

PROGRESSIVE Rentals

The magazine of the rental-purchase industry • April/May 1996





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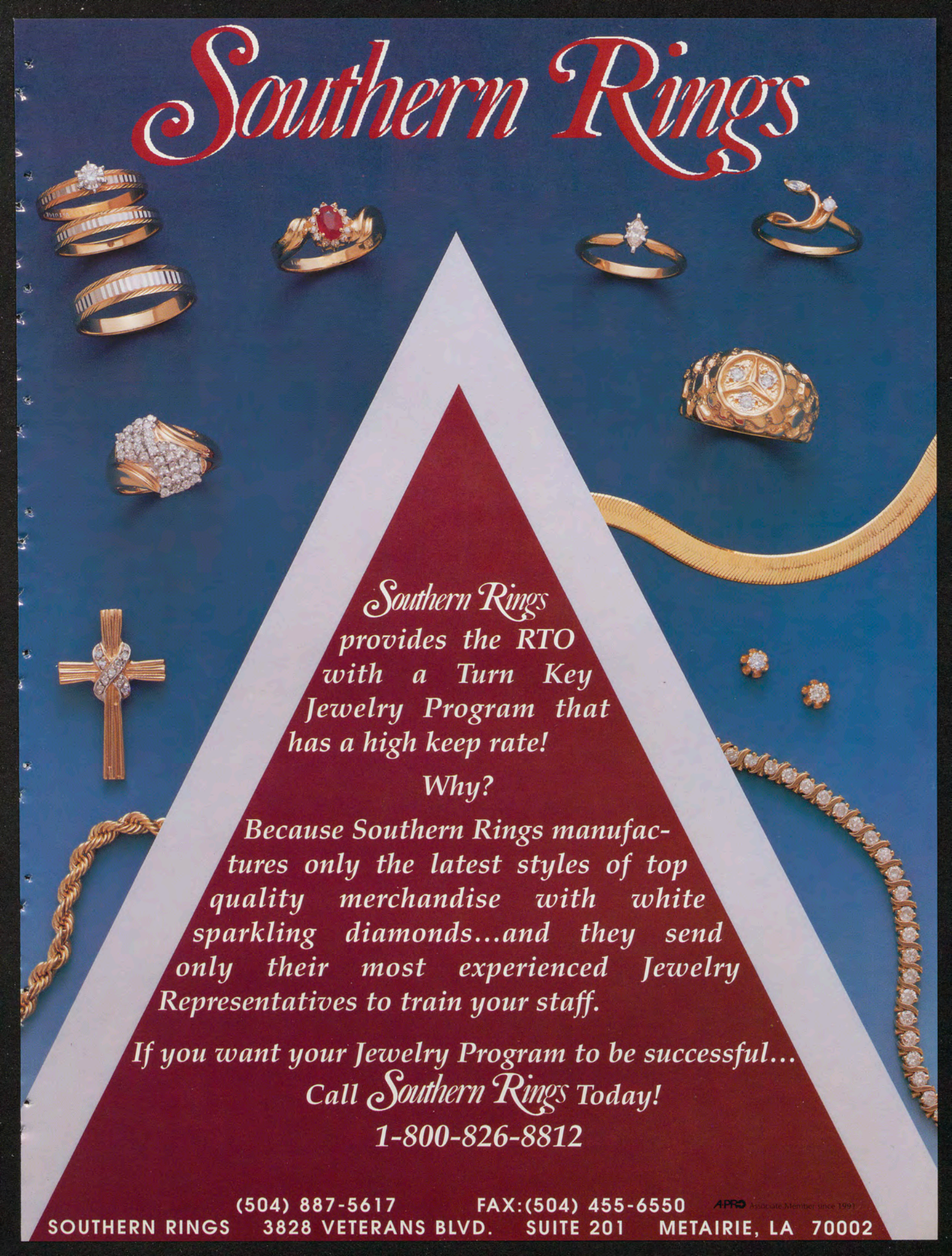
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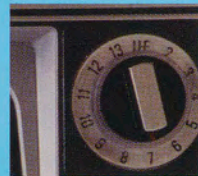
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There's a barrel-chested pooch coming your way. His name's Gus. And he will be the cornerstone of APRO's new industry image-building campaign that includes news releases, a new seal of integrity and much more.



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The rental-purchase transaction is all about options, and furniture offers a world of choices to RTO dealers and their customers. Take a look at what's hot in furniture and related add-ons for the coming year.



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The rental-purchase industry's image, according to APRO Public Affairs Director Richard May, "is a mirrored reflection of its relationship between its customers and the public." May analyzes the results of his industry-wide advertising survey.

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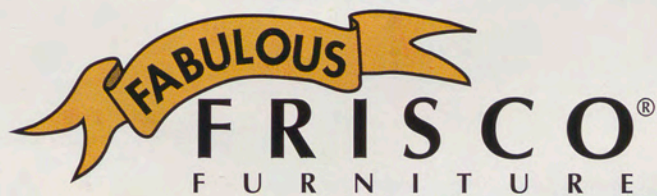
Nineteen-ninety-six is going to be another record-setting year for APRO's trade show at the annual convention. Take a look at some of the product lines our vendors will show Aug. 11-15 in New Orleans.

Cover design by Joel B. Mathews

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Watts bill gaining support
The Consumer Disclosure and Rental-Purchase Agreement Act (H.R. 2820), introduced by U.S. Rep. J.C. Watts, R-Okla., and supported by APRO, had garnered 28 co-sponsors by May 10.

Watts' bill, introduced in December, was written to legislate federal consumer protection statutes for the rental-purchase industry, while also recognizing the rental-purchase transaction as a unique lease, rather than a credit sale. Currently, the



Rep. J.C. Watts, R-Okla., middle, meets with APRO members George Parsons, left, and Jim Brown in Washington, D.C.

Internal Revenue Service recognizes rental-purchase transactions as leases for tax purposes, but there is no classification of rental-purchase in federal law.

U.S. Rep. Henry B. Gonzalez, D-Texas, long-time critic of the rental-purchase industry, has collected 11 co-sponsors for his annual anti-industry bill, H.R. 3003, entitled The Rent-To-Own Reform Act of 1996.

Tonya Saunders, APRO lobbyist and legislative strategist in Washington, D.C.,

said the large number of sponsors on Watts' bill is a good sign, however she warned that the industry needs more Democrat co-sponsors. Ideally, the bill would have a bipartisan appearance, showing that the bill has good support from both political parties.

Saunders said the Watts bill is heavy with Republicans, and that APRO members need to get more Democrats signed on. Most important, said Saunders, are Democrats on the U.S. House Committees on Banking and Ways & Means.

Saunders encourages all APRO members to keep up with their grassroots legislative efforts. Rental-purchase dealers who need addresses and other information on their federal representatives, should contact Richard May at the APRO office, (512)794-0095.

Alrengo acquires 15 new RTO stores

Since taking the company stock public on Jan. 23, the folks at New Albany, Ind.-based Alrengo have been busy expanding. In two separate transactions, Alrengo acquired 21 stores and upped its store count to 87.

On March 1, Alrengo announced the acquisition of 14 Easy Rental stores, with locations from Dallas to Miami. The revenue of the 14 Easy Rental stores in 1995 was \$9.8 million.

On April 29, Alrengo announced the acquisition of seven rental-purchase stores in three Southeast markets. Alrengo bought one Home Rentals and one Premier Rental Purchase store, both in Panama City, Fla., four Pro Rental Corp. stores in Mobile, Ala., and one Quality Furniture Rental Purchase store in Hammond, La.

"Since the beginning of the year we have acquired 21 stores and will continue to pursue opportunities to acquire well-managed stores in markets where we already operate successfully or in nearby markets with similar makeup," said Michael D. Walts, Alrengo's chairman and president.

Alrengo is traded on the NASDAQ under the ticker symbol RNCO.

Champion makes news in Florida

For the third straight year, readers of the *Lakeland (Fla.) Ledger* have named B&L Concepts, d.b.a. Champion Rent to Own, as the best rent-to-own operation in Polk County.

The award came in the *Lakeland Ledger's* annual Readers's Choice Awards competition, which ranks local shopping venues, restaurants and activities. B&L Concepts is owned by APRO board member Larry Sutton, whose company is based in Tampa.

Sutton's company was also recognized for its community involvement in Hernando County, Fla. Sutton's Champion store in Brooksville teamed up with another local rental-purchase company, Buddy's Home Furnishings, to donate \$1,000 to the Foster Parent Association of Hernando County. Buddy's manager Jody Katz and Champion manager Mike Frankel donated \$500 each from their companies.

Renters Choice buys ColorTyme

Renters Choice of Dallas, operator of 319 rental-purchase stores, acquired ColorTyme on May 16, according to reports from ColorTyme's office in Irving, Texas. ColorTyme was a franchisor to 313 RTO stores.

Renters Choice is traded on the NASDAQ under the ticker symbol RCH. Ernie Talley is chairman and CEO of Renters Choice. Talley's late brother, Willie Talley, founded ColorTyme.

PUBLICLY TRADED RTO STOCKS

RTO Company	Symbol	5/9 Price	52-wk. hi	P/E
AaronRents A	ARONA	27-1/4	28	21
AaronRents B	ARONB	25-3/4	27-3/8	--
Alrengo	RNCO	15-3/4	16-5/8	--
Renters Choice	RCH	23-1/2	22-3/4	45
Rent-Way	RWAY	13-1/4	14-3/8	39

Aaron's signs with Braves in TV deal

Aaron's Rental Purchase has signed on as a national television sponsor of the defending world champion Atlanta Braves. Charles Loudermilk, president and CEO of Atlanta-based Aaron Rents, reported that this \$500,000 advertising contract gives his company 40 nationally televised commercials during Braves games on SuperStation TBS.

"This sponsorship of the world champion Atlanta Braves provides the opportunity for national exposure of our rental-purchase stores," Loudermilk said. "Although we are not yet quite national in scope, this advertising program is part of our plan to continue to expand aggressively throughout the United States. In particular, our rapidly growing franchise program will benefit from this marketing effort."

Aaron's Rental Purchase division is currently opening new stores at the rate of approximately one every six days. The division runs 157 rental-purchase stores, including 38 franchise stores. Since 1992, Aaron's has opened 126 rental-purchase stores.

FINOVA courts RTO

FINOVA Capital Corporation of Dallas has emerged as a new lending source for the rental-purchase industry, and the company has joined APRO as an Associate Member. Traded on the New York Stock Exchange under the ticker symbol FNV, FINOVA has more than \$7 billion in assets.

For its rental-purchase customers, FINOVA offers three- to five-year revolving lines of credit; accommodation of borrowing needs from \$750,000 to \$5 million; and rapid response to customer needs.

David Fricke, FINOVA vice president, said rental-purchase dealers interested in looking more closely at the FINOVA Rediscount Finance Division should call 1-800-432-3221.

Salazar to head up new TPM division

APRO Associate Member Total Package Marketing has appointed Julie Salazar as vice president of marketing. Salazar will direct TPM's rental-purchase division, which designs promotional programs and provides database management systems to the rental-purchase industry.

Prior to joining Total Package Marketing, Salazar worked for nine years in the rental-purchase industry, first for TLH Enterprises, a ColorTyme franchise group in Texas, and most recently for Premier Rents, USA.

Total Package Marketing is based in Moorestown, N.J.. Ed Brandhorst is president.

NAPS article gives message

The rental-purchase message is getting out there, and APRO's making it happen. In early January, APRO teamed up with North American Precip Syndicate (NAPS) to distribute an educational news release to more than 10,000 media outlets.

As of April 19, NAPS reported that the news release, entitled "Budget Stretching Ideas: Rent-To-Own Products Solution to Staying Out of Debt," had been published 1,052 times in 33 different states. The newspapers in which the release has already appeared have a combined circulation of more than 11.8 million and a readership estimated at just more than 47.2 million.

"We are very pleased with the success of this part of APRO's public relations campaign," said John Gormley, APRO communications director. Gormley, who wrote the first release, said three more NAPS releases are due in 1996. The second NAPS release, written by APRO communications staffer John Massey, is entitled "Consumer Corner, You: A Potential Renter?" It was distributed nationwide the first week in April and had already seen placement by April 18.

Said APRO's Gormley: "This part of the public relations campaign will cost APRO just \$12,000 for the distribution of all four releases. If we would have had to pay for each of the 1,052 placements as advertising, it would have cost us more than \$150,000."

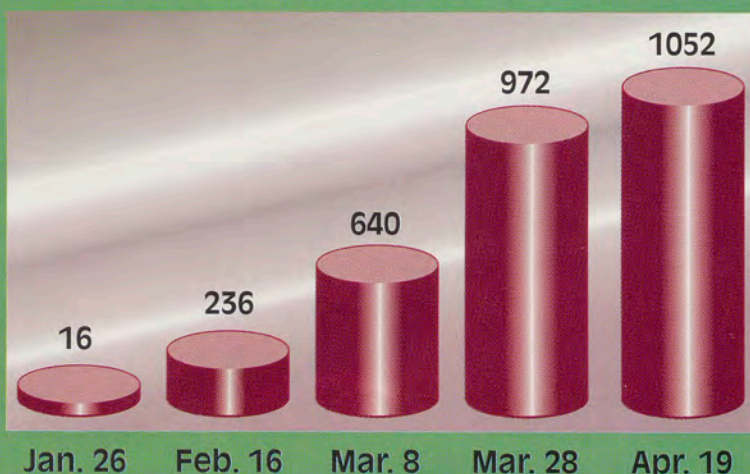
NAPS vice president Dave Siegel reported in early May that APRO can expect to see the original release appear all throughout the year. In one NAPS campaign, Siegel said he saw a release appear in a newspaper four years after it was distributed by his company.

Newspapers typically use the NAPS releases as "filler" items, and some newspapers even use them several times before they become too worn to be re-printed.

According to NAPS research, as of April 19, the first APRO release has seen placement in 27 of the nation's top 50 consumer markets, and 40 of the top 100 markets.

"These first two releases provide readers with clear, honest background information on the rental-purchase transaction," said APRO's Massey. "It is estimated that our industry is penetrating less than 10 percent of its potential market, so that means there are tens of millions of potential customers out there who don't know about rent-to-own. We've written these releases to give consumers a soft sell—we describe the transaction and ask consumers to study their options. We have taken great care in communicating these options in a clear, coherent fashion. That's what this industry is all about—it's an option in the marketplace."

Placements To Date



APRO's first camera-ready news release of '96 has spread the rental-purchase message to a wide, middle-America audience.



Since this spring issue is being delivered to several thousand prospective new association members, I'd like to point out some of the valuable benefits of APRO membership.

Over the years APRO has built a strong presence in the business community and has proudly stood up to legislative and government bodies which were about to bury our industry with negative rulings and publicity.

Through it all, our members have risen to every challenge and united behind a grassroots-led program to promote our industry in a more truthful and positive way.

The principal reasons for joining any trade association include legislative relief and regulatory protection, networking and supplier contacts, and ongoing education through publications, conferences and conventions. I believe APRO has done an excellent job in these core areas over the years, working hand-in-hand with the dealer-led network of strong state associations. Longtime members representing all levels of dues and participation should see a good return on their investments.

Who's Who, our annual membership directory, is currently at press and will be mailed out this month. At 216 pages, up from 192 last year, it is the largest directory we've ever produced. This is a positive indicator of the solid growth our industry has undergone during the past year alone. *Who's Who* is a great tool for bringing folks together in our industry—whether suppliers and dealers, or dealers across state lines who need assistance from a fellow member. But it's only available to APRO members.

Surfing the Internet seems to be the up-and-coming communications medium. Shortly, you will be able to check out APRO's web site at <http://www.apro-rto.com>. The APRO communications department has developed a work-in-progress that captures the look and feel of the association as established through *Progressive Rentals*. However, the electronic medium provides for a lot more feedback and two-way communication. We'll be able to track who visits our site and also determine what they're interested in.

We have identified two major constituencies to initially target with our Internet presence. The first is comprised of opinion leaders and information gatherers such as reporters, academics, consumer researchers and congressional staffers. The second group is the financial community.

In February, we conducted our own Internet search using the phrase "rent-to-own." We came up with more than 300 "hits." A lot of these were white papers on the industry from state attorneys general and university cooperative extension services. We would not have known about all of these without this search.

With 18 million Americans surfing the Internet daily—and this figure, I'm told, dou-

bles every 12 months—we are beefing up our presence in this vast electronic forum of public opinion.

For more information on the association's work in cyberspace, call John Gormley at the APRO office—(512)794-0095.

Other new products and programs that add value to membership include APRO's *Legal Ease* book of state rental-purchase statutes. This book was compiled by APRO General Counsel Ed Winn and unveiled at our mid-year conference last month in Monterey, Calif. Now, for the first time, all RTO laws are in one place for easy reference. To order, call Laurie Derton at the APRO office.

Another new association-endorsed benefit that I believe will save dealers both time and money is alternative dispute resolution (see February/March *Progressive Rentals*, page 28). We have recently entered into an agreement with the National Association of Alternate Dispute Resolution (NADR) to provide APRO members with an alternative to costly employee litigation. If you'd like more information, call Carolyn Fitzsimmons at the APRO office.

I hope you'll find ample reasons to join or renew our APRO membership. I think it's apparent that we are not resting on past successes, but continually striving to add value for RTO dealers.

Bill White, in his first term as APRO president, is owner of Action TV & Appliance Rentals, Inc., based in Mesquite, Texas.

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NEW! Visit APRO's web site on the Internet at <http://www.apro-rt.com>

Seal of integrity introduced

As the APRO public relations and image-building campaign gains momentum, the trade association representing the rental-purchase industry introduces an APRO Seal of Integrity for its membership.

The seal is an oval, with Association of Progressive Rental Organizations written across the top. In the middle is a country scene with a house and trees on hills. Across the bottom of the seal is a banner which has the

words "Trust, Integrity and Experience." The APRO Seal of Integrity was designed by APRO's public relations firm, TateAustin of Austin, Texas.

According to Richard May, APRO public affairs director, the seal will be used to identify APRO dealer stores. Window stickers with the APRO Seal of Integrity will be printed and sent out to all APRO-member rental-purchase stores. The seal also appears in APRO's national television commercial, starring Gus the dog (see cover

story, which begins on page 12).

May is working with APRO's public relations firm to create collateral materials to assist in the image campaign. He has looked into producing refrigerator magnets, note pads, stuffed Gus dolls, and point-of-rent signs, which will be placed on store counters. The collateral materials will be on display at APRO's annual convention and trade show, Aug. 11-15, in New Orleans.

APRO's image campaign began in January with the distribution of a national, camera-ready news release entitled "Budget Stretching Ideas: Rent-To-Own Products Solution to Staying Out Of Debt." The releases, written by APRO's communications department, are printed and distributed to 10,000 newspapers by North American Precis Syndicate (NAPS). For more information on the success of the NAPS release, see page 7.

For more information on APRO's industry image campaign, call May at (512)794-0095.



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On a cold, wintry day in March three years ago, as I was about to face the most perilous three-and-a-half-hour test in our industry's history.

One of the industry's most vocal critics, U.S. Rep. Joe Kennedy, capsulated our No. 1 problem. The cameras weren't on, yet. Chairman Gonzalez was about to call the House Banking Committee to order.

The packed hearing room had the look and feel reminiscent of the old Joe McCarthy anti-Communist hearings I had seen so often on old newsreels.

Ron Waters and I walked up to young Kennedy to introduce ourselves, hoping to humanize the industry as much as possible before the impending public execution. Just before he publicly accused us of being "sharks feeding on minnows," Kennedy privately said, "I don't have anything against you or your industry. I don't have any real problems with the rent-to-own transaction. But you boys have a real image problem."

Boom! There it was. An outsider, knowing next to nothing about RTO, laid it out for us to see.

While we were consumed in battling, and defeating, the chairman of the U.S. House of

Representatives Banking Committee and fighting over \$1 billion of your money with the IRS, we fought a third front in the war for the survival of the industry ... our image. We were defensive with the *Wall Street Journal*, CBS, NBC, ABC and others. But we held our own.

The atmosphere is better now for you and your businesses. Hundreds of RTO dealers across the country united and persevered. Congress hasn't declared us a sale; the Internal Revenue Service has declared RTO a lease; there are fewer negative news stories and more positive news stories about all of us; and almost everyone has a better outlook than ever before.

So why am I rattling on about ancient history?

I believe a new dawning is rising on our industry.

The past is not so ancient that we should forget. The primary obstacle obstructing unprecedented opportunities for ourselves is our attitude about ourselves. While we must continue to battle for proper recognition in Congress and in legislatures across the nation, and while we have cleanup work left to handle with the IRS, we must have a fundamental shift in emphasis to telling the public who we are.

We never have defined ourselves in the pub-

lic's mind. We allowed our enemies to do that for us and, naturally, it's not favorable to RTO.

First and foremost, we must insist that everyone in our industry conduct themselves ethically. Ethical behavior is the only path to long-term success.

Second, we must treat every customer with dignity and respect. We cannot presume to gain respect as an industry as long as even one customer is treated disrespectfully. Do what you have to do, but insist that everyone in your company understands and agrees to this tenet.

Third, APRO is developing the tools the industry needs to define who we are to the public. We must mount the most aggressive campaign ever, with unified support from all, to tell our story. This issue of Progressive Rentals is focusing on the types of tools we are making available to every APRO member. These are proven techniques that have aided many other industries faced with image problems. We have a high-quality, complete program that will work if you give it a chance.

As a native Texan, I was raised with the knowledge of the old battle cry, "Remember the Alamo." I would suggest to you that the RTO battle cry for the future should be, "You boys have a real image problem!"

Bill Keese is APRO's executive director.

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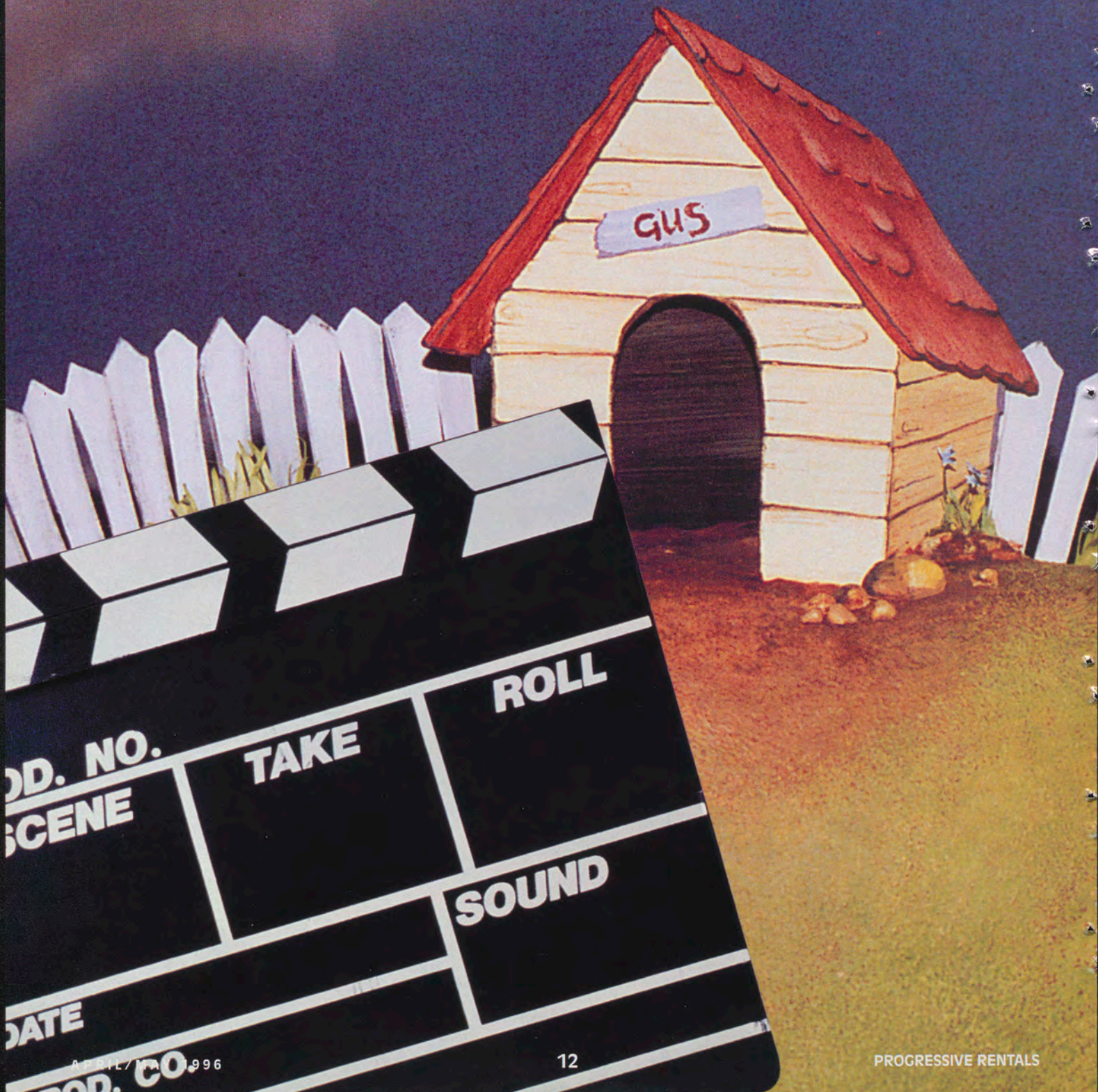
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The Making of GUS



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APRIL 1996
CO.

There's a barrel-chested pooch coming your way. His name is Gus, and he's the new mascot for the industry image campaign being run by the Association of Progressive Rental Organizations.

After years of fighting from defensive positions against media assaults and legislative and legal attacks, the rental-purchase industry has launched an aggressive, pro-active public relations campaign, delivering its message directly to the public. A national industry commercial, utilizing stop-motion animation and featuring Gus, will be the cornerstone of the industry image campaign.

"In the past we allowed the news media, Legal Aid attorneys, so-called consumer advocates and others to define the rental-purchase industry, and then we responded to their claims," says Ernie Lewallen, co-owner of Cincinnati-based United Household Rentals and chairman of the APRO Public Relations Committee. "We were forced to take a reactive position because APRO was a young, still-maturing trade association."

"Well, the APRO Board of Directors has decided that we are all grown up now," he adds. "In the past few years, we've defended ourselves in front of Congress, we've faced down the Internal Revenue Service and we survived a vicious attack by the *Wall Street Journal*. It's time we brought our message directly to the people who really count—the consumers. I'm proud of the goods and services my company offers,

and the goal of this campaign is to create good will with the public and let people know about the goods and services we provide."

Industry leaders attending APRO's annual mid-year conference in Monterey, Calif., April 15-17, got the first look at the campaign that stars the animated canine Gus, whose life is made better by quality rental-purchase products. A new, colorful APRO Seal of Integrity is also an important part of the image campaign.

The concept of the campaign was developed by APRO's public relations committee. Gus was created by Richard May, APRO public affairs director, and Michael Johnson, director and animator of the commercial for Fat Cactus Productions, located in San Francisco. The public relations committee, led by Lewallen and APRO Executive Director Bill Keese, guided the process and defined the commercial's message.

May, who also wrote music for the commercial, said the main purposes of the 30-second television spot are to entertain viewers, keep their attention and give them a good feeling about the rent-to-own option in the marketplace.

"Stop-motion animation was the most attractive medium for the commercial because it is almost 'childlike' and it is in no way threatening," May said. "We are an industry made up of basically mom-and-

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Close-outs stink. Deliveries are down (along with BOR). The money is way off and overhead is up. So what's wrong?

Before you throw in the towel (or toss out the manager), try this: Gather every memo, letter, directive, pay plan and police blotter sent out by home office over the last six months.

When you've built this pile of vital documents, try to make a list of the top five priorities for store managers using the information you provided them.

After about 10 minutes you will likely come to realize that the real problem is not unfair competition or bad workers or dishonest customers. The real problem is that everyone involved has a different idea of what the real problem is and each person has a favorite (and sometimes untouchable) program to fix it.

Too often, problems that aren't killing us get lots of attention, while the things that are

killing us go unchecked. Meanwhile, all miss the one real priority: RentAndCollect.

But stores get a mixed bag of messages that change from week to week, all according to the latest crisis. Instead of blueprints for success, they get Do-Better Letters and messy memos that everybody had a hand in writing and nobody understands.

Worse, nobody knows what has to happen in every department and whose job is riding on it. So the people who care get frustrated at trying to hit a moving target, and the people who don't care find a safe place to rest until the Big Boss catches on and fires the whole lot. The result is never pretty.

But things don't have to be this way.

Fixing a broken store requires—above all—that the owner have a clear idea of what he wants the end to look like. If that means 800 BOR with 6-percent close-outs and 15-percent profit, post those numbers for everybody to see (except, of course, for the customers). Play these "goal" numbers up in every communication with the stores. Force managers to carry the numbers around in their pockets and whip them out for a sidewalk seminar whenever they see effort flagging or interest waning.

Once everybody knows what the end looks like, it is up to supervisors to set priorities and follow up. Even the most experienced managers can get their priorities mixed up in their zeal to reinvent the wheel and earn gold stars at home office.

If you are home office (Big Boss), throw away the stars and stop answering the phone. You're confusing the troops. If they think sending in paperwork is the same as sending in good numbers and producing profit, you and they are doomed.

Here, in order of importance, are four critical areas that must be organized, monitored and managed on a daily basis in operations of any size, regardless of market area. If the on-site supervisor can get these under control and working in your favor on a regular basis, everything else falls into line. Indeed, in the early stages of recovery, nothing else matters. Here's a look at these four critical areas:

• **Inventory.** It is the only asset in the store that can deliver jobs, create income and satisfy customers. If the manager doesn't know the location and condition of every piece, the store will ultimately fail. Damaged, non-working or missing goods will eat into profits and the store can never achieve gross margins sufficient to produce profit, regardless of how well you control the other costs.

It is absolutely essential that every piece coming or going for any reason be logged with two signatures regardless of other controls (such as computers, which don't control anything, but only record and report). Manual logging reduces both error and thievery. Daily counts keep everybody honest. If a store manager cannot control the inventory when it is locked up in the back room, how can he control anything else?

• **Orders.** These are the lifeblood of the business and take precedence over everything except service to an existing customer. Supervisors have to know how many orders were written, what happened to each, and the status of agreements not yet delivered. It helps to know as well the length of time required to get an order verified and an agreement prepared. If this is more than 15 minutes, somebody is not paying attention and priorities are misplaced.

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If you don't use an order-tracking sheet, start. It is less important to know that four deliveries were completed yesterday than to learn that eight orders were written but two got lost in the shuffle, one was turned down, and another canceled when the customer had to give up and go to bed.

• **Service.** This is more than just fixing the washing machine. Service means that customer accounts are handled in a timely and accurate manner because we owe that to our customers. It means that every employee hustles to take care of business because that's why we are here.

Nobody ignores a customer complaint or service problem. Each is solved by the end of the day, or the manager finds out why. It is consistent, unrelenting, and never grudgingly. With service like this (it doesn't cost more, it actually costs less), pickups go down and referrals go up.

Effective supervisors see that all service needs and complaints are written down in one place and somebody checks that list throughout the day. It is one of the first places the supervisor looks during a store visit.

Some supervisors consider themselves

blessed when a store manager is able to deliver huge numbers to offset high pickups. He's missing the point that new inventory is being turned into used surplus while the store grinds up customers and employees for zero growth. Poor service is always the culprit. Forget "short-term rentals" and "bad deals," and other lame excuses. Call former customers. Call new deliveries. Then call a meeting.

• **Collections.** Getting the money instead of the merchandise requires close supervision by disciplined people who understand both the law and the need to grow revenue, and pay equal heed to both.

Consistent collections are impossible without clear guidelines on how we do it, what we can't do, and what steps we follow beginning at 9 a.m. Monday to meet our Saturday evening close-out requirement.

Then supervisors must follow up daily and ask probing, even rude questions at every stop. Flip through the collections cards for notes and comments. Check file folders on "hard accounts."

Monitor collection phone calls to assure compliance to policy and effective execution.

When a counter clerk takes a payment with no late fee, discuss policy.

When two account managers leave in one vehicle, ask why. When anybody but the account manager takes a commitment, talk about who will run that card if the customer doesn't show.

All this information is not something to be collected at the end of the week and entered into a little green journal. That is akin to taking a census in the cemetery: while it's steady work, the outcome is pretty much a foregone conclusion.

The effective supervisor gathers information throughout the day and works with managers and employees to develop alternatives, solutions, opportunities. What other reason could there possibly be?

Raymond C. "Bud" Holladay is chief operating officer and executive vice president of New Albany, Ind.-based Alrenco.

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— *Dowell Arnette, Renters Choice, Inc.* ”

I have done business with the Bozof family since the early 70's with his father and since then done a lot of business with Danny. He does very well and is very helpful in guiding and finding the right styles and fabrics for our upholstery line. Danny is sincere and honest in working with the rent-to-own dealers.

— *Mike Walts, Alrenco, Inc.*

My work takes me around the country quite often, and such a customer-oriented attitude is no at all common. I wanted to let you know that I appreciate **Danny Bozof's** efforts in working with Rent-A-Center. He has set the standard for everyone else to follow!

— *Kent Clark, Thorn Americas*

It just makes sense to deal with vendor representatives who have taken the time to understand the rental purchase business. **Danny Bozof** understands our business and is always prepared to show us products which truly fit our business.

— *David Deignan, Aaron's Rental Purchase* ”



Set construction for the stop-motion animated 'Gus' television spot—the cornerstone of APRO's new campaign.

Continued from page 13

pop dealers and we wanted to show that friendly image. Stop-motion animation with an animal character lets you convey that feeling and avoid possible racial and gender bias. Most important, it is entertaining.”

Says Dave Wenger, principal and creative director at TateAustin, APRO's public relation firm: “When people turn the TV on, they feel as if they are inviting you into their home. When they invite you in, they don't want to be sold something; they want to be entertained. Stop-motion animation is a wonderful way to do that. Animation grabs your attention, entertains, and that's what advertising is all about today.”

May claims the concept of an animated commercial starring Gus also received favorable reviews from a panel of executives at the national advertising firm of GSD&M.

May says that the “Gus” commercial was not designed to create a stampede of customers through rental-purchase stores. The Gus commercial was made to stand apart from traditional “talking head” commercials, catch the channel-surfers' attention, and give viewers a quick, pleasant “shot” of rental-purchase.

“This commercial identifies the rental-purchase industry with an entertaining, attrac-

tive commercial,” May says. “In 30 seconds, our goal is to get the viewers' attention, entertain them with what happens to Gus, and associate this happy and interesting image with the rent-to-own image. I believe the worst thing we can do is deliver a complicated message and bore the viewer.”

The commercial opens with a distant, exterior shot of Gus' house. The scene tightens and viewers can see a flickering light and hear television static through Gus' doorway; he's trying to watch a baseball game, but the TV's on the fritz. An interior shot is next, showing a frustrated Gus trying to get his old, black-and-white set to work by adjusting the rabbit-ear antennae. Nothing's working, until the TV announcer begins introducing the idea of rent-to-own. Suddenly, Gus' world brightens as his TV set “morphs” into a big-screen, color television; his rickety wooden stool magically becomes a plush recliner; and finally, outside the house, Gus' food bowl becomes a brand-new refrigerator.

As the camera backs from the house, the APRO Seal of Integrity appears on the screen, and then a local rental dealer's company logo.

In 1994, APRO's Keese commissioned America's Research Group to conduct a nationwide customer survey. From this random telephone poll, the vast majority of cur-

rent and former rental-purchase customers reported three overwhelmingly popular characteristics of the rent-to-own transaction: the ability to get the product immediately; freedom to return the product at any time; and “no credit hassle.”

“This commercial is exclusively for APRO members, and we give members a chance to localize the commercial at the very end with their name and logo in a four-second tag-line,” May said. “We think this commercial will create a great deal of excitement within the industry and with customers. All an APRO-member dealer has to do is insert this commercial into his or her regular TV rotation.”

The APRO Seal of Integrity and various versions of the Gus character will also be available for print advertising, from black and white slicks to four-color separations.

“Everyone is familiar with the Good Housekeeping Seal of Approval,” says May. “That's where we're going with the APRO Seal of Integrity. We want consumers to identify the seal with a professional image. We want the public to know that members of APRO are committed to high standards of customer service and ethical business practices.”

Construction of the commercial set and the Gus puppets took place over 45 days, while

actual commercial production took two weeks. Post-production was completed in 10 days. Johnson, Gus' co-creator, has worked on a number of feature films for Walt Disney, and Disney subsidiaries Miramax and Touchstone.

The APRO public relations and industry image campaign will officially get under way at the association's annual convention and trade show in New Orleans, Aug. 11-15. APRO dealers will order their copies of the commercial at the convention, and they will also view the many supporting materials, such as point-of-rent posters and signs, refrigerator magnets and more.

"We are excited about the future of this campaign," Keese says. "Right now, the industry is doing business with fewer than four million customers annually. That's nowhere near this industry's potential. We haven't educated consumers on a national level about who we are and what we offer."

Rauscher Pierce Refsnes, Inc., a Dallas-based investment banking firm, researched the rental-purchase industry last year and found that the industry has not yet penetrated its potential market. According to conservative estimates made by the Rauscher Pierce

Refsnes research team, there are approximately 25 million households nationwide—27 percent of all U.S. households—that qualify as potential rental-purchase customers. The more liberal estimates come up with a

base," Keese adds. "This is a long-range project. First, we need to make the customer feel good about us and trust us. That's where we are right now. Next, we can begin educating consumers about the many benefits of our

May says that the "Gus" commercial was not designed to create a stampede of customers through rental-purchase stores. The Gus commercial was made to stand apart from traditional "talking head" commercials, catch the channel-surfers' attention, and give viewers a quick, pleasant "shot" of rental-purchase.

potential customer base of 44 million households.

"If you're looking at 44 million households, that means we are only attracting 8 percent of the potential rental-purchase market, according to our industry survey," Keese says. "Even under the conservative estimates, we are penetrating just 15 percent of our market."

"This television commercial represents the beginning of the industry's attempt to broaden its appeal and attract a broader consumer

transaction. I feel that the APRO Board of Directors has shown its progressive nature in embracing such an ambitious, long-term vision for this industry. APRO has matured to a point where we are laying the foundation for the industry's future."



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Customer's Choice

In a world of many choices for consumers, rental-purchase furniture is no different. As the industry has expanded rapidly in the past decade, the choices for rent-to-own customers have grown.

According to the 1995 APRO Industry Survey, furniture comprises the largest percentage of units on rental. Furniture is also the item considered most often kept to term.

Gone are the days when customers had only a handful of choices from a showroom floor. Now the customers can browse a furniture catalog and receive quick delivery for the items they want, so says Emmitt Kelleher, a furniture dealer in the rental-purchase business for eight years.

The RTO customer's needs are no different from the retail customer's needs, just the credit history maybe different, says Kelleher. These customers want quality furniture, and they want to be able to choose the style and colors, he adds.

To keep ahead of what the customers want, RTO store owners must always be looking for new products. Peter Harding, vice president of Image of Wicker, is banking on his line of fiberglass wicker furniture to find a niche in the RTO furniture business.

Says Harding: "People perceive our wicker to be outdoor,

given that it is fiberglass. But, many people are using wicker as indoor furniture, especially younger people. They are looking for something lasting and not too expensive."

The versatility, of indoor to outdoor use, as well as durability of the wicker product line, is something new for the rental-purchase industry. Harding plans to exhibit at the APRO Convention and Trade Show, Aug. 11-15 in New Orleans. (For more on the industry's biggest annual event, see page 34.)

Another new successful rent-to-own product on the market is bedding.

Ther•A•Pedic offers "the ultimate sleep system," says Richard W. Glaubinger, president of Ther•A•Pedic, based out of New Jersey. Glaubinger emphasizes the quality and durability of the company's bedding products, and its commitment to learning the RTO market niche, while also helping educate store personnel on the Ther•A•Pedic system and products.

In fact, Ther•A•Pedic produced a training video specifically for its clients, so store personnel know the product line and how to present it to customers. Ther•A•Pedic is treating the rent-to-own market as a top priority, "because it is," Glaubinger says.

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BY JENNIFER HENSLEY



Continued from page 18

"So far we are enjoying some very nice success," says Niles Cornelius, vice president and national sales manager for Ther•A•Pedic. Ther•A•Pedic bedding has many features, including its strong edge-support system, warranties honored worldwide and guaranteed handles that won't come off.

Strength and durability of this product line makes it a good match for the rental market, where customer abuse and lots of store pickups and re-rentals are reality.

STYLES FOR DIFFERENT FOLKS

Naturally, geography plays a part in the rental-purchase furniture industry.

"People in Michigan want different things than people in Florida," reports Danny Bozof, an independent sales representative based in Memphis, Tenn.

Colors and styles vary, but one consistent trend Bozof sees is an upgrade in quality.

"Stores are realizing people want nice things in their homes," says Bozof. "Leather is renting very well. It is the hottest thing out there. People who carry leather furniture are doing very well. When you rent better quality, it stays together better."

Bozof considers the rent-to-own furniture business to still be in the developmental stages. Untested areas could be very successful. For example, Bozof is planning on showing home-office furniture at the APRO show

sound and lights attached to the middle arms. Trade Wind Designs offers unique products imported from Thailand, Malaysia and other Asian nations.

For stores and dealers to stay competitive, the mindset many people have about rental furniture needs to change, says Kelleher. He believes RTO stores should offer the same quality that retail stores offer to customers.

in August in New Orleans.

"Computers have rented so well," Bozof says, "so why not try home-office furniture to go with it?"

Martin Eberle, president of Trade Wind Designs, believes he is only the second importer in the country of a particularly unique product—a spider speaker lamp. Already, some 6,000 speaker lamps have been purchased from Trade Wind Designs, based in Portland, Ore.

The spider speaker lamp is five arms connected to a stabilized base. Included in the outer arms are speakers offering surround-

"We are not the belly-button company, something every one else has," says Eberle, adding that his company also offers solid oak occasional tables, roll-top desks and flat-top computer desks, which are very successful.

QUALITY AND QUICKNESS

Stores want to be able to order small quantities and have fast delivery from the factories, according to Bozof, who has been in the rental-purchase furniture business for more than 10 years.

For stores and dealers to stay competitive, the

Continued on page 41

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Advertising in the Industry



The rental-purchase industry's image is a mirrored reflection of its relationship between its customers and the public—how the industry treats its customers and how the industry interfaces with the public. Customer relationships build the industry and public perception determine its future.

Profits help measure the success of the industry's relationship with customers. Public perception helps measure the image with the public. The industry's image is not a tangible product; therefore, it becomes difficult to determine. Image may not be tangible but is a real force that has and will manifest itself into media stories, state and congressional hearings, attorneys general investigations, consumer reports, etc.

The primary interface between the industry and the public is through advertising. Because the industry's public image is predominantly determined through advertising, it becomes vital to analyze and measure the industry's advertising.

Recently APRO conducted its first-ever advertising and public relations survey. The focus of the survey is to determine the who, what, where, when, how and how much the industry advertises and communicates with the public. One-hundred-nine companies participated throughout the country, representing a reflective cross section of the industry by company size and regions.

The survey, mailed to all APRO home offices, is the first of its kind to gather statistical information regarding the industry's advertising presence. The survey will be conducted annually or bi-annually to

help build hard information and understanding regarding advertising and public relations trends within the industry.

The survey was broken down into six categories: general information, television, radio, print, other, and community relations. The survey paints an interesting picture on the industry and its approach to promoting itself to the public.

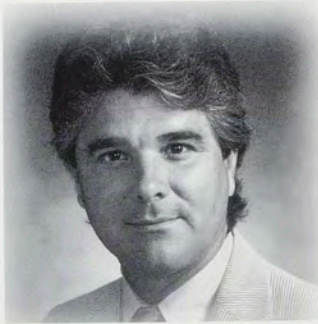
Regarding basic information, the industry spends an average of 5.1 percent of gross revenues, or \$196 million, on advertising. Forty-five percent of the industry's advertising budget is spent on print advertisement. Thirty percent is spent on television advertisement.

Fourteen percent is spent on radio advertisement, and 11 percent is spent on "other" forms of advertising.

Eighty-one percent of the advertising campaigns are created solely by the company. Thirteen percent of the campaigns are created through a combination of the company and an advertising agency. Only 6 percent of the industry's campaigns are created solely by an outside agency. The majority of RTO advertising campaigns are the brainchildren of each individual company. The advertising profession spends little energy or time with the rental-purchase industry.

Regarding target audiences, most companies do not base their advertising on any empirical statistics. In fact, 69 percent of the industry does not conduct any form of customer survey, market research or focus group. Twenty-eight percent of the companies conduct informal surveys such as customer comment cards, sit-down questionnaires, or annual customer mail surveys. Only 3 percent of the industry conduct formal customer surveys or formal market research.

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"Then the Lord said to Cain, 'Where is Abel your brother? He said, 'I do not know; am I my brother's keeper?' " Genesis 4:9.

I do not know whether the Bible has been cited in these pages previously, but this quote is a useful opening for this message.

I do not imagine anyone wants to be his brother's keeper. I have no brother myself, but can say with certainty that my sons, however much they must love one another deep down, have no desire to look after, pick up after or generally be responsible for the deeds or misdeeds of the other. I have had to tell them occasionally at the scene of some heinous household crime for which no one will take responsibility, that they both must pay—the price for being a twin.

It is not so very different for the rental-purchase brotherhood. I know that many of you have little desire to claim at least some of your competitors as your brothers and you certainly do not want to be held responsible for how they run their businesses. Some of the things

"they" do make you shake your head in disbelief or disgust. Believe me, I know the feeling.

But the fact is that rental dealers are often held responsible for the misdeeds of other dealers, because critics do not bother to make fine-line distinctions between honorable, reputable, responsible rental dealers and those who choose to run their businesses up against the very edge of what is legal, or over that edge if need be.

It is easier and more effective simply to accuse everyone in the industry of being greedy, uncaring, rapacious and, really, just sharks feasting upon the minnows.

Therefore, you must pay attention to how your brothers do business. You do anyway, but

instead of clucking and worrying and rubbing your hands together, you need to do something about clear violations of law.

I am not advocating that you do what you might want to do. Vigilantism has no place in the business. I am asking you to do something. If you know the dealer, buttonhole him and make sure that he knows what is going on in his company. Many problems—advertising-disclosure omissions, for example—are the result of inattention, not malice, and most dealers are glad to know when something has gone awry and will move to fix it quickly. Think about it; all of you would rather hear about a problem from a competitor than from your attorney general.

There is a protocol for doing this, and these conversations will be more effective between owners than, say, store managers. So when store personnel see something wrong, and they are the ones, after all, who know best what is going on in their markets, they should tell their owner, who can then call the owner of the miscreant company.

For any reason, if that process either does not feel comfortable or will not work, call APRO. I will not tell you that any of us sit around hoping for dealers to call complaining about another dealer, but we all recognize the "brother's keeper" thing and the importance of fixing problems if we can. If you want to talk to a dealer about an issue, call the chairman of the APRO Ethics Committee. That is Charlie Cloud in Arkansas. If you want to talk to a lawyer, call me. All of us agree that we need to identify instances of rental company misconduct and to take steps to fix it.

If we cannot keep all components of the industry running as legally as possible, then the other side's lawyers will get to fix these problems. That is the most expensive and painful fix of all. Just ask Cain.

Ed Winn is APRO's legal counsel and veteran writer on industry issues.

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Our chain of 12 rent-to-own stores in Ohio and Pennsylvania needs the support of a full time, well experienced company trainer/human resource person.

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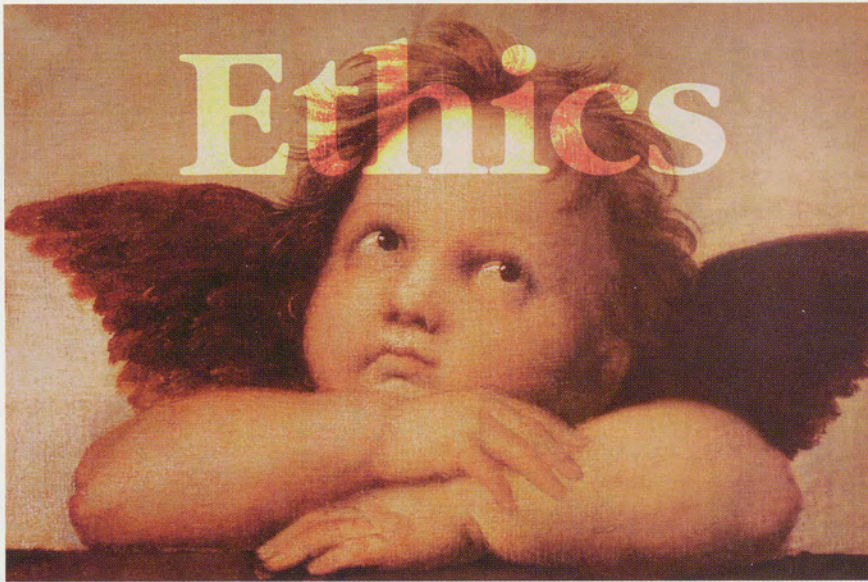
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Recently, I faced one of the hardest decisions I have ever had to make. Do I “let” my store manager terminate my son’s employment from my company, or do I intercede?

Do I let this decision become one of “Blood is thicker than water?”

When it comes to business and family, what adjustments do we make? Do we make adjustments?

As my fellow APRO board member, Wayne Sutton, mentioned in an earlier article, a part of ethics is treating all people equally. Then again, I’ve been asked: Shouldn’t personal relations have some bearing on the decision-making process?

A lot of us are small-business owners and probably face issues like this one when friends and relatives become part of our employ. Even larger companies have to deal with similar problems. And none of us is exempt from legal concerns, like allegations of nepotism or, worse yet, the constant undercurrent of gossip.

Ethics can be defined by using many words, such as credibility, integrity and consistency. In considering the words above, do you have a policy or procedure on handling employee problems in an

ethical manner? I firmly believe that in order to maintain success and sanity, all business-related activities must be handled as such, and in a professional and consistent manner.

There are two basic programs I feel are essential to the consistent handling of employee problems. The first is a clear chain of command; the second is an open-door policy. Employees knowing the channel they must follow through the chain, and the management’s knowledge of where this could go, creates a checks-and-balances system that requires both parties to be conscious of how they handle matters and conduct themselves. Simply put, an employee who has a disagreement with his or her immediate supervisor has the right to visit with the district manager. That immediate manager, being a true professional, wants to resolve the issue before it is taken to the next level, and so on throughout the chain.

In my personal situation, the issue landed on my desk, having passed through the chain rather quickly.

My dilemma had me wondering how to both support my son as a father, but at the same time maintain the integrity and credibility of

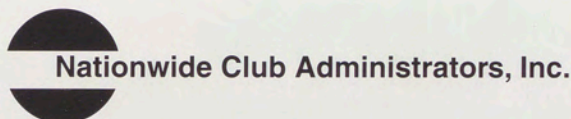
Continued on page 40

BY GARY A. ROMINE

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Mon., Tues., Wed., August 12-14
"APRO Convention Daily" publication



Shuttle Bus Service, Aug. 12-14



GE Appliances

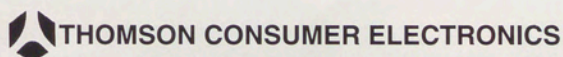
Monday, August 12
*General Session, keynote speaker
Exhibit hall champagne welcome*



Monday, August 12
Gala cocktail reception, "Parti Gras"



Tues. & Wed, August 13 & 14
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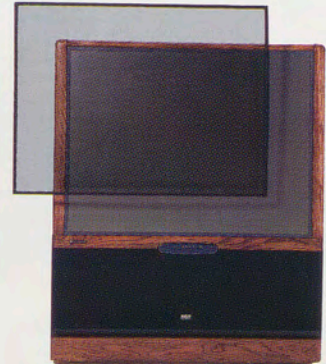
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Continued from page 23

Survey results also indicate that no company conducted research outside its current customer base and that any formal research was applied only to the industry's current customer base.

These figures reveal the majority of the industry's marketing and advertising campaigns are created independently and targeted at a recycled customer base. Most companies target a specific market and general marketing research regarding the rent-to-own concept outside of its current "customer profile" is minimal. This is supported in the amount and number of companies that advertise target-specific through direct mail, fliers and door hangers.

Survey results show the most popular and common form of advertising is print advertising with 87 percent of the industry conducting some form of print advertisement. Seventy-seven percent of newspaper advertisement is targeted at weekly periodicals—either inserts; the secondary papers within the community; and/or direct mail.



Regarding the quality of ads, almost half of the industry spends \$100 or less on the production of a print ad.

Television, the most expensive and broadest audience-based medium, is the second most popular type of industry advertisement with 71 percent of the industry advertising on television. The majority (80 percent) of the industry spends \$1,500 or less on the quality of television production. Eighty-nine percent of the television productions are 30-second spots that air an average of three months.

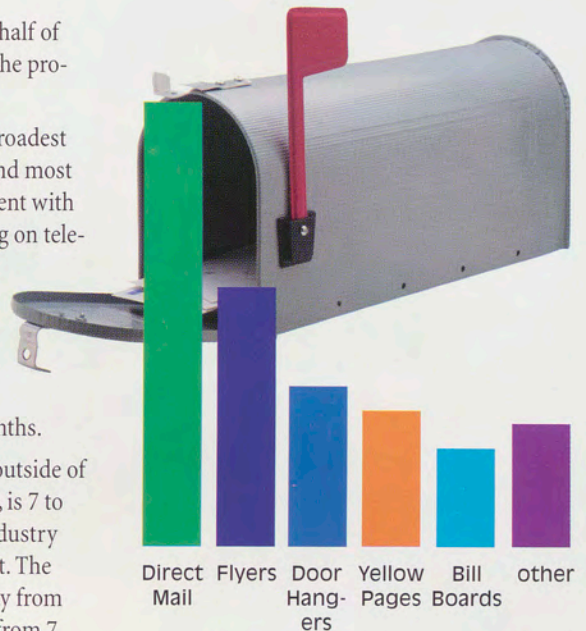
Most RTO commercials can be seen outside of prime time. Prime time, central time, is 7 to 10 p.m. and only 11 percent of the industry advertises during the prime-time slot. The predominant times are during the day from noon to 7 p.m., then in the morning from 7 a.m. to noon and then in the off-hours late night and early morning. The most popular shows companies advertise on are the "talk shows." Soaps, sports events and music video shows also top the list of the most popular shows where RTO promotes itself.

Companies advertise across the channel selection on all television stations. Twenty-four percent of RTO commercials air on Fox. Twenty-three percent air on cable. Nineteen percent air on NBC. Eighteen percent air on CBS. Sixteen percent air on ABC.

Radio ads represent a significant component of the campaigns with 61 percent of the industry advertising on the radio. Most companies spend \$250 or less on the production of both a 30- and 60-second radio spot.

Most radio ads air during "drive time"—7 to 9 a.m. and 4 to 6 p.m. The majority (43 percent) of radio ads air on country stations or "popular rock" stations (25 percent).

One of the most telling results from the sur-



vey can be seen from the "community relations" section. The survey shows that 71 percent of the industry participates in some form of charitable and/or civic organization. Forty percent of the companies participate through cash donations; 40 percent contribute products; and 20 percent participate through time—volunteers, store location drop-off, or direct sponsorship.

There was no single charity that generated the majority of support from the industry. RTO contributes according to the differing needs of its surrounding community and the differing interests reflective of the owners, as shown by the number and variety of charitable causes listed in the survey.

Public understanding of the industry stems from its advertisements. Advertising built the industry's current image and must be considered a predominant factor in the evolution of the industry's image to the public. This survey paints the first empirical picture of how the industry communicates with the public and represents the first step to gain a better understanding of how the industry presents itself to the public.

Richard May is APRO's public affairs director. He designed, collected and evaluated the results of this survey.

By JOHN GORMLEY

Employee Involvement

Ex-minister Kent Sutherland, who since 1986 has served as director of human resources for Action Rent-To-Own, knows how to motivate people.

On a clear morning in mid-March, with sunlight pouring in through the glass wall at the opposite end of the hall, Sutherland mans the powerful stereo system at Action's corporate training center on the outskirts of Dallas.

Fourteen Action employees filter into the training center, pour themselves coffee, introduce themselves to each other—and wait to see what this deal is all about.

“Does anyone like Salsa?” asks Sutherland



Store manager turned facilitator Ralph Roath leads a group of colleagues in an exercise during the March 12-13 Action Symposium '96.

with a grin. He's not talking about the kind that goes on tortilla chips. He cranks up the volume.

Operations guru Dan Matthews sports a patriotic red, white and blue tie. In fact, it is Super Tuesday. But the Action employees are not thinking about presidential candidates. Today, they are thinking about their customers.

And they're about to have fun. Organized into three teams, these rental-purchase employees will undergo two intensive

days in which they'll propose many ideas to improve customer service and store operations. Before it's all over, they will have identi

Continued on page 36



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Rollin' on the River

"Local Swamp Makes Good!" the headlines could read, for New Orleans, built on "land" that is largely former swamp and landfill, but has become a convention destination of landmark proportions.

The transformation is so complete, you'll forget it was once home to pirates, alligators, renegades, and blood-thirsty mosquitoes. As a 1996 convention venue, it's a dynamite place to be.

The 1996 APRO convention, Rollin' on the River, is all set to bring you plenty of fun and business know-how this Aug. 11-15, and, it's not too early to make your plans—and your reservations—so

you won't miss a thing. This is, after all, the rental-purchase event of the year, and you'll want to be a part of every minute of it.

SAY NAWLINS!

First, a word about the convention city. New Orleans is a delightful amalgam of the several cultures that have shaped it—the French,

Spanish, African-American, American Indian, Caribbean. These influences have colored the language, the architecture, the customs, the music, and the cuisine, and the result is a truly unique city of international distinction. French explorer



By BARBARA STOOKSBERRY

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fied those ideas that best serve their customers and, over time, will make everyone more money.

This is The Action Symposium, the third of its kind bringing together a cross section of company employees—the vast majority of them from the store level, where RTO companies are made or broken. The symposium's purpose is to elicit employees' ideas for improvement and make them happen.

The first day of the March 12-13 symposium focused on customers; the second on employees.

Says Sutherland: "Employees tend to look at this from the standpoint of how can things become better for them. We have developed better communications media to let them know how."

Action employees understand that rent-to-own, first and foremost, is a service business. "In order for the company to win, the customer has to win," says Ralph Roath, manager of Action store No. 2 in Greenville, Texas, and facilitator of team No. 2 during the '96 symposium.

Walking the talk is important at Action. It's not enough to merely provide a platform for collecting employees' ideas. Their ideas must be acted upon. Sutherland reports that in the first year of the symposium Action identified 22 employee suggestions and implemented all but one within the first five months. The second year, the company implemented all 19 suggestions. During this

Operations guru Dan Matthews, left, leads a discussion. Team No. 3, above, includes facilitator Joel Ramirez, right, and, from counterclockwise, Gary Watson, Chris Barnes and Tracy Carmona. Not pictured: Wes Teal.

third year, 1996, Action's employees have identified 17 and, so far, corporate has implemented 12 of those within two months of the mid-March symposium.

It's kind of like an interactive suggestion box, only this program is designed to ensure employee participation and encourage critical thinking.

The main difference between this meeting and a suggestion box, says Sutherland, is

Rita Baker and Heath Yentes have some fun during team No. 2's brainstorming session focusing on customer service.



"you'll get a lot of input all at once, so you're able to make changes more quickly. With a suggestion box—we've tried that—you just don't get a lot of input. But when you get employees together in a setting like this you'll get input. Believe me."

Sutherland, Matthews and Ken Glasgow, Action's corporate trainer, help define the goals of the symposium, provide a positive framework for the discussions and, afterwards, work to implement employees' ideas into company practice as quickly as possible.

Each group has a facilitator. Sutherland typically meets with facilitators over dinner the night before a symposium, and begins to talk about goals and expectations. "I tell them that this is not a time for us to come together and beat on the industry or beat on each other," says Sutherland. "That won't produce anything positive. What we want to do is talk about our weaknesses, explore ideas and propose better ideas."

He also sends out questionnaires a couple of weeks ahead of time to each hand-picked participant. The participants, in turn, are asked to have three of their coworkers fill out the same two-page questionnaire. Sutherland collects the responses beforehand.

"It asks all kinds of questions—about their employment, their job; what they like and don't like. Things like that."

The most difficult thing about running

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Continued from page 36

this type of interactive program, Sutherland finds, is choosing the right combination of people. This year, the group is comprised of "one department manager from the corporate office—and all the rest from operations. We also have two MIT (managers in training) recruits, and then we've got one regional manager, two store managers, one assistant manager, two rental clerks and four account managers."

Sutherland says there's always the danger of having a dominant complainer in the group or, perhaps worse, too many wallflowers. "But if you get enough of the right people in there, they tend to motivate the others to either cool it or step it up."

Once the symposium begins, employees are free to speak their minds, although there's a framework in place to keep things productive.

"We don't have any sacred cows," says Sutherland. "And that's kind of the way we've conducted it from the start."

The agenda includes group discussions, exercises and team presentations. Explains Sutherland: "This afternoon they'll give team

presentations—'this is what our team talked about; this is what we identified; these are the suggestions we have on how the company can better do what we do.'"

Group activities are interspersed with open discussions—and more tunes from Sutherland's diverse CD collection.

On the first day, Matthews drives home the impact of every employee's actions on Action

gives employees incentives to watch costs more closely.

Sutherland reports tremendous competition among RTO companies for employees these days, especially in the Dallas area. With unemployment in Texas well below 5 percent, there are fewer people in Action's home territory to choose from than just two years ago. "In metro areas in particular, the competition

But those changes, identified by workers in the field, can significantly add to the bottom line. The keys are listening and implementing in consistent, measurable ways.

and, ultimately, their own compensation levels. He illustrates just how thin profit margins really are, even for the best-run stores in a healthy, 100-store Action company. Matthews makes his point with a revealing exercise on revenues, expenses and profit. He goes around the room and asks employees what their individual stores did in the previous month. Many are close on revenues, but few accurately hit the profit margin. Most overestimate that. Everyone recognizes the value of bringing in new revenue, but this eye-opener

for employees has really heated up," he says.

Action has decentralized its hiring procedures—shifting responsibility while also providing incentives to its employees and managers to recruit new personnel.

Sutherland firmly believes that two-way communication programs like Action's annual symposia will not only contribute to happy workers, but also help RTO companies gain a competitive advantage in their markets—and improve the industry in the process.

"I had to fight like crazy to get to do it the first time," Sutherland remembers. "It had never been done before."

But those changes, identified by workers in the field, can significantly add to the bottom line. The keys are listening and implementing in consistent, measurable ways.

"We've made some changes—not major ones, because our business is real simple; it isn't complicated at all," says Sutherland. "But it might just be a tiny little adjustment that makes a huge difference when you stretch it out over six months or a year or three years.

"It takes a while for change to pay off. But I think the companies that are going to survive into the next century are going to be the ones that learn how to do that.

"If every owner would have a meeting like this and just get some of their employees together and listen to them, how would it change the industry? How would it make it better? The real aim is to motivate other dealers to say, 'Hey, we can do that.'"

As is his way, Sutherland still has music playing in the background. Instead of Salsa, this time it's a '60s tune by The Kinks: "So tired, tired of waiting, tired of waiting for you ..."

John Gormley is APRO's communications director.

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Continued from page 26

the store manager. My son doesn't fully understand my decision process, nor does he readily accept it.

Without going into too much detail, my son, of course, disagreed with his dismissal. His first reaction was thinking that I cared more for my company than for my family; as owner, I could have protected his job, if only I had wanted to.

As I explained to him, I was more than willing to arrange a meeting to include him, myself, the store manager and the district manager. In this meeting we could review the situation to see if a solution could be reached. After careful consideration, he decided against this meeting.

I am very proud of Josh. I know that being the owner's son comes with its own set of pressures and expectations in the workplace—from both himself and other employees. I am also proud of my management team. Some have commented that it took "guts" to bring this matter to me, but I really hope it was more because of a comfort level in the management decision-making process in this company.

I have been criticized more than once for handling issues in a clinical manner. But, as I said before, it is important to sanity and success to have a structure. When I first opened this business, I was criticized for requiring written agreements between the company and investors, who, of all things, were related. I only wish now that the agreement would have been more extensive. Whether written for a salary program, investment agreement, or a policy and procedure manual, these agreements are positive tools that help eliminate misunderstandings. No matter how simple and frivolous they may seem, agreements that spell out policy provide a solid, consistent foundation upon which you can operate your business.

As in the unfortunate situation with my son, following the procedures proved to be very important in maintaining corporate integrity, and just as important, his self respect in this matter.

I believe that maintaining a set standard of procedures that apply to all employees will reduce, if not eliminate, the undercurrent of doubt and an appearance of instability. You cannot run a successful business when employees are wondering: "Where do I stand

with this company?" "Do I have the company's support?" "Are all of us employees treated equally?"

All decisions should be evaluated based on their long-term effects. Your integrity as a company depends on it.

In my case, no matter how much I wanted to play God and just fix things between my son and my managers, I realized that the decision to terminate my son's employment was a tough, painful business decision that had to be made. If you consider the esteem of the individuals involved and the credibility of your company in your decisions, being persistent and consistent in practices and procedures will determine the true value of your business ethics.

Gary A. Romine is owner of Show-Me Rent-To-Own, based in Farmington, Mo. He is also a member of the APRO Board of Directors and serves on the association's ethics committee.

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Continued from page 20

mindset many people have about rental furniture needs to change, says Kelleher. He believes RTO stores should offer the same quality that retail stores offer to customers.

Trade Wind Designs keeps a large inventory in its 32,000-square-foot warehouse, and is able to ship orders as low as \$1,000 to stores. Eberle says that when stores order the higher-end of Trade Wind Designs products, the rental success rate is great.

"Let the customer vote," is Eberle's advice to rental-purchase store owners in deciding on quality vs. price, encouraging a wider selection to customers.

"Owners are always surprised at the success they have with higher-end merchandise," says Eberle, who has been in the business for 21 years.

"Stores are telling us they want quality," says Barry Brochaska, national sales manager for Stoneville Furniture, in Stoneville, N.C. Stoneville specializes in casual dining sets, produced primarily of metal with some wood accents.

Because Stoneville is a domestic manufacturer, the company can react quickly to changes and to the needs of the customer.

Communication between stores and the factory can be speedy.

Even though quality matters more than ever, price still matters most for many rent-to-own customers.

"Plenty of people are just looking for price," says Ed Pepperman of Higdon Furniture in Quincy, Fla. Pepperman says business is good, adding that he has seen a greater demand for the bedroom suites Higdon offers.

"More and more rent-to-own stores have started renting furniture, where they used to just rent appliances," Pepperman says.

In an effort to stay competitive, about 30 percent of Higdon's line of bedroom furniture, chest of drawers, entertainment centers, coffee tables and end tables changes every year.

POWER IN NUMBERS

Add-on products for the rental-purchase industry are important, says John Blair, executive director of The Rental Industry Buying Group, also known as TRIB Group.

Some trendy items Blair notices are screen/room dividers, accent pieces/wall art (see sidebar at right), and contemporary accessories/accent vases.

"I'm always looking for add-on products for

our members," says Blair of TRIB Group, an organization which uses its strength in numbers to negotiate volume buys on products, including furniture, for its members in the RTO industry.

More vendors are looking at rent-to-own to increase their bottom lines. Many manufacturers recognize rent-to-own more this year than ever before.

"With add-ons, when customers come into the showrooms, there is something besides the regular dinette or table," Blair says.

For example, one item Blair sees as a successful add-on is the screen/room divider. Besides the traditional oriental look, a new range of styles have hit the market.

"It is more of a contemporary look instead of the regular Japanese design and the floral look," says Blair.

More vendors are looking at rent-to-own to increase their bottom lines, Blair reports. Many manufacturers recognize rent-to-own more this year than ever before, and the TRIB name is more recognizable, probably because

of the group's amazing growth over the past few years. TRIB Group now represents more than 1,400 stores.

The rental-purchase furniture market grows as fast as customer demands dictate. And the customer is demanding more every year.

Jennifer Hensley is a freelance writer based in Austin, Texas. She is owner of JH & Associates, a communications firm.

Furniture add-ons help dealers boost revenues

In 1991, Manifestations was delivering between 50 and 100 Magic Effects framed pictures a month to rental-purchase stores. This year, approximately 1,000 pieces a month are shipped to RTO stores, says J.R. Phillips, director of sales for Manifestations International, based in San Diego.

Manifestations specializes in framed pictures, art prints, limited editions and clocks. Magic Effects artwork is created on metal, producing varied depth that convey an iridescent effect, the illusion of movement and the "magic of change," says Phillips.

The designs range from marine-life art by Christian Riese Lassen, to traditional English Tudor cottages by Carl Valente, to contemporary art by Klimt.

Says Valerie Hofstetter, director of design and marketing: "Manifestations products didn't just hang around the store, but were added to the rental contract. Artwork began to be seen as more than just an accent, it was helping to rent the furniture. "Word of mouth is a key to the success of this industry and has been key in our continued growth and expansion in this industry," Hofstetter adds. "We are

constantly receiving calls from new stores that haven't seen our product but heard about us from another source."

Manifestations brings a unique product to the rental-purchase industry.

"I'm always looking for something to add on for the members," says John Blair, executive director of The Rental Industry Buying Group. "It might not be a big-ticket item, but it would be something to help."

Blair says add-on products for rent-to-own furniture groupings are important, such as accent pieces and wall art.

"Rent-to-own customers are looking for something different and exciting. We fill that need," Phillips says.

Currently, the average size of the framed artwork is 30-by-36 inches. Phillips reports that Manifestations will begin producing artwork 48-by-48 inches large, because store owners are asking for bigger pieces.

For more information, call 1-800-222-3645, or visit Manifestations during the 1996 APRO convention—Booth Nos. 518-520.

—Jennifer Hensley

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(615)585-1679
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Y Bruce White Galleries
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Clawson MI 48017-1020
(810)435-5020
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Y* Bushline
Rt. 2, Box 2926 Miller Rd.
Bean Station, TN 37708-9503
(423)993-3238
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Y Casual Lane
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(601)841-0760
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Y* Classics Brass Collection, Inc.
6180 S. St. Andrews Place
Los Angeles, CA 90047
(213)750-0122
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Y Concordia Furniture Ltd.
11001 Secant
Anjou, Quebec H1J-1S6 Canada
(514)355-5100
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*** Culp, Inc.**
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High Point, NC 27261
(910)889-5161
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Louisville, KY 40206
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Silk plants

Y+ Douglas Furniture of CA, Inc.
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Redondo Beach, CA 90278
(310)643-7200
Furniture

Y Fairmont Designs
3131 E. Maria St.
Compton, CA 90221-5805
(310)604-9974

Y Florence Arts Inc. dba Laurel Arts
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Erlanger, KY 41018
(606)342-0062
Art

Y* Fraenkel Co.
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(800)847-2580
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Y+ Frisco Furniture Co.
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(910)885-5310
Furniture

Y* Gaines Manufacturing Co.
5470 S. Angela Rd.
Memphis, TN 38120-2208
(901)763-0004
Furniture mfg.

*** Goldberg Company Inc./Laurel Grove**
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(804)228-5732
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*** Good Companies**
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Y+ Pilliod Furniture, Inc.
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Y Progressive Furniture, Inc.
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(704)459-2151
Furniture

Y Pulaski Furniture Corp.
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(703)980-7330
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Y Quality Dinettes
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FAX (800)223-4041
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The rental-purchase industry represents a growing market for furniture manufacturers, distributors and suppliers of all types. All companies listed here are either APRO Associate Members (*), advertisers (+) in APRO publications or APRO convention exhibitors (Y).

Used Bedding

Imagine for a moment the return of a rented bedroom suite after six months of obviously heavy use. The drawers in the bureau are broken or missing, and the headboard has enough nicks and gouges to make it appear to have been the target of some insomniac's knife-throwing practice.

Then, there's the mattress. It is heavily stained on both sides. Did the customer even own sheets or ever use them, much less a mattress cover? And it smells—bad. Really bad. There are tears or rips in the mattress fabric, and every now and then little black critters can be seen scurrying in and out of the holes.

This is a creepy picture to imagine and, as some dealers know, far worse in reality. But it is a part of the business, and because it is a part of the business, rental dealers need to be aware that in most states there are statutes and health department regulations pertaining to what must be done to that mattress before it can be legally re-rented. These are not rental-purchase statutes. They are health statutes, although the Washington state rental-purchase statute speaks directly to the issue of renting used bedding in that state.

These laws go far beyond the famous old laws about mattress tags, which cannot be

removed "under penalty of law." And running afoul of the mattress rental laws can be serious business. Recently, a rental company in Massachusetts agreed to pay a fine of \$75,000 for failing to comply with health department regulations relating to the commercial use of used bedding.

The issue is one of health, and often the coverage of these regulations extends beyond mattresses and box springs. The Texas statute defines bedding as:

"A mattress, mattress pad, mattress protector, box spring, sofa bed, studio couch, chair bed, convertible bed, convertible lounge, pillow, bolster, quilt, quilted spread, comforter, cot pad, sleeping bag, lounge chair pad, utility or all-purpose pad, convertible stroller pad, bassinet pad, bed rest and lounge-type cushion, or a stuffed or filled article that can be used by a human for sleeping or reclining."

Some state definitions are sufficiently broad to pull in removable sofa cushions, futons, and a few refer specifically to all upholstered goods that dealers typically rent and re-rent.

Many of the statutes relating to used bedding were written a long time ago, when goods were less disposable and used mattresses and other used items were more likely to circulate in the economy.



BY ED WINN III

Continued on next page

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Today, other than in Goodwill stores, an occasional second-hand dealer, and rental-purchase dealers, used bedding is not likely to turn up commercially.

The intent of these early statutes was to require the second-hand dealer actually to sterilize all used bedding before reselling it, either by using an autoclave or another pressurized process using formaldehyde. An autoclave, incidentally, is what doctors and dentists use to sterilize their instruments. It would take a giant-sized autoclave to sterilize a mattress, and it is simply not practical to sterilize a mattress anymore, although some hospitals may still be able to do it. Nonetheless, that is the law in several states—used bedding must be sterilized before it can be re-sold or re-rented.

Other state statutes provide that bedding must be sterilized or, alternatively, must be treated in some other fashion approved by the state's department of health. Advances in chemistry over the years have allowed these health departments to adopt rules permitting sanitization through the use of chemical agents instead of sterilization. These regulations permit the treatment of used bedding

with approved chemical sprays which contain cleaning agents, fungicides and insecticides. Often, these regulations require those doing the sanitizing to obtain permits from the department of health and follow detailed procedures which may include keeping the used bedding carefully segregated from all other items in the store.

There may also be procedures relating to the chemicals used, length of treatment, proper ventilation of the premises used for sanitizing, record keeping, and tagging requirements to show customers that the bedding is used and has been sanitized.

A few state statutes have been modernized specifically to allow for sanitization of used bedding instead of sterilization. However, rental dealers in states with statutes requiring sterilization are at some risk if they merely sanitize their used bedding. They are not at huge risk if they do nothing.

Some dealers are apparently under the impression that removable plastic zippered mattress bags solve the problem. They do not. These plastic mattress covers came along after the sterilization statutes were enacted, and there are no exceptions for mattresses covered in plastic. The mattresses and their

removable covers still must be sanitized and, in theory, sterilized in sterilization states.

So, what is a conscientious rental dealer to do? The first step is to find out what the law is in each state where he is doing business. A call to the state health department will usually do the trick. It is not unreasonable to ask for a copy of the statute and any regulations pertaining to the commercial use of used bedding. Armed with this information, dealers can decide for themselves whether sanitization only is permitted or required and whether they want to get into the sanitization business or investigate the availability of third-party suppliers of the service.

For some dealers in some states, however, the whole issue of used bedding is simply too much trouble for too few dollars. They already have to deal with vermin in too many of their rental returns, and the notion of mattresses harboring "loathsome insects and pathogenic bacteria," to quote the Texas statute, is simply too much. The solution for these dealers has been either not to offer bedding at all, or to sell bedding to rental customers instead of renting it.

Texas, for example, allows sanitization with chemical agents and sanitizing companies must get a germicidal treatment permit from the department of health. A number of Texas rental dealers have gotten their own permits and apply the germicidal treatments themselves in accordance with regulations issued by the department of health.

A good case can be made to customers that a mattress is worth buying because it moves relatively easily, can be transferred to other frames and, finally, can be used on the floor if need be. In either case, the dealers do not have to confront the issue of used bedding.

However, if rental dealers choose to deal with the issue of used bedding, they must be aware of the health issues involved. A company failing to heed these sanitation laws is subject to a large fine from the state as well as significant tort liability from a rental customer who can prove he and his family contracted lice, bedbugs or some communicable disease from used bedding that the company negligently failed to treat properly.

A call to the state health department should provide answers to any specific questions dealers may have about how to rent used bedding legally and hygienically in their state.

Ed Winn is APRO's legal counsel and veteran writer on industry issues. Brad Dennison, an attorney at Rent-A-Center, provided research.

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Turnover or Tenure? Your Choice

BY BILL SLEEP

Brett Stephens was a valued employee. He started with GoodRentCo in 1991, rapidly learning sales, collections and the administrative functions of your operation. He was hardworking, bright, coachable and everything you look for during the interview process. In two years he earned a promotion to store manager of your Bigtown, Ga., store. He created a great rapport with his customers and employees, BOR grew, profits reached an all-time high and his operation prospered. Brett was the heart and soul of GoodRentCo in Bigtown.

Brett resigned Friday.

"I'm unhappy here," Brett said. "I'm leaving in two weeks for OtherRentCo. The pay and the benefits are comparable. My friends say OtherRentCo is a great place to work. My decision is final."

You are shocked! Brett was one of your top three managers. Bigtown was a problem market for several years and Brett made it a top performer. He was happy—at least, we

thought he was happy. Now he's gone. He's the third manager to leave this month and we've lost eight so far this year. That's half of our management team. How will we make a 12-store acquisition with low tenure and an inexperienced team?



Turnover and tenure are two of the most strategic measurements of the health of your business. They are an often neglected measurement because they don't give you the immediate "pain" of a weak profit month or a

big loss in BOR. Low turnover or long tenure must be the cornerstones of your company and its regional and store teams.

Bluntly stated, if you have high turnover, you have unhappy employees. And, with unhappy employees, come unhappy customers, for whom OtherRentCo waits ... just down the street.

The old school of thought was: "This is a retail business and retailers generally have high turnover. We are accustomed to losing employees and we rectify that by spending lots of time recruiting." In today's competitive environment, that philosophy is as sound as Attila the Hun's management style.

In 1987, Remco realized turnover was at a disturbing 180 percent after experiencing a series of internal problems. Like any rent-to-own company, Remco felt the negative effects of this turnover. Here are a few of the problems that result from a high turnover in any RTO operation.

Continued on next page

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EFFECTS OF HIGH TURNOVER

It takes an experienced team to successfully expand or acquire stores. If your average tenure is less than two years for store managers and less than four years for middle management, you probably aren't ready to expand.

Employees, even the tenured ones, will not perform to their capacity when the company has excessive turnover. Rapid turnover causes the remaining employees to carry an additional load. That load can, in turn, create more turnover.

You will experience more accidents and higher insurance cost. One survey showed that 89 percent of all vehicle accidents involved employees with less than one year of tenure.

Also, the cost of vehicle accidents is substantial when you estimate \$7,000 is the average cost for bodily injuries and \$3,000 the average cost for property damage.

A higher incidence of service calls and more expense results from poor product installation and instruction. One service call costs approximately \$60 to \$90 and inexperienced teams will generate many unnecessary service complaints.

You will experience a higher charge-off and idle inventory loss rate, since past-due problems and lost revenue result from inexperience in your collections team. Lost revenues alone can cost you 3 percent to 10 percent of your monthly gross revenues.

Training programs are ineffective when you spend time and money developing people for another company's benefit.

High turnover creates communications issues with our customers. They don't trust the company when they can't talk to the former employee who rented them the product or made the delivery. Your company and our industry can't afford to alienate customers.

Non-tenured employees haven't built the relationships and acquired the day-to-day, front-line knowledge necessary to create referrals and second-unit rentals. When a new employee is struggling to install a stereo, it's tough to pitch referral business.

Your company must be known as a place to find a career opportunity, not as a temporary employment center. Quality applicants will not respond to your employment advertising if you have a reputation for high turnover.

Conflict thrives in an environment where

employees are regularly terminated or resigning. If your turnover is excessive, you will find your staff dealing with the Wage and Hour Bureau and the EEOC. Unemployment insurance rates will increase and you may face

Why are people leaving GoodRentCo? Your management team should be aware of the major reasons they suspect are causing excessive turnover.

What praise or criticism would your employ-

What praise or criticism would your employees have about the company if asked in confidence? Design and conduct a confidential survey to determine the issues. You may need to consult a third party to get candid and valuable results.

more workmen's compensation claims.

Recruiting replacements is expensive when you calculate the cost of losing a single employee. Add the actual expenses for recruiting, and calculate the cost of lost revenue opportunities missed by new employees lacking full product and program knowledge. Experience shows the replacement cost of a store manager to be anywhere between \$12,000 to \$65,000. That's a blow, even at the low end.

The project team at Remco was designed to reduce turnover by creating a desirable place to work, and did just that. Two years after the project started, the combined turnover rate of all store employees was 49 percent and store management turnover was reduced to 20 percent.

Changing the environment at Remco to reduce turnover required tough and costly decisions. A series of often turbulent meetings, diversion of financial resources to the project and widespread internal changes were necessary to change the trend from turnover to tenure. The effort required a passionate commitment, from the CEO to each store manager. Remco was rewarded with measurable benefits, such as BOR growth and profit improvements. Just as significantly, an environment was developed that co-workers enjoyed. People were developing, learning and increasing their earnings. Seeing the impact a "well" company makes on the lives of employees certainly made the project worthwhile.

Here are some of the questions and suggestions your management team must contemplate if you have turnover issues to resolve:

REDUCING TURNOVER

What is the turnover percentage at GoodRentCo? Do you currently have an accurate measurement system? If not, develop a report which gives you monthly information for each employee position.

ees have about the company if asked in confidence? Design and conduct a confidential survey to determine the issues. You may need to consult a third party to get candid and valuable results.

After receiving the results of this survey, call a meeting of your project team. Their input from meeting with your employees, the survey and further discussion will allow them to determine the five most important factors required to build a productive work environment for your company.

What is your desired turnover percentage? Develop high standards that result in quarterly and annual improvements.

Announce the project to your employees: "We have annual turnover of 155 percent. We are going to implement programs that will reduce this percentage to 120 percent by the end of the year and to 60 percent within two years. Experienced employees mean satisfied customers and satisfied customers mean opportunity for all of us."

There are many other things you can say, but your team must know that you are personally committed to increasing tenure.

Does your company have a drug-testing program? Studies have proven that higher turnover results when employees are not drug free. More than 50 percent of American companies now employ drug testing. Without testing, your "welcome mat" is theoretically out to drug users and the problems they bring with them.

Have you established job descriptions, standards and values? Your people must be clear about your expectations. They must know what great performance is and which violations of your company's standards or values will result in their termination. An orientation should communicate this in the first days of their employment.

Do you have a quality training program that fits your company's needs? Exit interviews show the major complaint of ex-employees to be, "I was not adequately trained, as promised. It was strictly learn as you go."

Training should be specific for each function that occurs in your stores. Utilize skilled trainers who have "been there and done that." Implement testing to validate the knowledge of your employees and keep a training index to measure each store's percentage of trained employees. Interviewing skills should be part of your management training.

Do you take advantage of a personality profile which evaluates the potential and "fit" of your applicants? Pre-employment evaluations like Computer Diversified Service's profile can reduce hiring errors. These profiles can be customized to match the characteristics of your most successful managers, as well as provide training and development suggestions.

Examine your termination policy. Develop a standard that requires both written and verbal counseling prior to termination. Often, managers are unskilled at coaching employees to improve performance. They, together with their supervisor, should review potential terminations and work to establish methods of improving a marginal employee.

How do your managers perceive a termination? If they see a termination as a failure of their recruiting and leadership ability, they'll work much harder to improve the employee's performance. Great managers take a stand for their people, and they take it personally if a good employee resigns or has to be terminated.

How does your compensation plan compare to rental stores and retail in general? Are your employees being fairly compensated? The APRO compensation survey provides a benchmark. If you cannot afford pay increases, develop incentive programs that reward when key results improve.

Show respect and confidentiality toward terminated employees. If you and your management team speak negatively of former employees, current employees will notice. Again, helping your managers to understand termination as being, possibly, their failure and not the failure of the employee, increases tenure.

Use exit interviews to determine the reasons employees leave your company. Communicate the results to your project team and managers.

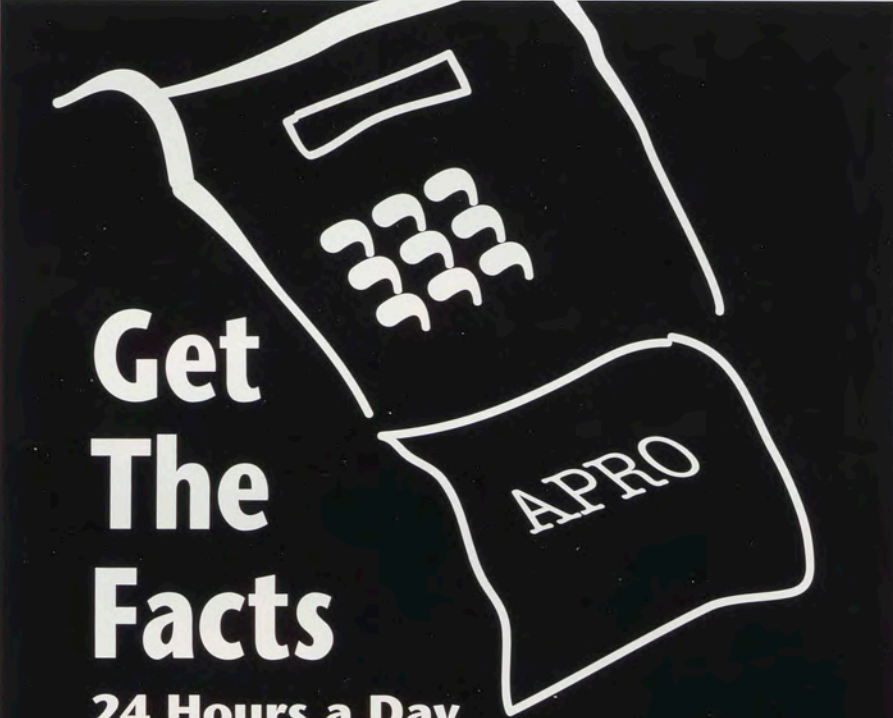
Does your company maintain a relaxed atmosphere or is the fear factor keeping your employees from being happy and productive? Do you offer activities and outings at company expense to build relationships between management and the store teams?

JUDGMENT DAY

When the roll is called to evaluate the success of your business, stockholder return and financial success will obviously be a critical measurement. However, your success and legacy will be incomplete unless employees

can honestly say, "GoodRentCo is a great place to work. I know I'm a better person since joining this team because I've learned, developed and contributed toward its growth as a successful company."

Bill Sleep is a consultant to the rental-purchase industry. He held many management positions at Remco over the past 22 years, including vice president of operations, VP of franchising, and VP of development and support services. You may contact Sleep at Creative Business Solutions, (713)578-8020.



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Quality RTO Reading

Network News brings you information on legislative and legal developments impacting the rental-purchase industry. The News' sister publication, *Progressive Rentals*, is a full-color magazine offering more in-depth articles on industry issues and profiles on the entrepreneurs—both past and present—who help make the RTO business interesting.

APRO members receive *Progressive Rentals* automatically as a benefit of their membership. If you are interested in joining the national trade association for the rental-purchase industry, and want to reap the full benefits of membership, call the APRO offices at (512)794-0095. If you only want to receive *Progressive Rentals*, simply fill out, photocopy and return the subscription form to APRO at:

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Continued from page 34

Rene Robert Cavalier, Sieur de la Salle, and his companions were the first Europeans to sail down the Mississippi to its delta, boldly claiming (as was the custom of the day) "all the land drained by the Mississippi" for France. The French Quarter, site of the original colony, was founded in 1718 by the French on a sliver of high ground situated in the great bend of the river, between it and Lake Pontchartrain. (A former French crown colony, Louisiana is the only state in the

es, directions are given in terms of the Mississippi. Down river is downtown, upriver is uptown. Toward Lake Pontchartrain is lakeside, and toward the Mississippi is riverside.

Your 1996 convention headquarters hotel, the New Orleans Hilton Riverside, is located on the banks of the Mississippi and is, ta-da, riverside. It adjoins the Riverwalk Marketplace Mall and Ernest N. Morial Convention Center, where much of this year's convention activity will take place. The Hilton is within comfortable walking distance of the Mall, convention center, the fabulous

During the convention, shuttle buses will run back and forth between the hotel and the convention center, for your greater creature comfort, it being August and all.

United States that still bases its civil law on Roman rather than Anglo-Saxon law.)

Over the next two decades, the city was shaped by both the French and the Spanish, each of whom ruled it at various times, and by the Americans who came down the Mississippi after the Louisiana Purchase in 1803. Although much of the city was destroyed by fire in 1788 and 1794, its strategic location made it worth rebuilding.

The early inhabitants were uneasy neighbors. The citified Creoles and the rural Cajuns, both of French descent, regarded the Americans with suspicion and disdain, and the city's Canal Street marked the boundary between warring factions. Relatively isolated from outside influences, the city grew neighborhood by neighborhood as sugar plantations were sold and subdivided, establishing a growth pattern that differs from the usual trend of growing outward from a central core.

Today, New Orleans retains much of its early architecture and Old World charm. If you want to check out some of the city's attractions for yourself, you can get tourist information from the New Orleans Metropolitan Convention and Visitors Bureau at 1520 Sugar Bowl Dr., New Orleans, La., 70112; (504)566-5019; e-mail address: pubaff@nawlins.com. For the really up-to-date approach, you can find the tourist bureau on the Internet at <http://www.nawlins.com>.

NORTH IS NOT NORTH

One thing that will help you get around is the knowledge that north is not north and west is not west—at least not here. For most purposes,

Flamingo Casino, the Aquarium of the Americas and IMAX 3D theater, and the French Quarter.

During the convention, shuttle buses will run back and forth between the hotel and the convention center, for your greater creature comfort, it being August and all.

Convention registration starts Saturday, Aug. 10, at 2 p.m. at the convention center, but the official kickoff event, as usual, is the APRO/Joe Eason Golf Tournament at Oak Harbor Golf Club. Board buses at the Hilton Bus/Tour Entrance at 6:30 a.m., so you won't miss the shotgun start at 8 a.m.

Oak Harbor was nominated by Golf Digest as "America's Best New Course of 1992," and it has gotten better and better with each passing year. Inspired by Pete Dye, this course was sculpted from 6,896 yards of north shoreline and designed by Lee Schmitt to both awe and challenge you. The \$50 tournament entry fee includes cart, but you must register and pay in advance on the APRO registration form. Space is limited, so sign up now. (APRO members may donate their fees to the APRO Political Action Committee, by personal check made out to APRO PAC.)

Registering early is a best bet anyway, because if you call in your hotel reservations to the Hilton by June 3, you become eligible to win your room absolutely free. A drawing will determine the winner, whose name will be announced at the convention. APRO has reserved a block of rooms at a special convention rate of \$110 single/double, but that rate is guaranteed only through July 1. When calling

Continued from page 34

to reserve your room, be sure to mention that you are with APRO to get the special rate.

Now is also the time to book your travel with American Airlines for special savings. You or your travel agent may call Conventions in America at 1-800-929-4242 (refer to Group No. 680) or call American at 1-800-435-1790 and refer to Starfile No. 59086AB. By purchasing tickets through Conventions in America, you automatically receive \$100,000 in free flight insurance and become registered for a bimonthly drawing for two round-trip airline tickets. Your rental car can be had at discounted rates if booked through Alamo Rent A Car. Call Conventions in America at the number above or Alamo at 1-800-732-3232 (refer to Group No. 77274, Rate Code GR).

HOME SWEET HOME

Well, no sooner do you get there than APRO sends you back home. That's right. This year's welcome cocktail reception on Sunday evening is called "Livin' in America." It's a celebration of the diversity of America, and here's how it works: When you arrive, a "conductor" directs you to the section of the ballroom depicting your part of the country. Each area will be decorated with familiar landmarks, so you'll feel as if you never left. It's the perfect opportunity to make the acquaintance of your neighbors. Complimentary light hors d'oeuvres and open bar, sponsored by HTP International, will help make you glad you came.

APRO gets serious on Monday morning with its general session and business meeting at the convention center. Keynote speaker Frank Abagnale will inspire you with his story, "Turning Points: A New Beginning," a lesson in adapting to the changes and challenges presented by the rental industry and life in general. The author of *Catch Me If You Can*, Abagnale is an expert on the detection and



Café du Monde is a traditional stop in New Orleans' French Quarter.

prevention of white-collar crime. GE Appliances sponsors a complimentary continental breakfast to get you off to a good start.

After elections and general business, the assembly adjourns for the trade show ribbon-cutting at noon in the convention center exhibit hall. As in previous years, this year's trade show is free and scheduled to avoid conflict with other convention events. This is your best opportunity of the year to talk with vendors serving the rental-purchase industry, to see what's new, to make your ideas and views known, and to establish valuable business contracts that will serve you throughout the year. This year's trade show is open from noon until 5:30 on Monday and 9 a.m. until 1 p.m. on Tuesday and Wednesday.

SCHOOL DAZE

It wouldn't be a convention without some time spent in the classroom. This year's seminar schedule is better than ever, with seminars covering the 1996 industry survey, selecting good employees, networking, inter-

nal fraud protection, diversifying your rental business, building teams that work, and alternative dispute resolution. Other seminars will cover the basics of the stock market, developing a company newsletter, planning your corporate future, and simplifying employee training.

You'll get a 1996 legal, tax and accounting update from APRO General Counsel Ed Winn III and Wayne Chambers of Amigo Rentals, and APRO Public Affairs Director Richard May will introduce you to Gus, the barrel-chested pooch who symbolizes APRO's national public relations and industry image campaign. The convention will be the first opportunity for many dealers to meet Gus firsthand and to order the new rental-purchase video introducing the APRO Seal of Integrity, as well as to view supporting materials, such as point-of-rent posters and signs and refrigerator magnets.

The image enhancement campaign goes hand in hand with the industry's government relations efforts, which will be reviewed by APRO Government Affairs Director Ron Waters and Chris Korst of Rent-A-Center. With so many changes during the industry over the past year, you won't want to miss this important update.

WHERE'S THE PARTY?

Monday night brings Parti Gras, the Mardi Gras celebration without the crowds. (During the real thing, the five main truck parades feature more than 15,000 masked celebrants on the floats alone.) The APRO version takes off when the buses roll from the Hilton at

Continued on page 54

FLX Master Delivery Trucks... Designed and Built Specifically for the Rental Industry's Special Needs.

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APRO Associate Member since 1994

SPECIAL EXHIBITOR SECTION, APRO '96: ROLLIN' ON THE RIVER

IC SYSTEMS, INC.

Sure, you can run out and buy a line of rental computers for your store at a dozen different places in town. But, chances are, you'll find yourself holding boxes of wiring and switches a month or so later.

Before you throw down a chunk of cash for personal computers that may become obsolete next week, check out the customized line of personal computers offered by IC Systems, Inc., manufacturer of personal computer systems, based in Clearwater, Fla. An APRO Associate Member since 1994, the folks at IC Systems have studied the rental-purchase market and know what you need.

Stop by the IC Systems booths (Nos. 432 and 434) at the APRO trade show in August take a look at IC Systems' popular Multimedia Pentium Computers designed to meet the demands of the rental market. System features include larger hard drives, expandable motherboards (up to 128MB of RAM), quad-speed CD-ROM, internal fax/modems, 25-watt stereo speakers and Windows 95.

And the product is just half of the deal with IC Systems. Luis Lugo, vice president of sales and market development with IC Systems, says his company specializes in easy-to-upgrade computer systems, and diagnostic support is available six days a week with a toll-free telephone call.

If you'd like to discuss a deal with IC Systems before the trade show, call (813)799-4418. Easy financing terms are available to qualified dealers.

FRISCO MANUFACTURING Co.

Jeff Holmes, President and CEO of Frisco Manufacturing Company, wants APRO dealers to stop by his company's booths (Nos. 806, 808 and 810) at the New Orleans trade show to check out three lines of bedroom furniture Frisco will be featuring for the rental-purchase market.

Frisco will feature its rustic pine Winchester Country Collection, which includes a gallery hutch mirror, dresser, chest of drawers, a two-drawer night stand and a bed with footboard and mirror headboard.



Also on display will be the Pocono Manor Collection full bedroom suit. For the youngsters, check out the Scallop honey pine-finished bunk beds. The handsome bunk beds can also be easily converted to a pair of twin beds.

Frisco, based in Frisco City, Ala., joined APRO as an Associate Member this year. If you can't make it to the APRO trade show, give Frisco a call at (205)267-3111.

AG BEEPER ACCESSORIES

The popularity of the paging industry is phenomenal, and it's one of the hottest communications tools in use today. A survey conducted by Economic and Management Consultants International, Inc., predicts the total number of pager users will top the 35-million mark by 1998.

So many folks use pagers as a convenient way to stay in touch, that many are making fashion statements with their beepers. That's where AG Beeper Accessories comes into the picture. What better way to compliment this growing industry than by offering eye-catching, stylish and attractive accessories? A Beeper Accessories has carved out its niche in the marketplace by offering the latest in high-quality pager and cellular accessories at value prices.

When searching for products at the APRO trade show in New Orleans, stop by the AG Beeper Accessories booth (No. 637) and check out the exclusive, hand-painted Design Air™ line, which features airbrushed housings and clips. Also, check out the wide selection of leather cellular cases and roll out wallets that hold and protect pagers.

AG Beeper Accessories, under the guidance of general manager Peter Neufeld and president Hank Goradesky, has increased its unique product line to more than 2,000 items, and AG offers fashionable display centers, as well. If you can't wait until the APRO trade show, call AG Beeper Accessories at 1-800-583-2423. Ask about the 32-page, full-color catalog, and see what new and hot to help increase your BOR.



JERRY BOGO COMPANY

Jerry Bogo Company is one of the nation's top diamond importers and prime jewelry manufacturers. Based in a 20,000-square-foot home office in Chattanooga, Tenn., Jerry Bogo Company boasts of a service-oriented national sales force and a state-of-the-art manufacturing facility.

When you decide to stock your rental-purchase store with a jewelry line, you may want to consider the turn-key package Jerry Bogo Company offers. A one-stop shopping trip, the company offers show-cases, display materials, advertising materials, high-quality product and access to jewelry industry experts.

The Jerry Bogo Company diamond jewelry program offers prompt service, total factory support, in-store servicing by the national sales force,

training for your account representatives and proven marketing strategies. If you are concerned about extended-term availability, start-up costs issues, Jerry Bogo Company representatives can create a program to meet your specific needs.

Stop by The Jerry Bogo Company booth (NO. 435) at APRO'S August trade show, or call the home office at 1-800-251-7640.

PHILIP M. BELL COMPANY

If you're in the market for dining room furniture, pass by the Philip M. Bell Company booths (Nos. 427 and 526) at APRO's trade show and take a look at the handsome Belaire Collection. The dining room table with chairs comes in a warm oak or a light, bright wash finish.

The hardwood table features double-thick oak veneer, while the side chairs with upholstered seats are made extra comfortable by a slightly curved slatback design. If you can't wait until August to check out this line, call Philip M. Bell Company direct at 1-800-686-0102. Philip M. Bell Company has been an APRO Associate Member since 1985.

RES MARKETING

RES Marketing, Inc., is a National Distributor consisting of five distinct, yet integrated divisions: Rent To Own Accessories, RCA/GE O.E.M. Parts, Electronic Accessories, Audio/Video Communications and Appliance Accessories. Having such a solid and diverse product representation enables RES Marketing to offer a unique distribution service for the rental-purchase industry.

RES Marketing, based in Tampa, Fla., has been an APRO Associate Member since 1995. RES Marketing carries an extensive product line from antennas, connectors and cords to remotes, chemicals and shirts. With more than 250 SKU accessory items available to the rental-purchase industry, the folks at RES Marketing say they are the "one-stop-shop" for multiple vendors.

Visit the RES Marketing booth (No. 713) at the APRO trade show in New Orleans in August, or call 1-800-444-7304.

SPECIAL EXHIBITOR SECTION, APRO '96: ROLLIN' ON THE RIVER

LEA INDUSTRIES

Lea Industries, an APRO Associate Member since 1991, offers rental-purchase dealers some of the classiest and stylish designs available. When visiting the Lea Industries booths (Nos. 616 and 618) at APRO's show in New Orleans, you will not be disappointed by the Traditional Keepsakes and Family Legacy bedroom collections.

The Traditional Keepsakes line (Series 544), inspired by the heirloom oak furniture handed down from generation to generation, has a rich, harvest oak finish, highlighted by brass hardware with a pierced backplate. The poster bed features a broken pediment headboard with intricately turned posts and graceful, shaped molding.

Family Legacy conveys the style, grace and balance that was the trademark of the 18th century craftsman. A rich, deep cherry finish is highlighted by brass hardware, while flowing lines combine to create a timeless furniture design. Family Legacy offers both master bedroom and youth correlate design.

All pieces from these collections feature wood veneers tops with wood-grain finished edges and sides. All pieces are covered by Lea Industries' 3-year limited warranty.

If you can't wait until the August trade show, you may call Terri Davis at (910)888-6319 for more information.

NIKKO TECHNOLOGIES

NIKKO has revolutionized home theater in the rental-purchase industry with the NHT1000, NHT2000 and NHT3000 home theater systems. NIKKO Technologies, has been an APRO Associate Member since 1995.

The NHT1000 and NHT2000 both include five speakers and incorporate an Active Logic Surround Sound amplifier in a stylish TV/VCR cabinet. To cut down on hassles after delivery, the NIKKO home theater systems come pre-assembled in one box and are simple to install and operate.

The NHT3000 is very similar to the first two models, except it offers more power with a 75-watt Dolby® Pro Logic amplifier and six speakers.

In addition to its home theater line, NIKKO is introducing its Power Tower™ products (NPT100 and NPT200). These one-of-a-kind products allow users to hook up any audio source, and convert the source into a powerful, 30-watt, three-speaker sound system. The amplifier, speakers and subwoofer are housed in, or connected to, a black tower, which serves as an attractive and practical stand for the consumers' audio equipment.

Pass by the NIKKO Technologies booth (Nos. 133 and 135) at the APRO trade show in August, or call a customer service representative at (514)683-1771.

MANIFESTATIONS, INC.

As furniture has become the hottest product in the rental-purchase industry, furniture accessories have also become a booming business. The folks over at Manifestations, Inc., have developed artwork that doesn't just hang around the store. Manifestations artwork gets added to the rental contract.

When you stop by the Manifestations booth (Nos. 518-520) at APRO's trade show in New Orleans, ask to see the Magic Effects™ line of wall art. Magic Effects™ pictures appear to come to life and changes with the time of day. Designs range from marine life art by Christian Riese Lassen, to traditional English Tudor cottages by Carl Valente, to contemporary art by Klimt.

If you can't wait for the August trade show, call Manifestations toll-free at 1-800-222-3645 to learn about the company's full line of wall art and other products and services.

IMAGES FURNITURE

"You will be impressed."

So says Images Furniture's sales manager, Amin Ali, who will be showing his company's line of ready-to-assemble furniture at APRO's trade show this August (Booth Nos. 124 and 126). Images manufactures furniture such as audio/video stands, entertainment centers, coffee and end tables, and computer desks. The company is based in British Columbia, Canada.

"We manufacture and distribute our own products, which guarantees you

the finest quality, best prices and excellent service," Amin Ali says. "Also, purchasing Canadian-manufactured product in U.S. dollars gets you more for your money."

For more information about the entire Images Furniture line, call (604)576-8004.

SANYO FISHER

Sanyo Fisher (USA) Corporation, an APRO Associate Member since 1987, will once again be showing a wide range of its cutting-edge home electronics products at the upcoming APRO trade show (Booth Nos. 118-120).

When you stop by the Sanyo Fisher booth, check out the ASR-M50 home-theater quality surround sound audio shelf system. The ASR-M50 has a Dolby® Pro Logic® Processor/Amplifier with surround sound speakers.

Also, take a look at the different mini shelf home stereo systems (DCS-M300, DCS-M400 and DCS-M480), which all include the most up-to-date stereo features. For the highest of high-tech listening pleasure, there's the DCS-5160, which includes a 60-disc capacity CD player, a double cassette deck, powerful speakers and a remote control system.

Sanyo Fisher offers a tremendous line of audio/video receivers and large audio component systems. If you'd like to check out the Sanyo Fisher product line, call the Chatsworth, Calif.-based company at (818)998-7322. If you're surfing in the Internet, stop by the Sanyo Fisher (USA) Corporation home page: <http://www.audvidfisher.com>.

WHIRLPOOL CORPORATION

Sure, Whirlpool Corporation has always been about quality, innovation, durability and good prices. But don't think they are just sitting on

their well-earned reputation up in Benton Harbor, Mich. They're always working on something new.

An APRO Associate Member for 15 years, Whirlpool will be showing off its 1996 Laundry E-Line at APRO's upcoming trade show (Booth No. 405). Account Executive Tom Kitchens reports that Whirlpool has managed to increase capacities and improve the styling and performance of its always-impressive products.

Look for the new Cycle Logic™ Laundry System, featuring the LSR5233E washer and the LER5848E dryer. Color coded controls make washing and drying clothes easy. Even the kids can sort colors and fabrics and pick water levels and temperatures.

Whirlpool also manufactures The Water Saver™ Washer (LSS9244E), which gives the traditional, deep rinse with the Standard Rise Option, but also uses 40 percent less water when switched to the Spray Rinse Option.

Don't forget to look at the Quiet Wash Washer™ (LSL9355E), which is 20 percent quieter than other Whirlpool Brand washers, and the Easy Clean 100™ Lint Collection System, which is featured on two dryer models (LEL7646 and LEL8858E). Imaging drying 100 loads before cleaning out the lint basket.

For more background on the new laundry developments at Whirlpool Corporation, or an update on the many other Whirlpool Brand appliances, call Tom Kitchens at (616)923-2417.

SOUTHERN RINGS

Why will the Southern Rings representatives be smiling wide at the APRO trade show in August? One reason is that it's only a 10-to-15-minute drive from their Metairie, La., home office to the Ernest N. Morial Convention Center. But the main reason will be that they have a bold plan to introduce their jewelry program to rental-purchase dealers. "Keep It Simply Simple," is the 1996 theme for the Southern Rings jewelry program specially designed for the rental-purchase industry. This innovative program includes training designed and conducted by the



SPECIAL EXHIBITOR SECTION, APRO '96: ROLLIN' ON THE RIVER

experts at Southern Rings, simple or elaborate displays to meet your specific in-store needs, a consulting program to help steer your marketing and promotional efforts.

In addition to those regular services Southern Rings is proud of its Partnership 50/20 Gold Program and its Alternative to Gold Program. In the Partnership program, a rental dealer can buy 50 pieces of fine Southern Rings jewelry at special terms, then receive 40-percent more—which is 20 more pieces on consignment. This is a program that can pay for itself. In the Alternative to Gold Program, most items will be delivered to your store within 24 hours.

Southern Rings will occupy Booth Nos. 704 and 605 at the APRO show. If you need more information on starting up or improving a jewelry program, give Southern Rings a call at 1-800-826-8812. Callers in Louisiana should dial 1-800-325-1662. Southern Rings joined APRO as an associate member in 1991.

NATIONWIDE CLUB ADMINISTRATORS

Nationwide Club Administrators, Inc., can assist you in designing a customized private label "Customer Retention" Club Program.

With your own customized Club program, you can easily add, delete or modify benefits in response to your current corporate strategy and changing marketing conditions. Nationwide Club Administrators knows the unique nature of the rental-purchase industry, and has been an APRO Associate Member since 1984. Representatives will be at the APRO trade show in New Orleans.

A full spectrum of customized opportunities are available for your selection ad design. Nationwide's computer system has been set up to allow maximum flexibility. At your option, Nationwide can track members from the initial rental date until payout or termination of agreement. It's a virtually paperless management system.

The Club program requires no capital, inventory, overhead or employees; it's efficient and value driven. If you are interested in increasing your

gross revenue and generating new net profits, call Nationwide at 1-800-771-2582.

ACCESSORY RTO'S

No matter your company's size, Accessory RTO's has the services, products and expertise to help increase your rental dollars. Doug and Sara Weiskopf have a wide variety of unique packaging and specialized add-on products.

Accessory RTO's can help you to customize paintings to match your upholstery lineup, package your lighting, and customize your line of silk plants, florals and trees.

Stop by the Accessory RTO's booth (No. 727) at the APRO trade show in New Orleans and let the Doug and Sara describe their many programs.

FASHION CRAFT JEWELRY CORP.

Fashion Craft Jewelry Corp. is celebrating its 65th anniversary in the business of manufacturing fine jewelry. That means they are doing a lot of things right.

In 1988 Fashion Craft began servicing the rental-purchase industry, and a whole lot of rental dealers have been doing very well ever since. Rich Anderson, Fashion Craft vice president and member of the APRO Vendor Relations Committee, has a strong background in rental-purchase company management, so he knows what rental dealers are looking for and what they need to score healthy profits.

Not only does Fashion Craft spend tremendous resources researching and developing fine jewelry, but the company also continues to develop several programs to custom-fit any rental-purchase store. The past four years have seen many innovative developments, including season advertising kits from Fashion Craft's in-house marketing department, programs to assist dealers with inventory control, and security programs, such as serial-number tracking and recovery assistance.

Fashion Craft's 1996 efforts will feature rotating ring samples for dealers and intensive maintenance of in-store displays. New items for 1996 include 10- and 14-karat Italian gold chains and bracelets, watches, jewelry cases, interiors, case lighting and

accessories. Of course, Fashion Craft continues to offer its standard high quality services, as well, such as training programs on video and wide-open lines of communication. Fashion Craft will be in Booth No. 612 in New Orleans.

If you can't wait until APRO's August trade show to join the Fashion Craft team, call Rich Anderson at 1-800-877-7907. Fashion Craft will also be showing at state association meeting in Indiana, Missouri, Ohio, Texas, plus a few others.

FRAENKEL COMPANY

Fraenkel Company, established in 1959 in Baton Rouge, La., is an employee-owned Furniture manufacturing and distribution operation serving the needs of more than 2,000 retail and rental-purchase stores across the southeast. Fraenkel has been an APRO Associate Member since 1991.

From mattresses to upholstery, from casual dining to occasional tables, Fraenkel offers it all. Just as important, Fraenkel can deliver the high-quality goods at affordable price points. With a fleet of more than 40 semi-trailers (45-footers), Fraenkel can ship to anywhere in its service area, at least once a week. Fraenkel's distribution centers are in Baton Rouge and Olive Branch, Miss.

Fraenkel has a dedicated sales force of 19 men and women, and the company offers full advertising support. The gang at Fraenkel says "Service" is their middle name. Make them prove it by visiting their booth (No. 817) at the APRO trade show in August, or call a sales representative at (504)275-8111.

TOTAL PACKAGE MARKETING

Total Package Marketing, an 18-year-old New Jersey-based marketing and communications company, is entering the rental-purchase industry in a big way. When TPM joined APRO as an associate member earlier this year, they made a commitment to be a one-stop shopping opportunity for rental dealers looking for help in marketing, advertising and promotions, according to TPM vice president Julie Salazar.

Salazar, who was brought on-board by company president Ed Brandhorst, has 12 years' experience

in the rental-purchase industry. "The RTO industry really needs a one-stop shopping opportunity, a company that can bring all components together," says Salazar who will head-up the rental-purchase division. Advertising, design, printing, newspaper and most importantly, direct mail data-base management capability."

Total Package Marketing will custom-fit a program for companies of all sizes. Stop by the TPM booth (No. 537) in New Orleans, or call Salazar at 1-800-394-1TPM, extension 25.

SEARS CONTRACT SALES

Even in an era of diminishing household cleaning time, vacuuming chores are a continuing routine. Everyone vacuums. That's why the industry has shown consistent growth since 1991—with approximately 11 million vacuum units sold in 1995, and a projected 15 million in 1996.

If you're not renting vacuums, maybe you should be. Floor care is consistent; there are no seasonal fluctuations. Dollars per square-foot generated by vacuum cleaner sales and rentals are higher than televisions, major appliances and small electric appliances.

Al Zagorniak is the man to see at the Sears Contract Sales booth when you're shopping the APRO trade show in New Orleans. Zagorniak knows how the rental-purchase business operates, and he can show you how to increase your BOR with his floor care products. Zagorniak will be touting the new Kenmore Brand upright vacuum models, which feature the exclusive PowerPath™ System for hassle-free cleaning.

If you can't catch Zagorniak at the APRO trade show (Booth No. 100), but you still want to know how to transform four feet of floor space into money-making real estate, call him at 1-800-359-2000, Press 3, extension 2199.



THOMSON CONSUMER ELECTRONICS (RCA)

Thomson Consumer Electronics, an APRO Charter Associate Member, is changing entertainment. Again.

At APRO's New Orleans trade show, Thomson will introduce the new ColorTrak Plus™ Stereo Monitor-Receiver, which can actually skip commercials.

Additional features on this unit include: Optimum contrast screen; Master Touch®; 43-button universal remote; multi-language on-screen display; a five-jack audio/video monitor panel; an on-screen clock, including sleep and alarm timers; and channel labeling.

Stop by booth No. 305 and visit Thomson Consumer Electronics RCA/GE. Witness the cutting-edge developments that will be the future of entertainment in the rental-purchase industry.

GE APPLIANCES

An APRO Associate Member since 1992, GE Appliances committed tremendous resources—financial and personnel—to develop high-quality, durable merchandise for the rental-purchase industry. The mighty effort succeeded.

The \$70 million redesign program has produced superior washers and dryers that meet the tough demands of the rental-purchase industry. Features include: 3.2 Super Capacity Washer, which is largest in the rental industry; PermaTuffII™ interior basket; ArmorGuard protection; color lid instructions; 100-percent front serviceable; QuickSet installation and much more.

Visit booth No. 203 at APRO's August trade show and experience the future of laundry products by GE Appliances for the rental-purchase industry.

MAGNAVOX

Who said "...you can't please all the people all the time." Obviously no one who has seen the AV2767AI, a beautifully compact home entertainment center from Magnavox.

The AV2767AI, which will be shown at the APRO trade show in New Orleans (Booth No. 411), has a 27-inch color receiver/monitor with Smart Picture, Smart Sound, MTS/SAP Stereo Sound with dbx® noise reduction and trilingual on-screen menu display.

If that's not enough, then check out the remote control audio system, which features a five-disc carousel changer, dual stereo cassette decks, and a digital quartz AM/FM stereo tuner with 30 pre-sets.

Anyone who wants this fantastic system on a budget will want the AV2767AI, made by Magnavox.

HOWARD MILLER CLOCKS

Howard Miller is America's largest supplier of clocks and the fastest-growing curio resource to the rental-purchase industry. Howard Miller has been an APRO Associate Member since 1995.

As rental customers continue to demand more home accessories that offer significant values and up-to-date styling, Howard Miller is responding with updated styles and lower prices on high-quality clocks and curios.

While at the APRO trade show in New Orleans, stop by the Howard Miller booth (No. 534) to check out the grandfather clocks in the Kingston, Kenworth, Irvingham, Ingleton and Nottingham collections. Howard Miller is offering special prices on these clocks until May 31. Call Caryn VanDam at (616)772-9131, extension 285.

RENTAL INFORMATION SYSTEMS

APRO Associate Member Rental Information Systems will make its 12 appearance at the APRO trade show this year. Rental Information Systems will be exhibiting its RAM System Software for rental, retail, corporate

and accounting procedures.

Rental Information Systems began developing software for its own needs in 1978, and the company is still a sister company to a chain of nine rental-purchase stores in three states.

Available software systems include programs that handle rent-to-own, rent-to-rent, cash sales and retail credit sales. Some new features of the RAM System include payroll time and attendance, interfaced with corporate payroll module; purchase-order system; bar-coding; service module and vehicle maintenance. There is also an automatic dialing system that will enhance collections for a store owner, as well as the new paperless commitment system.

Rental dealers are welcome to stop by the Rental Information Systems booth (No. 125) and put the RAM System to the test.

MCGUNN SAFE COMPANY

If you're looking to beef up behind-the-counter security at your rental store, stop by the McGunn Safe Company booth (No. 439) in New Orleans and take a look at the Smart Safe Bill Reader 2000. This Smart Safe is an electronically-controlled, time-delay safe that also serves as a cash vending machine. This product can cut down the time it takes to create cash drawers and make change. Let the safe count deposits and track every penny that comes into the store.

Through a specific access code, the Smart Safe Bill Reader 2000 dispenses money, keeps track of the balance and can communicate with you in three languages—English, Spanish or French. The Smart Safe Bill Reader

2000 allow you to virtually transfer money from the customers' hands to the bank, cutting out levels of people in between.

One Smart Safe option allows you to track your last 8,000 transactions, with a printed record. You can have the Smart Safe Bill Reader 2000 programmed to meet your specific security needs. You may reach a McGunn Safe Company representative by calling 1-800-298-2816.

TOSHIBA

Douglas Jones, regional sales manager for Toshiba America Consumer Products, believes the Toshiba TP48E50 is a great color television for the rental-purchase market.

Stop by the Toshiba booth (No. 311) at the APRO trade show in August to test the 48-inch projection TV. Other features on the TP48E50 include a built-in protective shield, single-tuner Picture-In-Picture; short focus system; high-contrast, dark-tint screen; digital convergence; 800 lines of horizontal resolution; a 42-key universal remote; three-language on-screen display; and front surround.

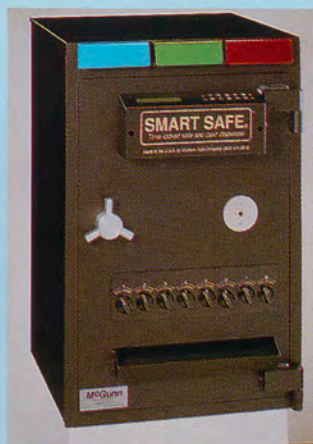
For more information on this or any other Toshiba product, call Jones at (214)404-0691.

UNIQUE DINETTES

It doesn't take a genius to figure out what they do best at Unique Dinettes, Inc. It will, however, be a sign of intelligence if you stop by the Unique Dinettes booth (No. 635) at the APRO trade show in New Orleans. Dinettes are hot in RTO.

Two models that Unique Dinettes will feature at the August trade show will be a 40-inch oak/wood bordered table with a tile center. This table, which comes with four chairs in a golden oak finish, goes for \$299. A 65-inch dinette table, with white-wash finish, double pedestal and beige Aztec tiles, comes with six chairs.

To learn about the complete line of dinettes at Unique Dinettes, call 1-800-487-9241.



Continued from page 49

6:30 p.m. bound for Mardi Gras World, across river where the Mardi Gras floats actually are made. Here you can watch the creative process, travel down (make-believe) New Orleans streets, try on elaborate Mardi Gras costumes, sample the food for which the city is famous, and dance, dance, dance. It's all the fun with none of the fuss, and after it's all over, buses will transport you back to the Hilton. A complimentary buffet and cash bar, sponsored by Foresight, tops off the evening. Wednesday night's big event, the Storyville Jazz Party Awards Banquet, with complimentary open bar sponsored by Thomson Consumer Electronics, unfolds at the Hilton Grand Ballroom. From 8 p.m. until midnight enjoy a nostalgic visit to New Orleans' famed red-light district—at the turn of the century that is. Here, among the bordellos and speakeasys, jazz came of age, as the famous and not so famous created an alternative to Old South propriety.

One of the city's top brass bands will entertain during cocktails before leading you to your tables, New Orleans jazz-funeral style. Enjoy a scrumptious meal, then follow New

Orleans musical history from the heyday of Storyville to rock and roll, with stops at ragtime and blues. Among the highly regarded talent on tap is Marva Wright, the Blues Queen of New Orleans, as well as other top-flight musicians. Awards presentations continue throughout the evening, as you dance the night away. This is APRO's dress-up event of the year!

WHAT'S A SPOUSE TO DO?

For guests and spouses, APRO convention planners have devised a special program to put participants in touch with the "Spirits of New Orleans." This Tuesday afternoon event begins with a guided tour of the exclusive Garden District, where homes built by American settlers rival those of the French Quarter in splendor and history. The tour includes a visit to the Dominique Stella House, built of Greek Revival architecture in the 1860s and said to have a ghost or two in residence. Next you'll stop at Lafayette Cemetery No. 1, one of the city's above-ground burial facilities necessitated by its below-sea-level elevation. (This cemetery was the site of a 1980 wedding, held on Friday the 13th, with the bride, groom and guests all

dressed in black.) The tour wraps up in the French Quarter, where a professional guide directs you on a walking tour of "sites where earthbound spirits dwell." This introduction to the paranormal is included in the full spouse/guest registration or available a la carte for \$50 per person. Your registration form, with the appropriate box checked, must reach APRO headquarters by July 1.

IT'S NOT TIME TO GO HOME YET

A post-convention seminar cruise departs New Orleans on Friday, Aug. 16, for a four-night steamboat cruise on the elegantly appointed Delta Queen. An onboard historian will help you re-live the days when paddle-wheelers were the way to travel. For cost and registration information, call Shelley Martinek at the APRO office, (512)794-0095.

Whether you're rollin' on the river or rollin' down the river, if you're doing it in New Orleans, it's bound to be worthwhile. Make your plans now—a complete registration kit has been mailed with this issue.

Barbara Stooksberry is a veteran freelance writer for Progressive Rentals.

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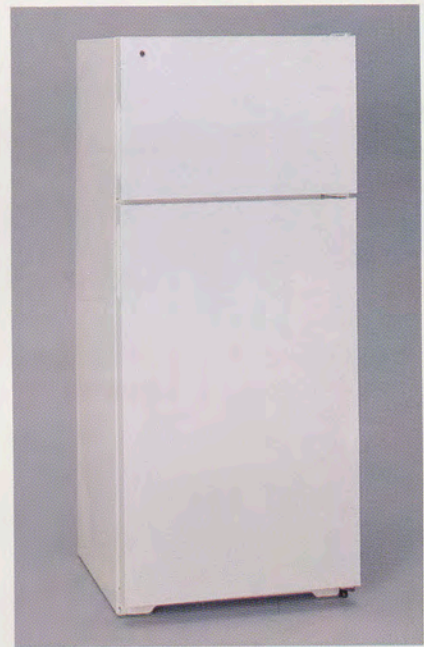
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