JERSEY  
FORMAL NAME: New Jersey Rental Dealers Association  
WHEN FOUNDED: 1988  
RTO LAW PASSED: None  
NUMBER OF MEMBERS: 23  
LOBBYIST: Sharon Harrington, Trenton  
CURRENT PRESIDENT: Robert "Bob" Moore III  
PRESIDENT'S COMPANY: Rental Management, Inc.  
ADDRESS: 124 E. Kings Hwy # 301  
CITY, STATE, ZIP: Maple Shade, NJ 08052  
PHONE: (609)778-5500  
FAX: (609)778-5937



**Oklahoma's Ortley**

STATE: NEW YORK  
FORMAL NAME: New York Rental Dealers Association  
WHEN FOUNDED:  
RTO LAW PASSED: 1986  
NUMBER OF MEMBERS: Not available  
LOBBYIST: Donald J. Boyle, Albany  
CURRENT PRESIDENT: Robert Natoli  
PRESIDENT'S COMPANY: Rent-A-Vision  
ADDRESS: RD # 3 Box 34  
CITY, STATE, ZIP: Oswego, NY 13126  
PHONE: (315)343-8147  
FAX: (315)343-4065

STATE: NORTH CAROLINA  
FORMAL NAME: North Carolina Rental Dealers

Association  
WHEN FOUNDED: 1983  
RTO LAW PASSED: None  
NUMBER OF MEMBERS: Not available  
LOBBYIST: None  
CURRENT PRESIDENT: Larry Tinney  
PRESIDENT'S COMPANY: Royal Crown Leasing, Inc.  
ADDRESS: 5408 Yadkin Rd.  
CITY, STATE, ZIP: Fayetteville, NC 28303  
PHONE: (919)864-5778  
FAX: (919)864-4790

STATE: OHIO  
FORMAL NAME: Ohio Rental Dealers Association  
WHEN FOUNDED: 1986  
RTO LAW PASSED: 1988  
NUMBER OF MEMBERS: Not available  
LOBBYIST: Bob Minor, Columbus  
CURRENT PRESIDENT: John Butts (Chair, advisory committee)  
PRESIDENT'S COMPANY: Sunrise TV Rental, Inc.  
ADDRESS: 810 Main St.  
CITY, STATE, ZIP: Zanesville, OH 43701  
PHONE: (614)452-9914  
FAX: (614)452-1496

STATE: OKLAHOMA  
FORMAL NAME: Oklahoma Rental Dealers Association  
WHEN FOUNDED: 1987  
RTO LAW PASSED: 1988  
NUMBER OF MEMBERS: Not available  
LOBBYIST: None  
CURRENT PRESIDENT: Richard Ortley  
PRESIDENT'S COMPANY: GO Leasing  
ADDRESS: 102 K Street, NW  
CITY, STATE, ZIP: Ardmore, OK 73401  
PHONE: (405)223-1120  
FAX: (405)223-3578

STATE: PENNSYLVANIA  
FORMAL NAME: Pennsylvania Rental Dealers Association  
WHEN FOUNDED:  
RTO LAW PASSED: None  
NUMBER OF MEMBERS: Not available  
LOBBYIST: John MillIron, Harrisburg  
CURRENT PRESIDENT: Bill Morgenstern  
PRESIDENT'S COMPANY: Rent-Way, Inc.  
ADDRESS: P.O. Box 6242  
CITY, STATE, ZIP: Erie, PA 16512  
PHONE: (814)455-0941  
FAX: (814)455-8738

STATE: RHODE ISLAND  
FORMAL NAME: Rhode Island Rental Dealers Association  
WHEN FOUNDED: 1989  
RTO LAW PASSED: 1989  
NUMBER OF MEMBERS: Not available

*Continued on page 35*

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- 04 MANAGING DEBT AND TALKING TO A BANKER-Wayne Chambers
- 05 RENT-TO-OWN TELEMARKETING-Rex Thornton
- 06 HOW TO DEAL WITH LOCAL MEDIA REPS-Randy Buffington
- 07 BUILDING AN EFFECTIVE WORK TEAM-Dr. Stuart Vexler, Dr. Cari Kahn
- 08 GAIN WITHOUT PAIN-EFFECTIVE FIELD SUPERVISION-Bud Holloday
- 09 RTO ACCOUNTING I: FINANCIAL STATEMENT PRESENTATION & COMPUTER USAGE-Rita Wallace
- 10 THE LAW WORKING FOR AND AGAINST YOU: LEGAL TRENDS IN RTO-Sam Choate, Edward Winn III
- 11 RTO ACCOUNTING II: KEEP RATES, DEPRECIATION AND TAX-Dan Whitsell
- 12 SMALL DEALER USE OF DEMOGRAPHICS FOR MARKETING-David Shapero
- 13 WHAT DO I DO IF A CUSTOMER FILES BANKRUPTCY?-Jimmy Walker
- 14 LEADERSHIP IN THE WORK TEAM-Dr. Stuart Vexler, Dr. Cari Kahn
- 15 APRO, EVERYTHING YOU EVER WANTED TO KNOW ABOUT YOUR ASSOCIATION-Bill Keese
- 16 BENEFITS OF BELONGING TO A STATE ASSOCIATION-Roger Sharp
- 17 ADD ON CUSTOMER SERVICES FOR RTO-John Irig, Danny Wright
- 18 SERVICING RENTAL PRODUCTS-Gary Redmond
- 19 THE ART OF BUYING FURNITURE-Gary Taylor
- 20 KEY EMPLOYEES IN THE FAMILY-OWNED BUSINESS-Dr. Stuart Vexler, Dr. Cari Kahn
- 21 HOW SHOULD I COMPENSATE MY EMPLOYEES?-Bill Hatchel
- 22 WHAT SHOULD I LOOK FOR IN SELECTING A GOOD MANAGER?-Wayne Outlaw



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# Special section: State RTO associations

## NETWORK,

Continued from page 32

LOBBYIST: Dennis Roberts, Providence  
 CURRENT PRESIDENT: Chris Korst (Contact)  
 PRESIDENT'S COMPANY: Rent-A-Center  
 ADDRESS: 8200 E. Rent-A-Center Dr.  
 CITY, STATE, ZIP: Wichita, KS 67226  
 PHONE: (316)636-7368  
 FAX: (316)636-7328

STATE: SOUTH CAROLINA  
 FORMAL NAME: South Carolina Rental Dealers Association  
 WHEN FOUNDED: 1985  
 RTO LAW PASSED: 1985  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Jimmy Walker, Augusta, Ga.  
 CURRENT PRESIDENT: Joey Bray  
 PRESIDENT'S COMPANY: Rental Express  
 ADDRESS: P.O. Box 279  
 CITY, STATE, ZIP: Richburg, SC 29729  
 PHONE: (803)329-0990  
 FAX: (803)789-3559

STATE: SOUTH DAKOTA  
 FORMAL NAME: South Dakota Rental Dealers Association  
 WHEN FOUNDED: May 1990  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Jeremiah Murphy, Sioux Falls  
 CURRENT PRESIDENT: John Anderson  
 PRESIDENT'S COMPANY: Elmen Enterprises  
 ADDRESS: 1622 W. 12th St.  
 CITY, STATE, ZIP: Sioux Falls, SD 57104  
 PHONE: (605)336-3670  
 FAX: (605)332-5252

STATE: TENNESSEE  
 FORMAL NAME: Tennessee Rental Dealers Association  
 WHEN FOUNDED: March 1987  
 RTO LAW PASSED: June 1987  
 NUMBER OF MEMBERS: 58 (including vendor/distributors)  
 LOBBYIST: Not available  
 CURRENT PRESIDENT: Gary McDougal  
 PRESIDENT'S COMPANY: American Rentals  
 ADDRESS: 5450 Hwy. 153, Suite 602  
 CITY, STATE, ZIP: Hixson, TN 37343  
 PHONE: (615)875-8702  
 FAX: None

STATE: TEXAS  
 FORMAL NAME: Texas Association of Rental Agents  
 ABBREVIATION: TARA  
 WHEN FOUNDED: 1983  
 RTO LAW PASSED: 1985  
 NUMBER OF MEMBERS: 31

LOBBYIST: Bill Simpson, Austin  
 CURRENT PRESIDENT: Velvet McCurry  
 PRESIDENT'S COMPANY: Cosmopolitan Investment Corp.  
 ADDRESS: Rt 2, Box 44 H I  
 CITY, STATE, ZIP: Amarillo, TX 79701  
 PHONE: (806)622-1813  
 FAX: None

STATE: VIRGINIA  
 FORMAL NAME: Virginia Rent-to-Own Association  
 WHEN FOUNDED: 1987  
 RTO LAW PASSED: July 1988  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Not available  
 CURRENT PRESIDENT: Jeffrey Loeb  
 PRESIDENT'S COMPANY: R.T.O., Inc.  
 ADDRESS: 158 East Little Creek Rd.  
 CITY, STATE, ZIP: Norfolk, VA 23505  
 PHONE: (804)583-4616  
 FAX: (804)480-0451

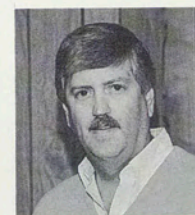
STATE: WEST VIRGINIA  
 FORMAL NAME: West Virginia Rental Dealers Association  
 WHEN FOUNDED: September 1988  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: 15  
 LOBBYIST: John Hodges, Huntington  
 CURRENT PRESIDENT: Roger Sharp  
 PRESIDENT'S COMPANY: ATR, Inc.  
 ADDRESS: P.O. Box 8131  
 CITY, STATE, ZIP: Huntington, WV 25705  
 PHONE: (304)526-4040  
 FAX: (304)526-4049

STATE: WASHINGTON  
 FORMAL NAME: Washington Rental Dealers Association  
 WHEN FOUNDED: 1990  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Not available  
 CURRENT PRESIDENT: Kevin Quinn  
 PRESIDENT'S COMPANY: Quality Rentals, Inc.  
 ADDRESS: 15003 Meridian East  
 CITY, STATE, ZIP: Puyallup, WA 98373  
 PHONE: (206)845-0159  
 FAX: (206)845-0163

STATE: WISCONSIN  
 FORMAL NAME: Wisconsin Rental Dealers Association  
 WHEN FOUNDED:  
 RTO LAW PASSED: None  
 NUMBER OF MEMBERS: Not available  
 LOBBYIST: Michael Vaughn, Madison  
 CURRENT PRESIDENT: Jeffrey Lebakken  
 PRESIDENT'S COMPANY: Lebakken's Inc.  
 ADDRESS: 2311 W. Princeton Ave.  
 CITY, STATE, ZIP: Eau Claire, WI 54703  
 PHONE: (715)839-8036  
 FAX: (715)839-8030



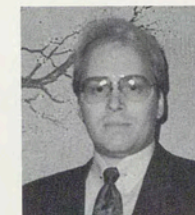
South Carolina's Bray



Tennessee's McDougal



West Virginia's Sharp



Wisconsin's Lebakken

## Special section: State RTO associations

TEXAS,  
continued from page 23

governs rental-purchase transactions in Texas is not only viable for one state, it's also been a model statute for many others since. "A big part of the successful laws that have been passed (nationwide) have been copied (from) the Texas law," says McNeely.

Perhaps the key provision of the law — and the ones patterned after it — is the stipulation that a rental-purchase transaction is not the same thing as a sales contract, which is subject to lower interest-rate caps. Because the rent-to-

mopolitan Investment Group, is TARA's current president. Allen, TARA's first vice president, is next in line for the association's presidency. TARA's officers consist of a chairman, president, three vice presidents and a secretary-treasurer. Each post carries a two-year term.

McCurry and Allen, along with help from other officers and members, were instrumental in putting together a successful annual meeting and trade show in September. TARA's annual meeting focused on industry-relevant educational topics, including wage and hour issues and the importance of continuing political involvement.

As one of TARA's founding members, Bill Bixell appreciates the need for maintaining strong organizations — even when main goals such as achieving favorable legislation have long since been reached.

"One of your problems," he said, "is if you don't have a problem. Then, people don't get involved. Well, most of the time it's too late. The challenge you have in associations is keeping people and keeping the organization growing and staying together when, basically, things are rather smooth. You're just sort of keeping vigilance so things don't come up, although there's not any real problem to get people to band together and get excited. It becomes a real job to keep an association growing."

Allen, meanwhile, stresses the value of education and providing a supplier-dealer conduit for members at annual meetings. "The sharing of information is very important," he said. "It seemed like people were hungry for information about how to better their business. That and the fact that we had a marketplace. Vendors come and put on specials. We try to pick and choose and get people (suppliers) that can give them

(dealers) quality merchandise."

State Rep. Delwin Jones, the district 83 incumbent and a Lubbock rent-to-own dealer, told group members attending the annual meeting that it's important to stay involved in both their state and national (APRO) trade associations. (For more on the TARA annual meeting and Jones, see the September and October issues of RTO Network News, the rent-to-own industry newspaper published by APRO.)

Others agree. State and national associations should work within their individual roles to strengthen each other and the common industry they represent. "A state association is essential for state safekeeping," believes Fletcher. "The national should work as an overall umbrella."

Allen describes APRO's relationship with the state RTO associations as "a needed marriage."

Bill Bixell adds: "They both have their place, and if it's done right it'll be great. Each one has its own particular area of responsibility and it can be protected."

When it comes to an industry-sponsored federal bill, however, Fletcher sees a warning flag. "They should drop completely any form or shape of trying to get a bill before they muddy the waters," he said. (*Editor's note: That is, in effect, what APRO leaders have recently concluded. See page 27.*)

"That's APRO's job — monitoring," Fletcher continued. "Now if something should come up by somebody else (in Congress) that's adverse then we should throw all of our power behind APRO... to kill it or, at least, do what we did in Texas. Make it where it can be lived with."

The role of trade associations — whether large, small or in between — is important and fundamental. Bill Bixell perhaps sums it up best:

"People banding together for the common good. And that can be an exchange of ideas. You get together for education and that's basically what it's for. And, of course, you understand when you do that a byproduct is protection." PR



TARA founding members, from left: Milton McNeely, Ed Fletcher and Troy Allen.

own business has inherently higher operating costs, mostly related to customer services that retail operations don't provide, RTO dealers could not afford to operate under sales-contract laws.

"It is not a sales contract," Fletcher emphasizes. "It is rent-to-own. It stands by itself (under the law), definitely putting it as part and parcel and way of operation under business and commerce code."

•••

Today, five years after its state RTO law was enacted, TARA is more than 100 members strong. Its leaders are mostly concerned with education for state association members, although ongoing monitoring of the legislature is also important.

Velvet McCurry, Fletcher's daughter and president of Amarillo-based Cos-

## Special section: State RTO associations

COMMON GOAL,  
continued from page 31

vary depending on costs of passing legislation, ongoing monitoring, mailings, etc. Each state has different requirements and associated costs. That's why dues are not always consistent from state to state.

Perhaps the most difficult — and often frustrating, for leaders — task is keeping an active membership in states where an RTO law has been passed and there is no continuing legal or pressing legislative activity. Although there may be other issues which arise from time to time, many dealers are inclined to sit by and hope someone else will take care of them, Waters says.

But individual rent-to-own dealers



**"The state has to protect itself; the people in it, because they have the biggest vested interest."**

— Bill Bixell

can remain unaware of problems that crop up in their state — until they've proven particularly damaging. That's where the state association plays an important role in ensuring its network of dealers is kept informed. Ultimately, the people with the most at stake are the ones who accept this responsibility.

"You can have one state that completely folds up and APRO is still going to keep on going," says Bill Bixell, one of the founding members of Texas' rent-to-own association, TARA. "And so the state has to protect itself; the people in it, because they have the biggest vested interest in it. So they've got to protect their income and protect their business."

APRO supports state associations by helping their elected leaders notify members of time-sensitive information or meeting notices. The network facilitates two-way communication, though. A dealer may find out about a certain situation in his district or county and notify either his state association leadership or, in some cases, APRO. Then

state leaders should act to identify the issue, obtain information and disseminate that information to all rent-to-own dealers in that state (whether members or not).

"A good infrastructure will ensure this industry maintains an ethical and positive approach in providing con-

*Continued on next page*



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# Special section: State RTO associations

COMMON GOAL,  
continued from previous page

sumer goods for our customers," says Waters.

Although not all associations have formal provisions for financial aid or other help for their affiliated chapters, APRO has procedures in place to assist new state RTO groups. Those procedures include:

- Arranging sites for organizational meetings; sending out notices to all known dealers in the state; paying for meeting places convenient to a majority of the dealers and hosting the organizational meeting.

- Briefing dealers regarding the political intelligence or other issues that suggest necessity for organizing a state association.

- Providing dealers with an offer of legal assistance in drafting legislation for introduction; and, in some cases, helping secure a political and legal negotiator during the legislative process.

- Providing dealers with parliamentary expertise on forming a state association, including model bylaws and correct method of electing officers.

- Followup mailings to all RTO dealers in the state regarding action taken on their behalf, including date and place of next meeting; and assuming costs of any more organizational meetings, if necessary.

For established state RTO associations, APRO is committed to:

- Continuing to offset the expense of annual or biannual meeting notices.

- Compiling, producing and distributing dealer directories for each state.

- And the most dramatic change in the relationship among APRO and the state associations — regional cosponsored seminars.

Regional RTO seminars have already been conducted in places like Columbus, Ohio; Indianapolis, Ind.; Columbia, Mo.; Elmsford, N.Y.; Seattle, Wash.; Orlando, Fla.; and Austin, Texas. Upcoming seminars are planned for California and Virginia.

Fifty percent of the profits from the cosponsored seminars go back to the state association. APRO organizes and publicizes the seminars, while state association members conduct them, along with a qualified seminar presenter (usually secured through APRO).

The educational benefits to rent-to-own employees have captured the interest of RTO owners across the country, judging from the program's early success. So far, more than \$3,000 has been returned to state associations

through the program. The largest profit-sharing check, \$1,500, was recently sent to the Washington state association, which attracted almost 90 to its first seminar in September.

This approach has reaped rewards not only for state association coffers but also for individual RTO owners, since it provides a cost-effective means for employee training.

Associations are formed by a few. But it takes many to attain the kind of credibility and, therefore, influence to make them effective.

Patrick Henry once said: "United we stand; divided we fall." He was referring to the colonists' cohesive role in the American revolution. That phrase is also the common credo of all trade associations.

It doesn't matter whether they represent a state or national membership. In rent-to-own's case, it's a unified cause.

PR

INDIANA,  
continued from page 22

"We share a lot of information and we're probably one of the few states that our governing body, the (Indiana) Department of Financial Institutions, actually comes to every one of our meetings and sits there and meets with us so that they understand the business and we understand their concerns," Grauel says.

While sharing information with outsiders has worked

well, IRDA's policy of internal communication and education takes priority. "One of the things we also

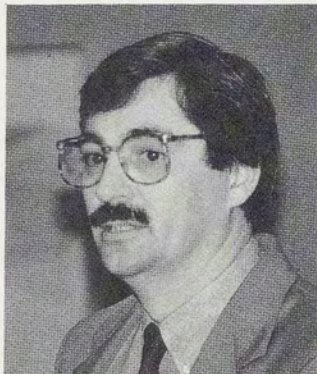
looked at was educating the dealers and their rank and file that attend the meetings," explains Grauel, "because we always invite the managers and we have several (dealers) who bring their managers in."

Grauel says another aspect of members' education involves "the legislative process — how that thing works. Because, let's face it, any of us are naive until we've been through it a few times."

David knows that ongoing political activity — not just lobbying — is important to Indiana's dealers. "As a matter of fact the other night... we went to (state Rep.) John Keeler's. He was the one who sponsored our bill when it originally went through. We just went to a fund-raiser for him. We felt like it was real important — keeping in touch. It's nothing mandatory (but) we appreciate his support and we're willing to give him support also. I was real surprised that there were nine (dealers) show up."

An attitude of ongoing involvement and awareness has kept the Indiana Rental Dealer Association just as viable in 1990 as it was in 1987 when it had a statute to push.

"Most people think it's a one-time shot," says Grauel, "but it's a never-ending battle to stay alive." PR



**"A good infrastructure will ensure this industry maintains an ethical and positive approach."**

— Ron Waters



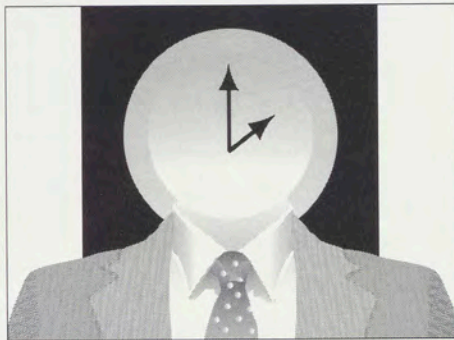
other way.

Subordinate demands are demands for your time that are imposed by people within your organization. Many of these demands are legitimate because the employee needs a decision from you or they need you to show them how to perform some part of their job. There are other times, however, when employees make demands on your time that end up being time wasters of the first order. Those are the times that you end up doing the employee's job for him. It happens in many ways and for many different reasons but each time it happens it takes your time. The solution to this can be either the most difficult or the easiest to accomplish. More on this later.

External demands are those that come from parties outside the business organization. The list is endless. Family demands that impose on work time, legal, social, personal obligations that must be accomplished during normal business hours and so forth.

Management practice dictates that employees are supposed to leave personal problems at home and take care of personal matters outside of company time. While this looks good in employee manuals, it is neither totally possible or desirable. As a manager, you have the same problems and demands as your employees. If you choose to spend parts of your time dealing with these demands, expect your employees to do the same thing. I will outline some strategies for managing this type of time expenditure later in the article. For owners, this is where the equivalent to management demands comes into play. Bankers, finance companies, legal, taxes, wage-hour, unemployment-compensation hearings, advertisers, vendors — and on and on. They are demands you cannot ignore and demands that have the ability to cause you to change priorities on what you had intended to do at some particular time.

All of the time demands that impact you in a work day can be placed in one of these categories of time demands. Now that you have a scope of the problem, I will outline techniques and



management systems that you can use to manage the different situations. This will allow you to become more productive with the time you have available for work.

### *Common time-management techniques*

Now that you have an understanding of the sources of time-management problems, I will outline some of the solutions that can be used to manage each of the problem areas. There are a few basic answers that apply to all of the situations. I will go over these first and then outline specific techniques to manage each of the problem areas mentioned. The techniques that apply to all time management problems, regardless of the source of the problem:

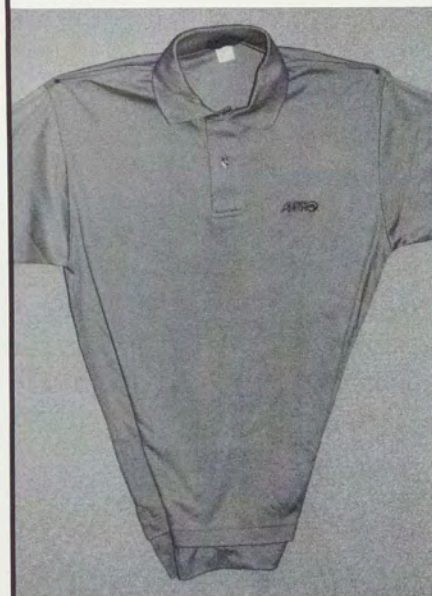
**1. Have each employee do what they are being paid to accomplish.** This sounds so simple that it should not even be mentioned — and yet it is the greatest single waster of time in every organization. If you do not have clearly defined job descriptions — ones that really outline what each person is supposed to accomplish for the business — you have things either going undone or being done poorly by several different employees. The other part of this solution is to have the right person doing the job. The “right” person is the one who has the job responsibility, who has the knowledge and skills, and who has the accountability and authority to carry out that part of the overall job. (Read the article on delegation in the recent August/September issue of *Progressive Rentals* for the proper procedure for delegating.)

*Continued on page 42*

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# CBS RTO story transcript

(Unofficial version. Story broadcast Friday, Oct. 19, on *CBS Evening News*.)

RTO customer cites convenience.



Salesman takes customer's order.



Happy family leaving RTO store.



Reporter devoted only a few seconds to RTO's side.



## CBS reporter takes stab at RTO

The CBS story on rent-to-own was broadcast Friday, Oct. 19, on the *CBS Evening News with Dan Rather*.

APRO leaders knew CBS' former consumer-affairs reporter, Erin Moriarty, was working on a rent-to-own story early last summer. In fact, RTO dealer and APRO board member Bob Moore provided Moriarty with interviews (none of his well-made points were used in the one-sided report) and access to his stores.

Industry attorney Sam Choate also went on camera, and a few of his selectively edited comments appeared in the final.

**Anchor Dan Rather:** "Facing their own personal budget crisis, many American consumers find them irresistible: The so-called rent-to-own plans for higher priced household items. But critics charge that what looks so appealing at first, to so many consumers, often turns out to be nothing less than old-fashioned usury. As we hear from Erin Moriarty ..."

**Consumer-affairs reporter Erin Moriarty:** "(To) poor people, who don't have cash or enough credit to buy on the installment plan, a rent-to-own store looks like an express ticket to the American dream. You rent and take home the new stereo, appliance or furniture you want by making small weekly or monthly payments."

**Store employee:** "As I said, the weekly price is \$10.99."

**Moriarty:** "And if you make those payments long enough, you own it."

**RTO customer:** "It is easier for me to rent-to-own instead of just buying it all at one time."

**Moriarty:** "But if it's such a great deal, why are so many consumer groups trying to put rent-to-own stores out of business in lawsuits and legislative battles across the country?"

**Consumer advocate Patricia Dorsey:** "What consumers are not realizing is that they're basically agreeing to pay two or three times the cost of an item when they enter a rent-to-own agreement."

**Moriarty:** "A New Jersey consumer group priced appliances in several national rent-to-own stores. At ColorTyme, a Whirlpool clothes washer rents for \$59.95 a month. Total price after making 18 payments, \$1,079! That's more than three times the retail, which is \$329. On an installment plan, it would cost no more than \$427."

**APRO spokesman Sam Choate:** "We have costs that retailers don't have. To begin with, we give you immediate use of the property. Now, if you are not credit worthy, a retailer will not do business with you. But a rent-to-own store is taking a higher risk."

**Moriarty:** "Consumer groups say this is an excuse to charge the most to people who can least afford it. And on top of the high rental costs, there are often hidden costs. This New Jersey store advertises TVs that rent supposedly for 99 cents the first week. A CBS news crew with a hidden camera checked out that price."

**Store employee:** "Twenty-one dollars."

**Moriarty:** "Twenty-one dollars! The clerk tacked delivery, insurance and a first-time renter's fee on to the advertised 99-cent price."

**Consumer:** "This was in bad shape."

**Moriarty:** "Rent-to-own customers like Irene Muldrow of Minneapolis also complain about second-hand merchandise and sleazy business practices. She said she ordered new furniture, but that's not what she got."

**Consumer:** "It's all beat up."

**Moriarty:** "Muldrow said the store got nasty when she stopped paying. Former store employees say that's not unusual."

**Former store employee:** "You get the merchandise. You irritate 'em. You bang on that door with a hammer. Yeah, a number of times we used hammers, yelled and, always, we threatened people with having the sheriff come out."

**Choate:** "This industry would not have grown and would not be servicing the hundreds of thousands of Americans that it is today, if we were engaging in those kinds of tactics. We're providing a service people want and we have happy customers."

**Moriarty:** "The rent-to-own business is a two-billion-dollar industry that says it's providing goods people could not otherwise afford. But consumer advocates say it's just another modern-day rip off. Erin Moriarty, CBS News, Minneapolis."



## MESSAGE

I watched the CBS nightly news report on rent-to-own the other night — finally. (For those of you who were doing other things at 5:30 p.m. on a Friday, you can call APRO for either a transcript of the show or a video copy.) This four-minute piece was originally supposed to have aired in June, and there has been a great deal of hand wringing by the industry ever since we first heard that we were going to be on the national news.

It was, as might have been predicted, a one-sided, biased

across the country, it is a wonder any of us get any sleep at all with all of that pounding going on.

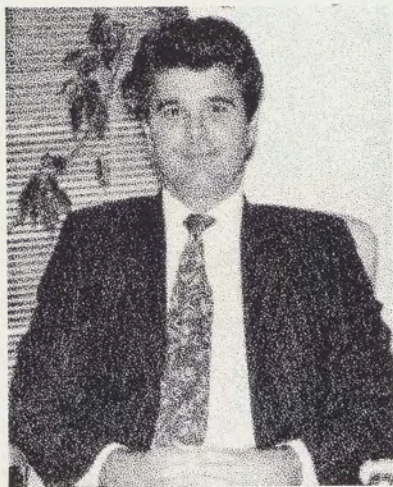
For dealers who are still angry and who want to get even, my advice is not to bother. I've been dealing with the media on behalf of rent-to-own for 10 years, now. I do not mind talking to the press, and I still say that having been misquoted as often as not. I go into

ED  
WINN

## CBS fails to 'expose' anything except own bias

attack and the home office fielded several calls after the fact from irate dealers who took exception to the blatant mischaracterization of the industry. I, for one, have seen much more vicious attacks on rent-to-own than CBS mustered, which is not intended as a dare to the journalists of the world.

The CBS piece, though, to my mind, came close to being a non-event from the point of view of "exposing" an industry or uncovering new dirt on an industry people already know about. In fact, we, as an industry, will likely use the broadcast to help us carry our message to legislatures around the country. The false advertising uncovered by the hidden camera was shot in New Jersey, an unregulated state, and is exactly the kind of "bad apple" abusive practice that industry-supported legislation is aimed at



BY ED WINN III

preventing. As for beating on houses with hammers — I suppose it could have been worse — the disguised "former rent-to-own employees" could have said they beat on the customers. That is and has been against the law everywhere for rental dealers and anyone else who engages in such outrageous conduct.

It is a cheap trick to imply general industry behavior on the basis of the confessions of a few.

I don't think American citizens attach a great deal of confidence to the national news media. We all know by now that they are really about selling ads and will sensationalize anything for a Nielsen point or two. I trust that American citizens know better than to believe there is an industry loose on the populace that visits homes with hammers a-pounding. With rental merchandise in three or four million homes

such encounters realizing fully that I will not have the last word and that, in all likelihood, there is going to be more bad said about the business I represent than good. But I know that would also be true regardless of the business I represented and God knows it is true about my own business — lawyering. At least no one is selling *101 Things To Do With a Dead Rent-to-Own Dealer*. Yet.

What we can all take heart from is that there are millions of satisfied rent-to-own customers out there who have enjoyed their relationship with you or one of your competitors. The consumer advocates who criticize us so do not really represent our customers. They represent a sentiment that they think our customers ought to share but do not. I can still remember sitting in the offices of the National Consumer Law Center in Boston and having an NCLC lawyer there tell me that she thought there ought to be a law limiting all companies to no more than 15 percent profit. Notwithstanding the fact that some of you hammer-pounders would love to see a 15 percent profit, I saw at that meeting as profound a misunderstanding of free enterprise as I have ever seen.

And so you can boycott CBS affiliates if you like; you can write angry letters to Dan Rather, if you like; you can go on local TV stations and rebut the charges, if you like. What you cannot do is reform the liberal bias in the media or change the nature of the game they are playing. If I thought that our little industry could expose the media's hypocrisy of advertising the truth while really selling Nielsen ratings, I would leave no stone

*Continued on page 46*

**The CBS piece ... came close to being a non-event from the point of view of "exposing" an industry ... In fact, we, as an industry, will likely use the broadcast to help us carry our message to legislatures.**

**2. Have a daily plan for yourself.** This is your "TO DO" list. It should include your daily activities, scheduled non-regular events, followup check-points or deadlines for existing operations, plans, reviews, messages to be returned and the like. You must have this list of activities before you can set priorities on what to do first or what to do in the event that "new" priorities are established by the boss or outside

events. Just the presence of a list of activities helps make your use of time more effective. You tend to do those things that might otherwise be forgotten or delayed until they become a "time crisis."

**3. Set priorities for the activities on your "TO DO" list.** There are several ways to set priorities. Depending on the complexity of the situation or the

criticality of the actions or activities, you may choose to use one or more of the following priority setting techniques.

- Set priorities based on timing.

Some priorities are set because there is a definite time line associated to the plan or activity. It might be stated as either a starting time or a finish time but both are equally important. The time a project starts may depend on other factors and are controlled by those factors. For instance, advertising must be planned and sent to the printer in time for printing, publishing or other time considerations of a promotion. There are time deadlines that sometimes control our priorities. One portion of a project must be completed before another can be started. If that activity must be started at a particular time, it tends to dictate when the first must be completed.

- Set priorities based on payoff.

Payoff in this case relates to activities that gain the most for you. Sometimes these priorities will be because they get the most important parts of your job done first. You might assign some activities top priority for personal reasons. These are the things that you want to do because you enjoy doing them or for some other reason. Be careful here! It is best if what you want matches what the organization needs. Then you can ensure that when you meet your priorities you also meet the priorities of your management or the business. Low priorities would go to those activities that must be done but have little value to the accomplishment of your primary job. Expense reports and some other routine reports that do not have a function of business-results tracking would fall into this category.

- Set priorities based on external factors.

These priorities are less in your control. They are based on meeting the demands of management or the external forces that are imposed on you by the external problems mentioned above. Your problem is to establish a relationship between these externally imposed priorities and the ones that you set using the criteria above.

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**4. Conduct a time/activity analysis for your job.** This is a standard part of every time-management program. Using your daily activity log, record the amount of time that you spend on each activity. Then identify those things that tend to waste your time. Some of the time wasters will prove to be things that you do that someone else should be doing. Another part of your wasted time may be the level of efficiency you display in completing routine tasks. Another of the time wasters that you identify might be that you have no set procedure for completing routine tasks so you spend time "reinventing the wheel" each time you have to do that part of your job. Another common time waster is the time spent getting prepared to start a project. Look at the time spent going to and from coffee machines, vending machines and the restroom. An accurately kept activity log can reveal quite a lot about how you

spend your time on a daily basis.

The four techniques just described apply to all of the sources of time-management problems. Now I will outline specific techniques that can be used in each of the problem areas mentioned.

### ***Solutions to time-management problems***

The solution to time problems created by management demands should be one of the easiest to handle. It is the objective of your management to ensure that you are getting the greatest productivity out of your time at work. Upper management, on the other hand, creates some of your greatest time-management problems by coming in with new projects and new deadlines. Since management has the right to do this, your only alternative is to do what management says when they say it —

right? Not necessarily! Your best defense, and your only hope of not having to respond immediately to every little request, is to have a working plan of your own which includes your daily "TODO" list. Then when your manager comes in with the latest "hot priority" you can show him or her your daily plan and ask how the new project fits within the priorities you've already established. If you already have the correct set of priorities for your time, management may decide to let you continue with your set of priorities and give the new project to someone else.

If, however, management still wants you to carry out the new assignment, at least your superior knows that your priorities have been restructured and what tradeoffs have been made to handle the new project.

*(Next issue: Simple solutions to difficult problems. Copyright © Rex H. Thornton, 1990.)*

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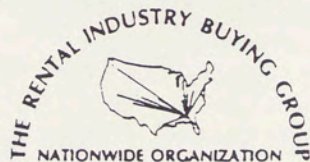
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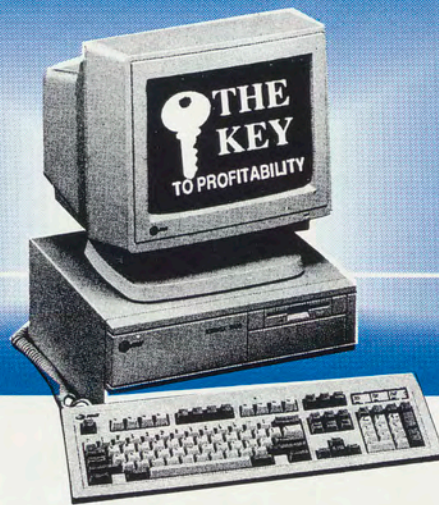
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Rental & Sales Software Systems (RSSS) has electronically converted through automatic conversion programs, over 60

stores in the last quarter from inadequate Rental Software programs to the premier software in the Rent to Own Industry, **RENTAL & SALES SOFTWARE SYSTEMS.**

The RSSS Software is written in a 4th generation language (4 GL) making it possible for us to run on any computer that operates on MS-DOS, XENIX, UNIX, VMS and DX10. There are a total of 20 different Operating Systems that RSSS is compatible with. No other Rent to Own Software vendor can accomplish this. This means you can keep up with the latest computer hardware technology now and in the future. This also assures you that you will never outgrow the RSSS Software and most importantly it protects your present hardware investment.

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# NEWS AND PRODUCTS



APRO's classic polo shirts are available in a variety of attractive colors for \$25 each.

## APRO, Moore team to give members savings

The Association of Progressive Rental Organizations recently entered into a national contract with Moore Business Forms to provide APRO members with both computer paper and computer supplies at a substantial discount.

"This new member service will prove to be a significant benefit for APRO members," said Ted Wilson, APRO president. "Currently, the company I work for receives the greatest discount available from Moore for its computer paper," continued Wilson. "With the new APRO program, we will be able to purchase all our computer paper at a significant discount from our current price."

All members purchasing computer supplies from the catalog will receive a 10 percent discount off the published price.

APRO and Moore Business Forms will mail catalogs and prices to all APRO members for the computer paper and computer supplies. The program will become effective Dec. 1, 1990.

"We are continually looking for new services to provide our members," said Bill

Keese, executive director. "This new program will make membership in APRO more valuable."

Source: APRO

## Quality APRO shirts available

APRO is marketing its own line of high-quality polo shirts for members at \$25 each.

The same shirts that proved popular during the summer convention in Orlando, they are 100 percent cotton and feature ribbed collar and cuffs.

There are several striking colors to choose from, while sizes are small, medium, large and extra large.

For more information, see page 39 ad this issue.

Source: APRO

## Pyle buys back RTO computer company

Rita Wallace, president of Rental Information Systems, Inc., in Texarkana, Texas, and David Pyle jointly announce that "The Rental Manager" is now under the ownership of Pyle and is being moved to Magnolia, Ark. — its original home.

Pyle, the founder of Rental Information Systems, started development of "The Rental Manager" in 1980 with programmer Larry Burns. Pyle said Burns will rejoin the company soon, while Sherry Venable and Todd Bircher will move with the company to its new location, 316 East Union in Magnolia, to "continue to provide customer support and development."

Pyle added that Wallace will continue working with Rental Information Systems as

a consultant to ensure a smooth transition.

"The goals of Rental Information Systems are the same as always: To provide the best rent-to-own software and support in the industry," said Pyle, who added that the company is already developing a new rent-to-own product.

The company's new phone number is (501)234-2200.

Source: Rental Information Systems

## APRO holds summit meeting on financing

APRO conducted its own RTO Financial Summit Conference on Wednesday, Nov. 14, in Atlanta.

Wayne Chambers, chairman of APRO's accounting committee and an expert on rent-to-own finance, chaired the day-long event.

A full report is planned for the next issue of *Progressive Rentals*.

Source: APRO

## Washington's Quinn fills vacancy on board

Kevin Quinn has been elected to the APRO Board of Directors to fill a recent vacancy.

Quinn, owner of Quality Rentals in Puyallup, Wash., was elected the state association's first president during its Thursday, Sept. 20, meeting.

Source: APRO

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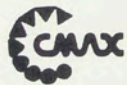
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MESSAGE,  
continued from page 41

unturned in my efforts. But the media has been around longer than we have and they own the satellites — the modern equivalent of the printing press. Most of us have learned to roll with the punches and to get on with business. Rest assured that CBS has long since gotten on with its business and, by the time you read this, will have uncovered another dozen or so outrages around the world.

Finally, if you are among the small handful of dealers out there who are doing any of the things CBS accuses the entire industry of doing, please quit today. That is not how this business needs to be run to make a buck, and look at the bad image you are portraying for the rest of us. It is shameful and surely you know better.

For the thousands of dealers who do not lie to customers or pound on their houses with hammers, if you know

dealers in your markets whose practices outrage you, do something about it. Tell them. Tell us. Tell them to straighten up or you will tell the attorney general next.

I truly believe that we have come a long way as an industry over the past 10 years. Our progress makes an interesting story, but finally won't sell a tenth of the newspapers or TV points as one good hammer-pounding story. We can only try to do better — all of us — until the day comes when hidden cameras reveal no tricks; employees, even in the dark, have no lurid tales to tell; and when the media comes, they find no story that for them is worth the telling.

We are not there, yet. But we are closer than we used to be. *PR*

*Ed Winn is APRO's legal counsel and a veteran writer on rent-to-own issues.*

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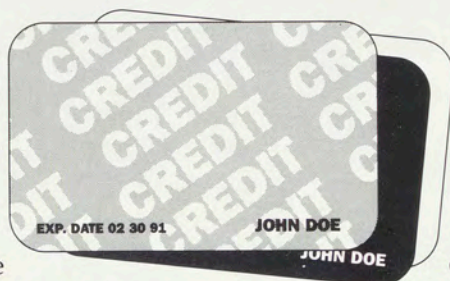
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reporting agencies, which are well established and have data banks of tens, if not hundreds, of millions of American consumers, there have periodically been agencies that have targeted segments of the market (hot check lists and apartment rental referral agencies are examples).

Over the years, several companies have aimed their efforts specifically at the rent-to-own industry and rental customers. One such company is Tele-Track, based out of Georgia. This company is attempting to accumulate a database of rent-to-own industry "skips and stolens" and, for a fee, supply credit reports with that limited amount of information to dealers who request it. The theory is that there exists among rental customers a pool of customers who repeatedly run off with merchandise from different rental companies. If the industry were able to collect the names and sufficient identifying information concerning all customers who had ever skipped with merchandise from a rental company — and the industry combed that database with every application — multiple customers who skipped more than once could be discovered.

Tele-Track officials report that the company's service not only has been useful in assisting dealers in evaluating rental accounts, but has also been useful in helping dealers recover merchandise. When a dealer calls in a rental application and uncovers a "hit," Tele-Track puts the company making the inquiry in touch with the company that reported the information. Often these two companies collaborate and help the reporting company recover its merchandise by at least locating the current address of the customer who skipped.

As a general matter, traditional credit reporting agencies do not collect information on rental accounts. Some will accept information from subscribing rental companies, but it is the exception and not the rule. Other companies have previously attempted to set up databases similar to Tele-Track in local



the program.

Rental dealers who want to reduce

markets and statewide. These attempts were not successful either because of a lack of dealer participation or the cost of

losses from skips and stolens may want to look further into a service such as Tele-Track.

Copies of the Fair Credit Reporting Act, the Federal Trade Commission official commentary, or selected state credit reporting statutes are available from my office. Call (512)474-6436.

PR

*Ed Winn is APRO's legal counsel and a veteran writer on rent-to-own issues.*



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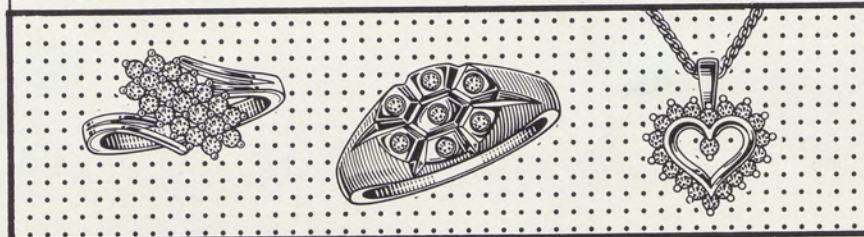
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