

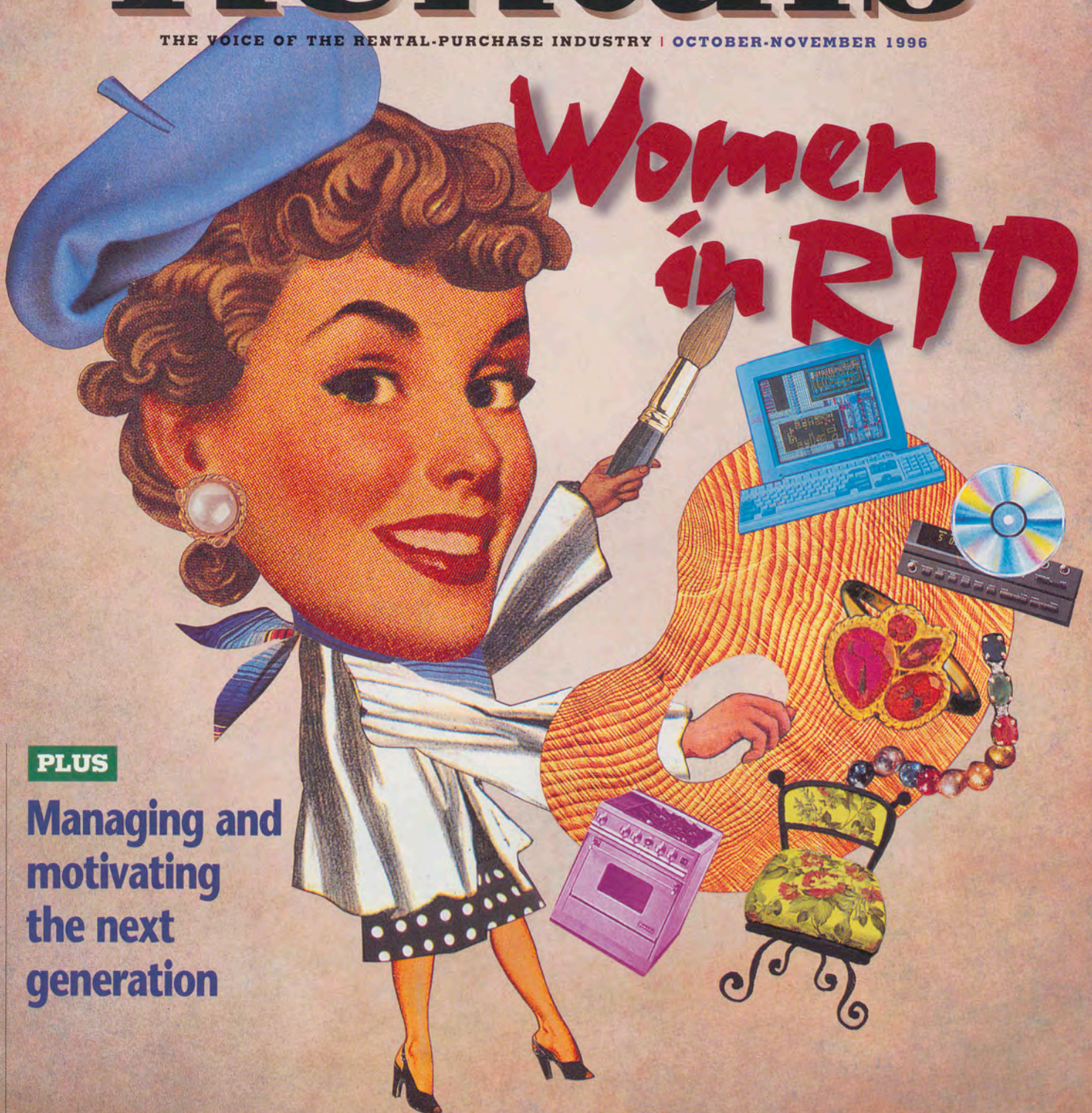
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Women in RTO



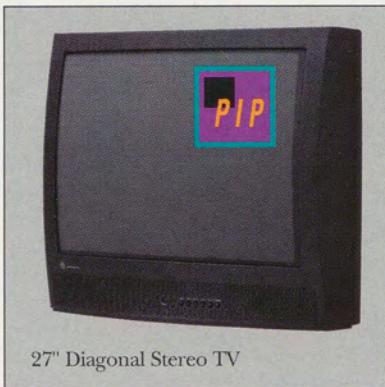
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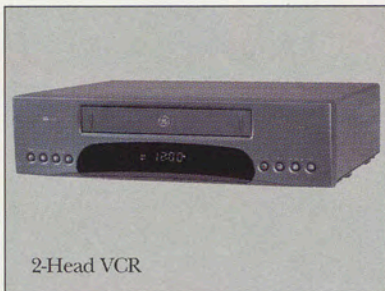
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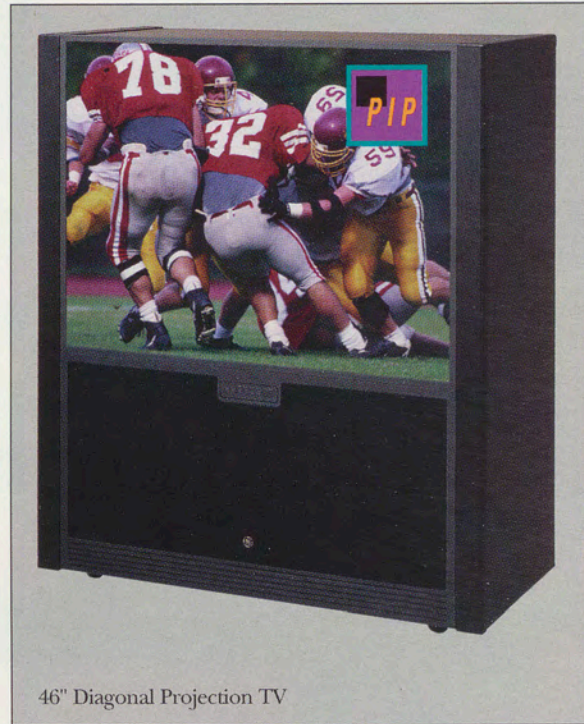
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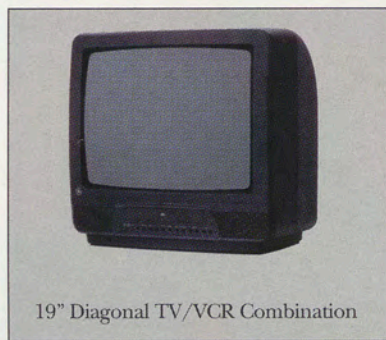
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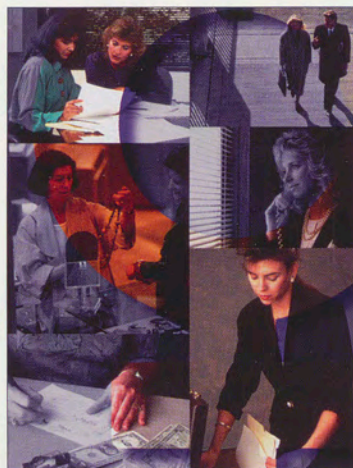
O C T O B E R
november

IN THIS ISSUE

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Women in RTO

Writer Nicki Carlson takes a look at the struggles, contributions, scarcity and perspectives of the women in rental-purchase. Whether they own, manage or provide in-house legal counsel for a chain or individual stores, women in this industry share a common sentiment: there just aren't very many involved in RTO. Find out what the RTO industry has to offer women and how a select few are reaping its rewards.



30

Computers take center stage

As the demand for personal computers increases, even reluctant dealers are now taking a look at computers to maintain, as well as expand, their customer base. Barbara Stooksberry talks to the major players in RTO computer distribution to find out what they are doing to ease high-tech fears and boost in-house training and service. Check out "Who's Who in Computers" on page 35.



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A booming new market

The rental-purchase industry can only stand to profit from the \$900-billion-a-year burgeoning market of Americans whose lives are caught in transition. Joyce Scott profiles this new market of 40-plus baby boomers who are starting over because of divorce, layoffs or voluntary career or lifestyle changes. With a little creative marketing and advertising, your store can attract this wave of customers who love new approaches to new challenges.



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Managing and motivating the neXt generation

Are you finding that your management skills are falling short of motivating your younger employees? Generation X'ers require a new management philosophy from their baby-boom supervisors. Bob Losyk highlights the different rules to play by with this generation.

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Cover illustration by Aletha Reppel

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PROGRESSIVE Rentals

PUBLISHED BY THE
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PROGRESSIVE RENTALS (ISSN 8750-6106) is published bimonthly by the Association of Progressive Rental Organizations (APRO) at 9015 Mountain Ridge Drive, Suite 220, Austin, Texas 78759; 512/794-0095. Basic price \$1 per year to APRO members. Additional subscriptions: U.S. and Canada—1 year (6 issues), \$30; 2 years (12 issues), \$50; 3 years (18 issues), \$65. Second class postage paid at Austin, Texas. **POSTMASTER: Send address changes to Progressive Rentals, 9015 Mountain Ridge Drive, Suite 220, Austin, Texas 78759.**

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APRO



FROM THE EDITOR

Iwould like to introduce myself as the new editor of *Progressive Rentals* and as APRO's new communications director. APRO Executive Director Bill Keese wooed me and the art director I've worked with for more than five years, Neil Ferguson, away from the Texas Restaurant Association to work for you, the members of APRO.

Both Neil and I bring more than 18 years of combined experience working for association publications. The publications we have produced have won numerous awards, both nationally and regionally. You may rest assured that the precedent set for producing a cutting-edge publication by your former editor, John Gormley, will continue.

What has impressed me the most about APRO in the two short months I've worked here is not only the warmth, friendliness and enthusiasm of the APRO staff, but also the down-to-earth, receptive nature of the membership. At the APRO board meeting in Orlando in September, I had the opportunity to meet some of APRO's leadership. I was impressed with the professionalism and genuine concern they all had about the industry's image and future. I want to be a part of this valiant effort to build the image of the industry.

As one board member stated during the public relations committee meeting: "RTO is an alternative transaction. We provide a valuable service and fill a need that is out there—a need we didn't create, but one that we fulfill." I agree. My only direct, personal experience with rental-purchase was when my mother temporarily moved here to Austin and needed some furniture for an apartment. We went to an RTO store, picked out everything she needed, signed the papers, the furniture was delivered—and it couldn't have been easier. Needless to say, I was shocked to hear that the industry has an image problem—or, frankly, no image at all. But then, what did I know? I had a positive experience. It is from this experience

that my point of reference is framed.

Neil, on the other hand, had no impression of RTO at all before coming on board at APRO. Of course, he has since learned a lot about the industry, but my point is that we are examples of the general public who has no formed opinion of the rental-purchase concept. Imagine how many more people are out there who are ready and willing to be educated about the industry and how RTO

can meet their various needs. And since the industry itself has come a long way, especially with legislative victories, it stands to

reason that now is the time to take the initiative, clean the slate and begin anew. I am confident in the industry's potential to meld into mainstream America.

In this issue of *Progressive Rentals*, you will find two new departments: "Viewpoint" and "On Display." In "Viewpoint," a writer randomly polls APRO members for their ideas about a particular issue facing the industry. Responses to the question, "What changes would you like to see in the RTO industry in the next five years?" appear on page 48.

The "On Display" section, which begins on page 45, features new products available to the RTO market, either for customer rental or for RTO stores themselves. This section also will be featured in every issue of *Progressive Rentals*. If you or a vendor you know has something new and exciting to introduce to the RTO market, send along the information, complete with photos, to my attention at APRO, 9015 Mountain Ridge Drive, Austin, Texas 78759.

I welcome any and all suggestions to improve the editorial content of APRO publications. I welcome editorials, letters to the editor, new product and feature article ideas. This is your magazine; let me know what you want. Call me at 800/204-2776; fax me at 512/794-0095; e-mail me at jsherrier@apro-rto.com. I'm looking forward to getting to know you.

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Zenith hits the 'Net

Check out Zenith's new home page on the World Wide Web. Thousands of websurfers are hitting Zenith Electronics' website every day at <http://www.zenith.com>. Check out the Cool! button for the low-down on the latest — like NetVision and HDTV. Take a spin through the Network Systems page to see Zenith's digital and advanced analog set-top products and cable modems. And cruise through the TV/video page to see the new 1997 line of television sets and VCRs. It's one-stop shopping!

APRO survey to study non-renters

APRO is currently developing research proposals to identify and motivate the potentially untapped rental-purchase customer base. Investment firms estimate the current rental-purchase customer base penetrates only 20 percent to 35 percent of the potential customer base. APRO's research proposal targets those who fit similar demographic profiles to current users, but who do not rent.

The study will attempt to determine the attitudes of non-renters and the motivating forces guiding consumers' choices. The study is the first ever by the industry and, according to industry leaders, will further the professionalism of the industry exponentially.

"The industry is only as good as its weakest link," says Ernie Lewallen, APRO Public

Relations chairman. "By conducting an empirical study of the attitudes of non-customers, APRO members will be privy to marketing information that they otherwise could not afford. This study represents the most significant step toward building the rent-to-own customer base and toward creating a national public relations campaign and improving the industry's image."

The proposed study is scheduled to begin in early November and will be available to APRO members by late January. It consists of a combination of focus groups, personal interviews, broad-based surveys and response mechanisms to proposed creative messages.

Individual RTO companies have conducted similar studies in the past, but remain proprietary. The proposed study marks the first for the industry attempting to identify and explore the untapped market for rental-purchase dealers.

Fashion Craft watches out for RTO customers

Fashion Craft is now the exclusive RTO distributor for Jules Jurgenen and Helbros watches. The lines consist of stylish watches in a variety of styles in a broad price range. Jules





Jurgensen has been a major supplier to the jewelry industry for more than 50 years. "I am certain that Fashion Craft's commitment to the RTO industry will substantially expand our market share," says Alan Turin, director of marketing and sales for Jules Jurgensen.

Renting political insurance

The election's effects on the rent-to-own industry were still undetermined at press time, but RTO's effect on the past elections have bolstered the industry's grassroots presence in the nation's political process.

Rental-purchase dealers and APRO contributed to and participated in more elections in 1996 than in previous years. Dealers throughout the nation are quickly realizing that

a television set and furniture donated to campaign offices open more political doors than any letter written or phone call made.

"Politicians remember more clearly those who helped them before they were somebody than those who help them after the fact," says John Raffaelli, APRO's Washington political lobbyist.

RTO campaign contributions included cash donations such as those given by First American Rental President Mac McCullar, who donated thousands of dollars to Georgia candidates. Gary McDougal of American Rentals in Tennessee fur-

nished the campaign offices of nearly every Tennessee candidate from county sheriff to presidential candidates.

McDougal will contribute to any candidate who asks. McDougal advises dealers who contribute to disclose in writing the value of their in-kind services to comply with campaign laws.

Aside from the usual RTO political junkies, other RTO dealers realized the power and potential of a quick phone call. Northwest dealer Rich Bartel of Rentown participated in his second consecutive election.

"After receiving a red-



Mid-Year Conference dates set

The 1997 APRO Mid-Year Conference will be held Thursday, May 1, through Saturday, May 3, in the beautiful Casa Marina Historic House by the Sea in Key West, Florida. There will be tax and accounting updates as well as legal updates, round table discussions on the state of the industry and more. Watch upcoming issues of APRO publications for more information.

1997

CALENDAR OF EVENTS

JANUARY 8-17

Atlanta Furniture Market,
800/329-0100

JANUARY 9-12

CES Las Vegas,
202/457-8700
(Paramount Hospitality,
January 10)

JANUARY 11-14

Dallas Furniture Market,
800/325-6587

JANUARY 17-21

San Francisco Furniture
Mart, 415/552-2311
(B&D Hospitality,
January 18)

FEBRUARY 2-4

APRO 1997 Legislative
Conference,
Washington, D.C.

FEBRUARY 2-5

American Rental
Association Annual
Meeting, 309/764-2475

FEBRUARY 20-23

Tupelo Furniture Market,
601/844-1473 (Benchcraft
Hospitality, February 21)

APRIL 10-18

High Point Furniture
Market

MAY 1-3

APRO Mid-Year
Conference
Casa Marina Historic
House by the Sea
Key West, Florida

MAY 15-18

TRIB annual meeting,
San Antonio,
770/451-4302

JUNE 2-5

CES with Comdex, Atlanta

JUNE 28-JULY 1

Dallas Furniture Market

JULY 10-13

Atlanta Furniture Market

AUGUST 11-15

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A PRO dealers throughout the country are dog-tagging their company logos to the industry's first-ever television commercial.

From Spokane to Hartford to El Paso, dealers are enjoying the top-quality spot provided free to APRO members to better promote their companies on the airwaves.

"I showed the commercial to my advertiser and he immediately wanted our name on it and on the airwaves," says Bob Fishman from Rentown Inc. out of Plantsville, Connecticut.

Earl Ritter of Rental-Mart, Grand Junction, Colorado, first aired the spot and received thumbs-up from customers, the public and advertising professionals.

"I could never afford a spot like this except through my affiliation with APRO. My customers and employees love it. Every dealer should take advantage of the opportunity to place their companies name on a Disney-quality ad," says Ritter.

The spot currently airs in more than 100 markets by more than 45 companies. To order your copy of the videotape, contact Richard May at the APRO offices at 800/204-2776.

carpet treatment by Congresswoman Linda Smith (R-Wash.) in her D.C. office last session just for renting her a few televisions, I quickly understood the power of participatory politics. After the reception, I vowed to participate in every election henceforth," says Bartel.

Dan Weiss of America Rents in Worthington, Ohio, wrote to all congressional incumbents representing each of his respective stores volunteering home furnishings and support for their respective campaigns.

"A TV or a refrigerator gone from my store for a couple of weeks means nothing to me. A TV and refrigerator free of charge to a campaign office needing to monitor news reports, election results and to store cold refreshments means everything to candidates.

I never applied the full political potential of my RTO resources until this election and feel really positive about the electoral process," says Weiss.

Along with grassroots participation, APRO continues to make its presence known through the APRO Political Action Committee, which receives personal donations from rental dealers throughout the country to leverage a bigger impact on the political scene. More than 50 RTO-friendly candidates received more than 65 contributions totaling in excess of \$52,000 for the entire session, which is more than APRO-PAC has contributed in any other session. In addition, individual contributions from rental dealers to Sen. Richard Shelby (R-Ala.) exceeded \$50,000 and contributions to

RTO hits Broadway

A recent advertisement for the hottest Broadway musical "Rent" ran in Rolling Stone and other national entertainment magazines under the banner "Rent To Own." The ad was selling the original Broadway cast recording of the play, which is now available in record stores. Talk about free advertising and building name recognition!



Rep. J.C. Watts (R-Okla.) amounted to \$10,000.

"Z-Best" grand opening

Jan Arnett, who has worked in RTO for 18 years, opened his first store, Z-Best Rentals, in grand fashion on October 5 in Saint Augustine, Florida.

Arnett treated new customers to free food and registered everyone who came for prize giveaways. Vendors donated

everything from cabinets to leather recliners to jewelry.

"At one point, cars were slowing down on the street to see what was going on...we must have had close to 200 people in the parking lot," Arnett says.

Business is already looking good for this RTO veteran, who says that his store delivered more merchandise in its first week than most other stores he has worked for deliver in a month.

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Rent-Way	RWAY	11¾	15⅝	27

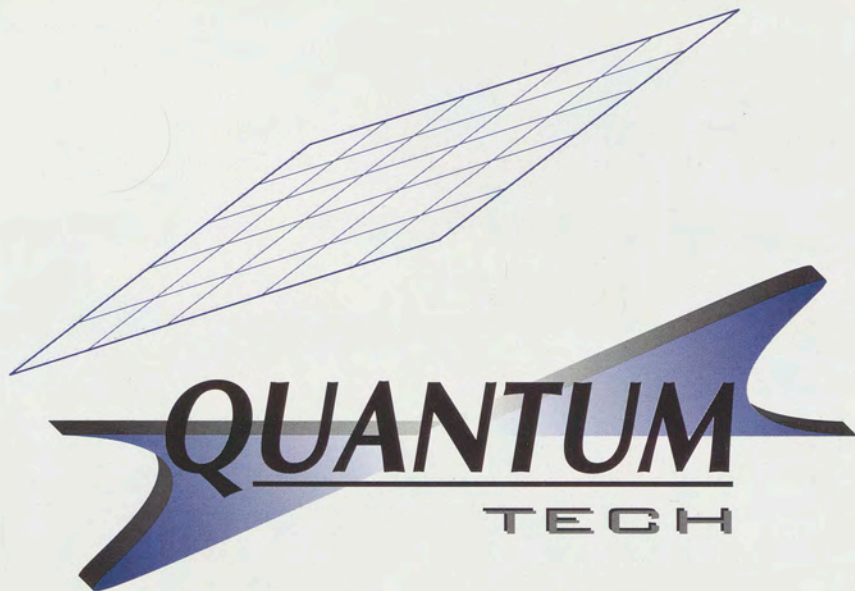
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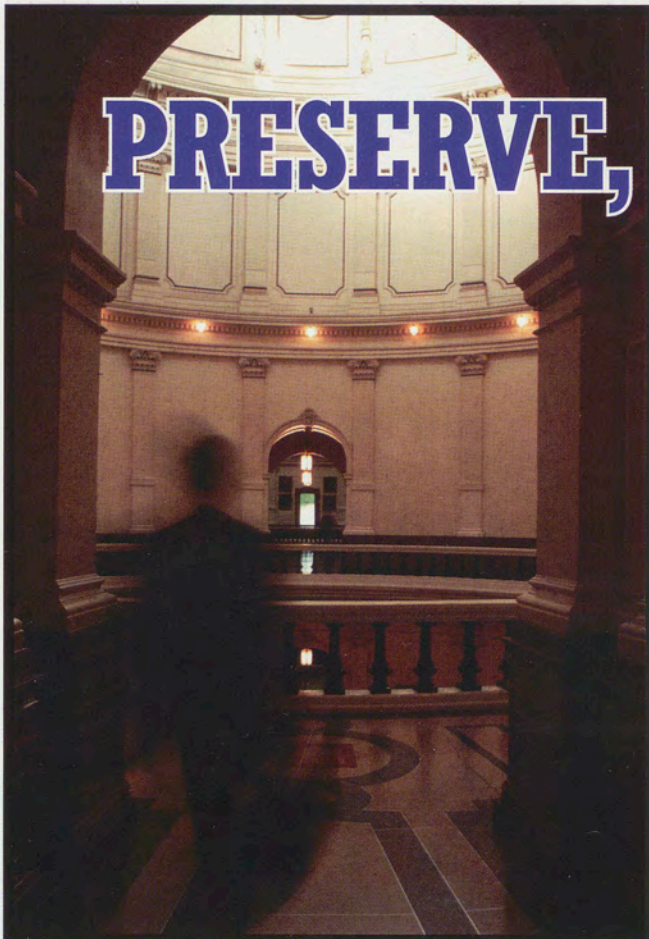
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APRO

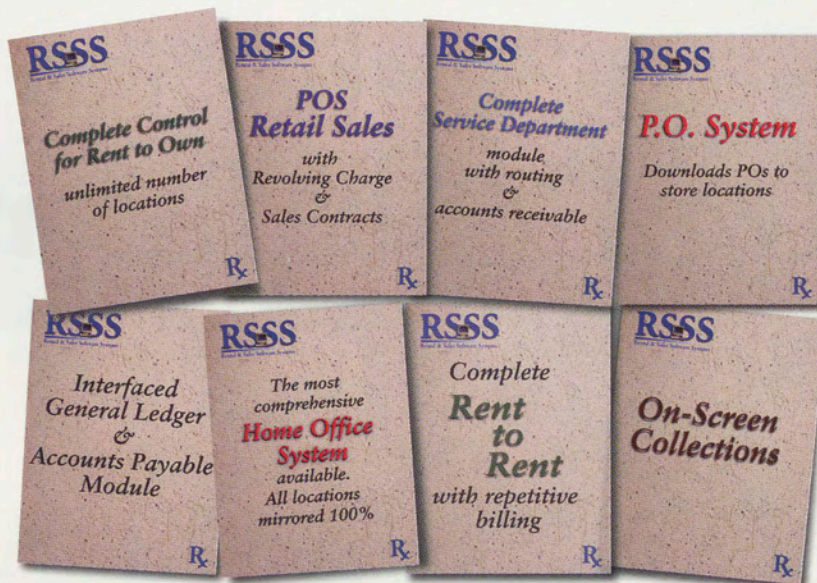
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Perhaps I'm preaching to the choir, but this industry and our Association really did accomplish a lot and came very close to passage of our long-sought federal safe harbor law during this past session of Congress. To use Washington political jargon, we were "in play" during the entire two years of this session, from the first hearings on tax aspects of the *Contract with America* to the final order of legislative business before closing the session—the Continuing Resolution

being by then House Banking Committee Chairman Henry B. Gonzalez.

What a different environment we faced in early January 1995 when we were invited, not summoned, to testify at the same table with the computer industry and other business establishment leaders to explain our case for fairer tax code treatment for our industry. Remember how proud we were

"To a bottom-line person, it might be natural to conclude we lost again and cut our losses and turn our attention to other, more hopeful arenas, but that would be a mistake we would come to regret."

tion, we were included in the discussions in a positive way.

During the first year of this past session, we also courted another new friend—a freshman Republican member whom we recognized early on as a rising star of

future sessions. After proper investigation and study of our agenda, J.C. Watts adopted it as his own and pushed it with the vigor and effectiveness of a veteran member.

By the end of the second year of the session, freshman Watts had indeed become a key "player" in congressional as well as

Lessons from the Session

that authorizes federal agencies to operate until Congress reconvenes.

And yet, victory on the federal legislative battlefield eludes us still. To a bottom-line person, it might be natural to conclude we lost again and cut our losses and turn our attention to other, more hopeful arenas, but that would be a mistake we would come to regret.

Viewed with a cynical perspective, one might conclude that little was achieved during this past session of Congress in general and as it relates to rental-purchase in particular. After all, the end result is that we still have not achieved passage of a federal law regarding rental-purchase transactions and this time we had a Republican, business-oriented majority in power to hear our case and help our cause. So let me preach to you one more time about how good we were, how close we came and how important it is not to take our eyes off the prize.

For starters, this session started off very differently. The previous session began with APRO officers being summoned to a crystal-cha-deliered room for a public drub-

bing that most of the questions and interest expressed by committee members were about our industry? And the questions implied support for our cause and not suspicion about our motives. While we didn't actually make it into the *Contract with America* tax bill, we were seriously considered by committee leaders; their concern for our cause seemed genuine.

This session, we had the ear and support of a powerful new friend in House Majority Leader Dick Armey of Texas, who advised us strategically and supported us logistically on securing our legislative goals. Key members of his staff attended the closed-door strategy sessions and advocated our inclusion without heavy handed members who might have rebelled. When the tax bill was marked up without us in it, members from both sides of the aisle consoled us with promises of inclusion in the next appropriate bill. Unfortunately, nothing else "appropriate" was forthcoming as bi-partisanship gave way to gridlock later in the session, but every time that committee discussed possible legisla-

presidential politics and our nagging little ol' bill had become a genuine issue of concern for a majority of his committee—the very same House Banking Committee that Gonzalez had used to club us with in the previous session.

Freshman Watts truly did become our champion, not waiting for us to cajole or even advise him on the next course of action, but pursuing every opportunity, any time any bill was considered in his committee. To our frustration, most of the committee's precious time was consumed by partisan investigations of Whitewater at the direction of new Chairman James Leach of Iowa, who seemed obsessed with making his mark by bringing down President Clinton, while the regular order of business languished in sub-committee.

In the end, and running out of time, champion Watts abandoned protocol and procedure and beseeched Majority Leader Armey to again come to the aid of our cause by supporting our inclusion within the final bill before the House in the Continuing Resolution referred to earlier. He did this

BY RON WATERS

over the objections of Chairman Leach and a new surprising opponent from the United States Senate, Finance Chairman Alfonse D'Amato, a Republican from New York.

With the House Majority Leader's active support and involvement, Watts eventually got the powerful senator from New York to stand aside and our language was sent to the White House for inclusion in the C.R. We made it to the last stop on the road to success only to be line-item vetoed by the Clinton Administration at the late awakening request of our old consumer advocate enemies.

So what difference did it make, since we didn't make it in the end? The difference was this: this time both sides of the aisle took us seriously as established players who deserved not only a hearing, but a solution to our problem.

This time we knew our legislative agenda was being taken seriously by all the key players in Congress. This time your legislative advocates felt victory in the air and came so close we can still smell the sweet aroma of legislative achievement even as the fall winds blow it away.

We came so close this time and the ride was so thrilling for those of us who are willing to run this roller coaster again and again until we finally win! So speaking from the horse's mouth, do not despair that another session has come and gone without our victory cheer; we are charged and raring to have another go as soon as the season comes again.

And you should stay along for the ride because the greatest legislative prize is still ours to win and the victory will make all the pain seem a good price to pay for what we will gain. ■

Ron Waters is APRO's director of government affairs.

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APRO mourns the passing

TOM KITCHENS

Whirlpool's key account executive for the rental-purchase industry was instrumental in the success of the APRO Convention and Golf Tournament

One of APRO's most memorable and devoted associate members, Tom Kitchens, died suddenly on September 17 of a heart attack at his home in St. Joseph, Michigan. He was 49 years old.

Having served as Whirlpool Corporation's key account executive for the rental-purchase industry, Kitchens' honors were many. He was named the 1979 Territory Manager of the Year, inducted into the Whirlpool National Sales Manager Hall of Fame, received Rent-A-Center's Vendor of the Year award for appliances and was awarded APRO's Vendor of the Year in 1993. Kitchens was a member of the APRO Vendor Relations Committee for many years and helped shape the success of the Association's annual conventions.

As a tribute to a man who had an enormous, positive effect on the rental-purchase industry and its national trade association, the APRO board of directors voted unanimously to rename its annual golf tournament the Joe Eason-Tom Kitchens Annual Golf Tournament, which is held annually during the APRO convention.

"I first met Tom Kitchens in 1989, two months after accepting my job as APRO executive director," says Bill Keese. "As I would come to learn, most, if not all organized meetings of rental dealers incorporates at least nine, usually 18, holes of golf. The first APRO associate members I met were Tom, Tim Fages, Norm Smith and Ken Gay. It just so happened that the four had played a round together during one particular meeting and were relating their stories to anyone who would listen. I was all ears.

"All who knew Tom loved his dry sense of

humor and his incredible timing. Tom's only contribution to the tall tales of the afternoon golf game was simply, 'The next time I play golf with you guys, we'll sign in under my name so that when the pro calls us to tee off, we will be called the Kitchens foursome, not the Gay foursome!' Then he gave us all that look he always gave after scoring a real verbal coup.

"We're really going to miss Tom," Keese says.

"The rental-purchase industry lost a great friend and dedicated participant with the unexpected passing of Tom Kitchens," says Norm Smith, manager of rental markets for Zenith Electronics and a close friend of Kitchens.

"Since assuming the position of manager of Whirlpool's Rental Division, Tom did an unbelievable and outstanding job for his company, APRO



"His willingness to support APRO and the members of the Association will not be forgotten. He always had a ready smile and charm that made anyone who met him want to spend time with him."

and numerous rental companies with whom he worked," says Smith. "I had the pleasure of working with him on many ventures, promotional activities and customer conventions as well as on the APRO Vendor Relations Committee over the years. Tom and I developed a very close working relationship. It is with pride that I call him a true friend.

"Tom will never be replaced and will be missed by so many. He enjoyed a wonderful family life with his tremendous wife Jennifer and delightful daughters Heather and Kerry. Thanks, Tom, for being my friend," says Smith.

of two industry icons

Cindy Ganther, APRO's director of marketing, remarks, "Tom was a wonderful man to work with. His willingness to support APRO and the members of the Association will not be forgotten. He always had a ready smile and charm that made anyone who met him want to spend time with him."

APRO Director of Education Shelley Martinek had this to say: "I can't remember ever seeing Tom without that warm smile on his face. You could tell he was a man who enjoyed life. He was a great supporter of the annual golf tournament held during the APRO Convention with Whirlpool sponsoring the event for many years. Always ready to help the Association and the industry in any way he could, Tom will be missed by all of us here at APRO and in the rental-purchase industry."

Kitchens is survived by his wife Jennifer and his two daughters, Kerry and Heather.

JOE EASON

A pioneer in rental finance, he was a key player in the Association and rental-purchase industry since their beginnings.

A pioneer in the rental finance world, Joe Eason died after a long illness in Dallas in early September. Originally from Tennessee, Eason graduated from Arkansas State University with a degree in physical education. He began his career with an automobile finance company in Jonesboro, Arkansas, in the mid-1950s. In 1957, he accepted a position with Borg-Warner Acceptance Corporation and continued on with Transamerica when Transamerica bought out Borg-Warner in 1987.

Together with Mel Daniel, Eason started the rental-finance entity with Borg-Warner in 1980.



Eason was well loved by everyone who knew him. In 1990, upon his retirement from Transamerica, the APRO board of directors voted to name its annual golf tournament after him.

Eason and Daniel attended APRO's first meeting in Dallas in 1980 and made a commitment to participate and provide financing for the rent-to-own industry.

Eason was well loved by everyone who knew him. In 1990, upon his retirement from Transamerica, the APRO board of directors voted to name its annual golf tournament after him.

Mike Walts, president and CEO of Alrengo, typified Eason's professional and personal life when Walts said, "Whatever Joe told you, you could put in the bank." Mac McCullar, of First American Rental in Georgia, summarized Eason's influence in agrarian terms: "He sowed the field with oats." Many of his business deals were sealed with a handshake and paperwork was taken care of later, says McCullar.

The industry would be much different today had it not been for Joe Eason. He helped shape the character of the industry while helping dealers finance the growth of their businesses. ■

Ted Wilson and Kevin Quinn recently retired from the APRO board of directors in order to spend more time with their growing companies. Both men have given unselfishly of their time, energy and talents to APRO for many years.

Ted Wilson was first elected to the APRO board of directors in 1986. In 1988, he was elected treasurer and served on the executive committee. In 1989, Ted was elected to his first of two terms as president.

Nineteen eighty-nine was a critical year for APRO; Ted's energy, knowledge and enthusiasm was needed. Bill Keese had just been hired as executive director and had a steep learning curve ahead. Ted took the time to groom Bill for the role he now plays at APRO. At the same time, the Association was in need of a shot in the

Under Kevin's leadership, APRO began a two-pronged defense of the industry in tax court and in Congress. If this wasn't enough of a challenge, the national press began negative coverage of the entire industry.

Prior to the conclusion of his second term as president, the industry won a major tax victory with the issuing of the revenue procedure by the IRS which established the rental-purchase transaction was a lease and not a sale.

Tax, regulatory and public relations issues dominated the industry's agenda during Kevin's presidency. It has been said that the right person seems to always step forward at just the right time to lead this industry. This axiom

"The right person seems to always step forward at just the right time to lead this industry. This certainly applies to the talents of both Ted Wilson and Kevin Quinn."

certainly applies to the talents that both Ted Wilson and Kevin Quinn have given this industry.

In my many years serving this Association, I recognize that we are blessed with a wealth of leadership talent that must continue to be nurtured for the future. The APRO board of directors recently filled one of the vacancies. We are in the process of filling the second.

J. Kieffer, Thorn's new general counsel, has been elected to serve the membership. He brings a fresh, new outlook and energy to the APRO board. He and the entire management at Thorn are dedicated to the industry, to the Association and TeamAPRO.

Darrell Tissot, APRO first vice president and chairman of the nominating committee, will provide additional candidates for the board to review to fill the other vacancy. Next spring, Darrell and his committee will solicit candidates to run for the APRO board during the 1997 annual convention. I urge all of you to consider running for the board. Only through new ideas and opportunities for developing leadership can this Association continue to be successful in the future. Just ask yourself the same question Ted, Kevin and I have asked: "How can I give back to this industry that has been so good to me?" One important way is to participate at whatever level you feel most comfortable. One level is to run for the APRO board of directors. ■

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

Thank you, Ted and Kevin

arm. Ted and Bill traveled the country meeting with rental dealers to seek ways to improve the value of APRO membership. The fundamental philosophy that evolved was to ensure members that they received overwhelming value for their membership.

By the end of Ted's second year as president, APRO was well on its way to remodeling itself with the professional management that would later prove to be essential in meeting the challenges that lay ahead.

Ted's accomplishments have been many. After his presidency, he continued to serve as treasurer until this past convention. His guiding hand helped build APRO's financial strength.

When Kevin Quinn was elected APRO president, no one could have anticipated the dramatic events that would befall the industry and the Association during his tenure.

Kevin's first act as president was to call a three-day strategic planning session to establish the needs of the industry and the changing role of the Association. While meeting in Orlando, the infamous *Wall Street Journal* article ran, sending shock waves throughout the industry.

Shortly thereafter, Congressman and Chairman of the House Banking Committee Henry B. Gonzales of Texas introduced the most dramatic anti-RTO bill in Congress. Meanwhile, the Internal Revenue Service began a nationwide audit attacking rental dealers, trying to recharacterize our transaction as a sale and not a lease for tax purposes.



By BILL WHITE
APRO's President

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A consistent theme in my column for seven years has been an ongoing dialogue on the nature of change. Every aspect of our industry is changing: consolidation, the emergence of publicly traded companies, the buying and selling of stores and chains of stores, the quality of our advertising, increased professionalism in our stores and in our home offices and much more.

Here at the APRO office, your national trade association, there is also change. By now, this should surprise no one. I embrace a culture of change and promote new ideas and improved ways of doing things.

The APRO staff has changed considerably over the past few months. We have three new creative person-

of Missouri School of Journalism. Prior to joining the Texas Restaurant Association as art director eight years ago, he worked for Capital Printing in Austin. Neil gives us not only a wonderful creative talent, but also expertise in the printing process. He has the reputation of being one of the best art directors in the Austin association community. He will do all APRO's design work—from *Progressive Rentals* and *Network News* to the convention promotional pieces, the annual report and every other product created by APRO. He, too, will work on public relations for RTO.

"Everyone at the APRO office is motivated to providing you the most value possible for your membership. We are now better prepared and eager for the challenges of the future."

I'm sure you can already see an improvement in the style of both *Progressive Rentals* and *Network News*. We are

extremely fortunate to have a team that has worked together for years producing award-winning magazines and other promotional pieces. When I interviewed them, I told them the mission was simple. I want APRO's publications to be more valuable to the membership and to be recognized nationally as among the finest in the country. I have confidence in their success.

The third new important addition to the APRO staff is Amber Roberts. Amber will be assisting Ron in maintaining relationships with the state associations and providing the state RTO associations assistance wherever she can. Amber is also our front-office person. Again, we got the best for this position. She left the Texas Society of Association Executives where she was assistant to the president. She is very familiar with APRO's association management software, is a real self starter and motivated.

Everyone at the APRO office is motivated to providing you the most value possible for your membership. We've accomplished a great deal in the past. But that is behind us. We are now better prepared and eager for the challenges of the future. ■

Changes abound at APRO

alities at the APRO office to join in with Shelley, Ron, Cindy, Tulisha, Carolyn, Laurie, Richard and me. These three new people bring new expertise and experience with them to the APRO team. Adding Julie, Neil and Amber to our staff is designed to provide improved services and value for you and your membership in the Association of Progressive Rental Organizations.

Julie Sherrier is your new communications director. With several hundred associations based in Austin, when I asked the question, "Who's the best in Austin?" Julie's name was always the first mentioned. She is a graduate of the University of Missouri School of Journalism and worked in New York City writing, editing and publishing before moving to Austin. Her first job in Austin was editor for the Texas Bankers



By BILL KEESE
APRO's Executive Director

Association. Almost six years ago, she changed and accepted a position as communications director for the Texas Restaurant Association. She is already making significant changes in *Progressive Rentals* and *Network News*. She will work with Richard, Neil and me with APRO's public relations firm of Tate Austin on our public relations efforts. You will see

much more in the coming months from Julie as she incorporates her skills with the RTO industry.

Neil Ferguson is now on board as your new art director. This is a new position at APRO, one that will give us more creativity and flexibility and will save money. Like Julie, Neil is a graduate of the University



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I have been hobnobbing with store managers and their co-workers lately and want to compliment them. I might well have added this piece to the article on paradoxes that appeared in the August-September issue of this magazine because certain aspects of their work are paradoxical. While owners fret over how to depreciate rental merchandise for tax purposes, store personnel do the yeoman's work of renting and collecting—the activities that are the backbone of the industry.

Running a rental store, while frustrating and hectic and often thankless work, is most often also interesting work. Involvement in the life of the store necessarily involves you in the life of the neighborhood and community around the store. While running a store,

to have to make quick and far-reaching judgments about which needs can be fulfilled and which ones must be disappointed.

It is intense emotional work. It is work, I hope, that is acknowledged and praised by owners.

One of my mentors in the business, Remco founder Chuck Sims, used to tell other rental dealers that if he could have a store manager with five years tenure in a store he would have at least a 1,500 BOR store. Sims acknowledged store tenure in his company and paid well for it. It has long been an accepted premise in most RTO companies that the store manager and his relationships with employees and with the customers will make or break a store.

But at the same time store personnel are honored for the intimacy they are able to establish with customers, when the customer relationships sours, store personnel are then expected immediately to shrug it off and not get emotionally involved with a lost unit or an account otherwise gone grievously bad.

When bad things happen in the store, the kinds of things that show up on lost, skipped or stolen reports, employees are instantly supposed to become emotionally uninvolved.

It may be easy to say, "don't think about it" or "let it go" from a legal and business point of view, but it's very hard to do. Emotions do not turn themselves on and off that easily. Still, it is one of the demands of the business to be able to develop a deep and understanding relationship with a customer and if the customer goes irretrievably bad, to be able to walk away from the situation with no lingering bad taste or anger. The only way a store manager can last five years is to master this skill. It is the paradox to which I referred earlier—being intimately involved with customers on one hand and then being able to become completely uninvolved on the other.

It is perhaps the greatest challenge of the business at the store level—to learn to endure the whipsawing of emotions that is an inescapable aspect of the business. It is inescapable because as long as this business rents TVs and other items by the week or by the month, there are going to be losses and skips and stolens, and not one or two a year, but a few every month.

I am here to confess that I do not know if I could

"It requires considerable fortitude to be able to absorb the aching needs of customers every day and to have to make quick and far-reaching judgments about which needs can be fulfilled and which ones must be disappointed."

Saluting the backbone

you cannot help but learn a great deal about your customers—more than you might want to know, to be sure—figuring out which ones are going to have the tales to tell and which ones truly need an occasional break.

We all know that giving personal service to customers, making time for them in the store, listening to what is on their minds, acknowledging them on every single visit and treating them with respect and cordiality, is what distinguishes an ordinary rental store from a superior one. Customers come to a rental store for a variety of reasons, but will not keep coming back if they do not get treated well. Savvy store managers know this and are able to weave an atmosphere of friendliness and camaraderie among store personnel and customers that simply does not exist anywhere else in the commercial world. Customers in a good rental store feel connected to the people who work there. That sense of connection does not come easy, nor is it automatic.



By ED WINN III
APRO's General Counsel

It is an art to be involved in the life of the store and having a feel for a neighborhood's needs and wants. It is an art to know when to push a customer and when to back off. It is an art to be able to wade through the muck of every hard luck story and to be able to leave it behind when the doors finally close for the night and then start fresh the next day.

It requires considerable fortitude to be able to absorb the aching needs of customers every day and

run a superior rental store. I would at least want to jump up and down and holler when that first trusted customer ran off with a TV. My hat is off to all the men and women out there in rental stores who may feel that urge or a worse one and who have mastered the urge. It is a special calling and a rare talent that you possess. You do hard, emotionally draining work and you do it well.

From a lawyer who toils to keep the business as legally safe as possible, I congratulate you on your achievement, your maturity, your will power and your talent. If you were not able to switch emotional gears quickly and smoothly, the business would have foundered long ago. The industry and its customers are lucky to have you and I, for one, do not know how you do it. ■

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In January 1991, we had to terminate a store manager for poor performance and for violating company policy. The store manager's performance had deteriorated because he intended to go back to school to finish his degree and had lost interest in the business. He knew he was wrong and accepted his termination very well. He was friends with several people in our organization and, surprisingly, he and I had a good relationship and there were no hard feelings.

This particular employee had to wait several months before he could return to school, so he accepted a job as store manager for one of our competitors in the meantime.

He told us later that the management of the company he transferred to wanted him to go through our

dard of character.

Synonyms for the word ethical are decent, honorable, just, moral, pure, right, righteous, scrupulous and virtuous.

It seems to me that all of these descriptions are intertwined and should be applied to everything we do. We cannot continue to denigrate the importance of applying ethical behavior and practices to our businesses. Here are some examples of questionable ethics as they relate to rental-purchase:

- ▶ hiring competitors' employees for the sole purpose of obtaining the former employer's customer lists and then terminating the employee;

- ▶ asking employees to go through the competition's trash cans to obtain customer information;

- ▶ not adhering to state rental-purchase laws;
- ▶ discriminating against customers; and
- ▶ discrimination in the workplace.

I do not mean to preach to APRO members; I leave that to the reverend of RTO, Larry Sutton. But the more we run our businesses in an ethical manner, the less we will need to be concerned with our image and public relations. ■

Dick Eichlin is the owner of STAR Rentals in Virginia.

"Asking employees to search through another business' trash not only teaches poor ethics, but also perpetuates a dishonest and crooked environment that flows down from the top through management, employees and, eventually, to the customers."

Questionable practices

store's trash to try to find a copy of our customer lists. He refused. A short time later, I spoke with APRO General Counsel Ed Winn on another matter and mentioned to him what had transpired. Ed's comment was that searching through the trash—while a disappointing practice in our business—was not a particularly unusual one.

While it may not be unusual, I find trash-searching to be highly unethical behavior—behavior that should not be accepted as business-as-usual. Asking your employees to search through another business' trash not only teaches poor ethics, but also perpetuates a dishonest and crooked environment that flows down from the top through management, employees and, eventually, to the customers.

The definition of the following words, according to *Webster's Dictionary*, should be etched in the minds of everyone in RTO if we are to rise above old stereotypes and create an image of an industry that fair and good:



By DICK EICHLIN
APRO Board Member

Honesty: Fair and candid dealing with others; true; just; upright; trustworthy.

Integrity: Uprightness of character; probity; honest.

Morals: Pertaining to character and behavior from the point of view of right and wrong and obligation of duty; pertaining to rightness and duty in conduct. Concerned with the principals of right and wrong; ethical.

Ethics: The philosophy of morals; ethics; the stan-

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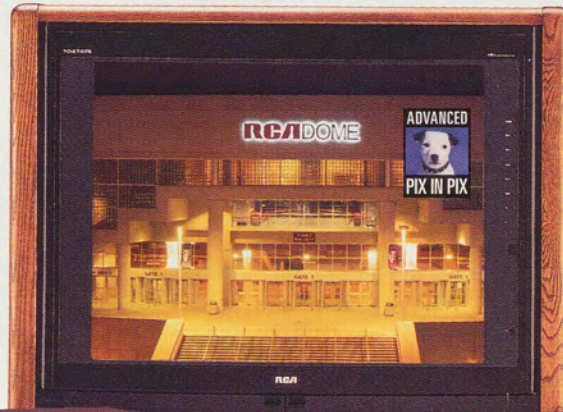
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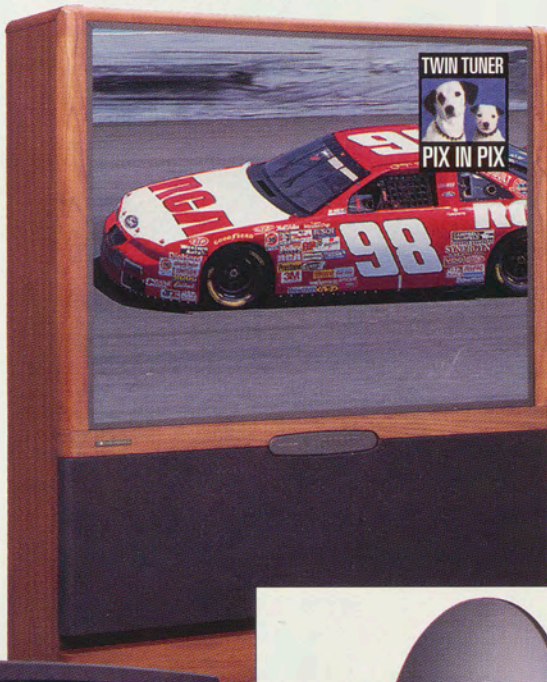
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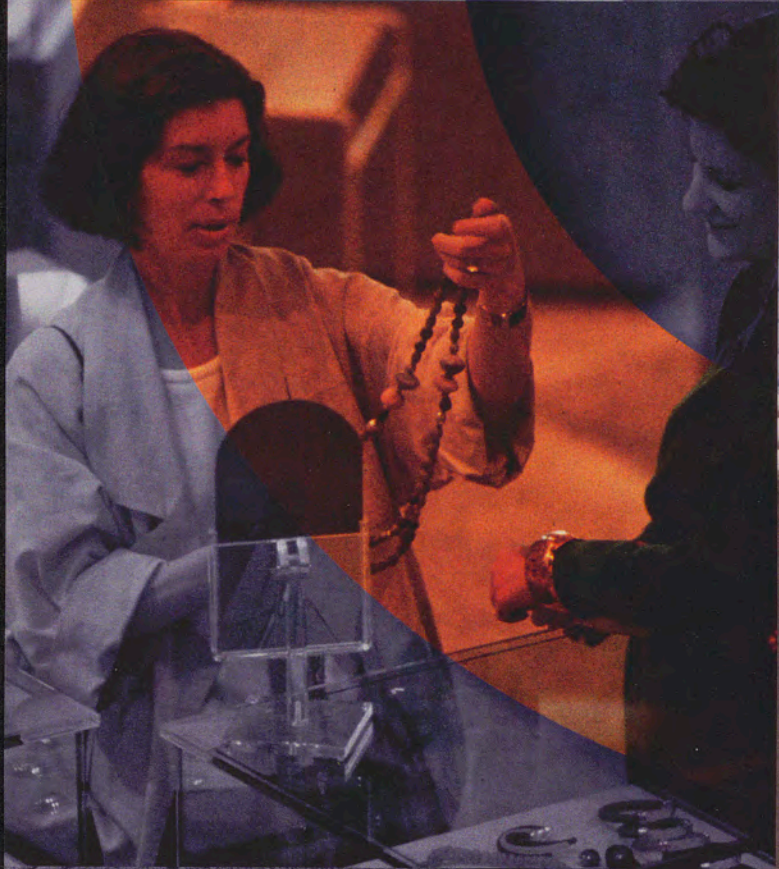
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**A look at
the struggles,
contributions,
scarcity and
perspectives of
the women in
our industry.**

Whether they own a rental-purchase store, manage a store, provide in-house legal counsel for an RTO company or preside over their state's rental association, women in this industry share a common sentiment: there just aren't very many women involved in RTO. In fact, statistics on women in the industry are difficult — if not impossible — to find, leaving one to wonder how many are out there, what they are doing and how they feel about this business in which they are working. As one female store owner stated, "We've been a well-kept secret for a long time... We need to bring ourselves to the forefront to let people know who we are."

Women in RTO form a diverse group. One can find them working in states all across the nation — Maryland, Florida, Ohio and Texas to name a few. They are working at all levels of the industry and, like many men in RTO, they are entering the industry in a variety of ways. Many women started out working in franchise stores for a major company like ColorTyme, others worked their way into the industry while being grounded in a legal profession and still others were persuaded to get involved by family members already involved in RTO.

BY NICKI CARLSON

INCENTIVE Regardless of their point of entry, most women agree on one aspect of the industry that appeals to them most: opportunity. Tracey Morgan, owner and president of Rent America, says this opportunity can be found at all levels, not just the entry level. This is especially beneficial to women, Morgan says, because entry-level jobs in this industry often entail inhibiting aspects for women like heavy-lifting, delivery, and collection of merchandise.

Margo Tillotson, president of the Florida Rental Dealers Association and a corporate officer for Champion Rentals, says the number of entrepreneurs in the industry is another attractive aspect to women. "Because there are entrepreneurs, there is a general willingness to give working individuals a lot of opportunity and responsibility." Tillotson says the result is "room for tremendous growth for any individual who's willing to work hard."

Mamie Harper (formerly Mamie Sasarak), owner of two Premiere Rent to Own stores in El Paso, Texas, agrees with Tillotson and adds that the possibility for growth is limited only by "ourselves and our imagination." Harper expresses the belief that the

potential to do a lot of different things under one roof. I like the fact that every day the business is different."

CONTRIBUTIONS Many women share Harper's attraction to the "creative aspects" of RTO; some see activities like merchandising, accessorizing, advertising and decorating as outlets for abilities they inherently possess as women. Saundra Blackwell, a consultant in the industry and the only female member of APRO's board of directors, supports this idea by suggesting that men often overlook the "little nuances" that make a store attractive and welcoming.

According to Blackwell, many women also bring to the industry a background in community involvement and charitable activities, as well as negotiation and communication skills that are critical for maintaining productive relationships with customers and employees.

"I think women's innate abilities can allow them to really succeed and progress in this industry, even more so—and faster than—in other businesses," Blackwell says.

Rita Barr, who works in operations support and district management at ARCOP in Ohio, agrees with Black-

well's description of women's unique contributions to the industry. Barr says women are "in touch with people's behaviors and feelings and are, therefore, very customer service-oriented, instead of always focusing on [achieving the best] bottom line."

well's description of women's unique contributions to the industry. Barr says women are "in touch with people's behaviors and feelings and are, therefore, very customer service-oriented, instead of always focusing on [achieving the best] bottom line."

STRUGGLES While good rapport with customers is important, having satisfying and mutually respectful relationships with other members of the rental-purchase industry is equally consequential. To the credit of the industry as a whole and of the men in the industry in particular, none of the women interviewed for this story felt they had experienced a so-called "glass-ceiling." Unfortunately, this does not mean that women have not had to endure what they perceive to be gender-based struggles and insults.



Rita Barr



Saundra Blackwell



Mamie Harper



Tracey Morgan



Margo Tillotson

creative aspect of the business, activities like merchandising, accessorizing and decorating stores and peoples' homes, is particularly appealing to women. "Our customers are demanding we have the latest styles, furniture, rugs and artwork, and I think women like to deal with these kinds of things," Harper adds.

Harper also enjoys the diverse client base and fast pace of the rental-purchase industry. "We have the

well's description of women's unique contributions to the industry. Barr says women are "in touch with people's behaviors and feelings and are, therefore, very customer service-oriented, instead of always focusing on [achieving the best] bottom line."

Barr suggests that women help to bring a more optimistic philosophy to the business; specifically, they promote a philosophy that stresses doing the right things up front where cus-

One store owner spoke about numerous experiences at APRO conventions and other trade shows where men start directing all their questions to her husband, a doctor. She says her husband always listens politely and then responds, "You might want to speak to my wife—she owns the company." The husband knows nothing about the rental-purchase industry, except for what his wife has shared with him.

"I think women's innate abilities can allow them to really succeed and progress in this industry, even more so — and faster — than in other businesses."

Another woman relayed an unfortunate incident that occurred years ago, when a company told her flat out that they did not hire women. She found a job elsewhere in the industry, but still feels that RTO is very male-dominated. It has a definite "good ol' boy feel—it is not welcoming to women," she says.

SCARCITY Though the specific incidents described above are isolated events, they bring up a pointed question: Is there a reason for the seemingly few number of women in this industry?

Blackwell describes how, in the early days of the industry, it appeared there was a substantial number of women involved. The reason, she says, was that many wives worked with their husbands. This became less of a phenomenon as the industry—and the times—changed. Now, Blackwell says, "I find I have less contact—as far as the total number of women are concerned—than I used to, because the women that are involved now are generally owners and operators," she says, "and few women have achieved those levels in this industry."

Blackwell says she wonders if the simple fact that the industry is not very well known hinders women from becoming involved. "If I went to a college to recruit, I don't think there would be a substantial number of women graduates who would even be aware of this industry; even if there were, I don't think they would see this industry as a place where they would want to start out," Blackwell says. Perhaps the lack of a strong female presence in the industry keeps women from seeing it as a desirable professional option.

Barr suggests that the competitive atmosphere deters women. Even at conventions, she says, when industry participants should be sharing and learning from one another, the sense of competition is very strong. People

do not cooperate, she says, for fear that someone else will learn their "secret" and get ahead of them personally.

Tillotson looks to the negative image the rental-purchase industry has long been fighting. "Maybe there is a little apprehension about getting into it [RTO]...because in years past it has been perceived as being negative. Maybe that has prevented women from wanting to get involved here."

Another perspective cites the collection aspect of RTO as a possible reason for the lack of women. "I think that some people didn't think women could handle collections; maybe women themselves were turned off by it," Harper says. She adds that this industry has just "not traditionally been a women's business."

PERSPECTIVE Most women who are involved in RTO express satisfaction and even excitement when speaking about this industry. However, they also express an inherent desire to see more women participate in the industry and to communicate and collaborate with other women who are already involved. "Veteran" women in the industry cite specific roles and special contributions they can bring to RTO and say that, for the most part, the industry has given them the opportunity to do so. It's a mutually beneficial relationship.

Blackwell probably speaks for the majority of women when she says: "As much as I enjoy working with the guys, I am delighted when I have those rare opportunities to work with other women. However, there's an awesome concentration of wonderful people in this industry; the one thing that keeps me in the business is the contact and relationships with all these people." ■

Nicki Carlson is a free-lance writer and journalism major at the University of Texas at Austin.

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TAKING CENTER STAGE AS A RENTAL- FRIENDLY OPTION

BY BARBARA STOOKSBERRY

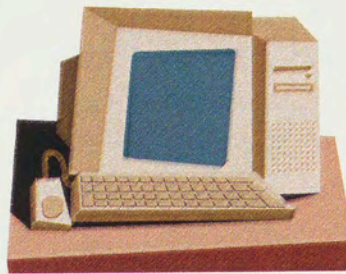
hey haven't been in rental-purchase stores for long—maybe two, two-and-a-half years—but computers are here to stay, according to both dealers and vendors. The two major players in computers for rental-purchase are IC Systems of Clearwater, Florida, and Quantum Tech of Wichita, Kansas, but some dealers also buy directly from distributors. A new player called Recompute, which markets remanufactured, lower-tech computers that can be bought at lower prices, has also entered the picture.

Over the past year, many of the initial problems with offering computers through rental-purchase have been worked out. Today, more and more dealers are adding computers to their stores in response to increased customer demand. Tony Woods of IC Systems says computers may not be a winning product for every store, noting that larger rental-purchase chains are putting computers in areas where profitability is dictated by demographics. There is plenty of demand, he says, and dealers don't want their customers going to a competitor just because they don't have what the customer wants. As a result, even reluctant dealers are taking a look at computers to maintain, as well as expand, their customer base.



computers

Much of the increased demand for computers comes from families with school-age children who have learned to use computers at school and want to have a computer at home for homework, reports and games. Many adults who use computers at work have found that a computer at home would help them pay bills, track spending, write a letter and/or provide e-mail, faxing capability and Internet access. There is also the more sophisticated consumer who fully understands the capabilities of these computers and who can put to use the wide variety of multimedia features found on most of these systems.



THE RENTAL-PURCHASE CUSTOMER
 actually gets better service than the retail customer because this industry is service-oriented and the customer has higher service expectations, says Sherry Workman of Quantum Tech. She's found that the demand for computers in rental-purchase stores is growing so fast that the question is not if a store will rent computers, but when.

Because much of the momentum behind computer buying is guilt-driven, as parents try to provide their children with what they think they need to do well in school, there is plenty of promotional opportunity for back-to-school and

Christmas. There is also good market potential for students going off to college, the small-business owner and those who run businesses from home.

Vendors say computers give the rental-purchase dealer the opportunity to attract a wider, more diverse market to their stores. However, many consumers simply cannot plunk down the significant bucks it takes to buy at retail prices. Currently, 36 million U.S. households have PCs, but that leaves millions more who are going to want word-processing, check-balancing, game-playing and e-mail capabilities, not to mention access to the information superhighway.

WHO'S WHO IN

Computer rental

The following list of computer suppliers cater specifically to the rental-purchase industry. Please feel free to contact any of these companies for information, pricing and product specifications. They are designated as APRO Associate Members (*), advertisers (+) in APRO publications and/or APRO convention exhibitors (!).

Ideal Software Systems[!]

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 601/693-1673
 Fax 601/693-1680

Rental Information Systems Inc.[!]

P.O. Box 1165
 Magnolia, AR 71753
 (800) 863-7394
 Fax (501) 234-3797

Rental & Sales Software Systems[!]

457 Robert Dr.
 Corpus Christi, TX 78412
 800/334-5224
 Fax 512/993-1731

RTO for Windows[!]

P.O. Box 505
 Spruce Pine, NC 28777-0505
 704/765-1574
 Fax 704/765-1575

Global Systems Inc.[!]

P.O. Box 1005
 McKinney, TX, 75070
 214/838-2807
 Fax 214/837-2708

RENTEK[!]

6804 Bancroft Woods Dr.
 Austin, TX 78729
 800/9-RENTEK
 Fax 512/388-0630

High Touch Inc.[!]

1900 N. Amidon, #200
 Wichita, KS 67203
 800/326-6059
 Fax 316/832-9503

ReCompute[!]

111 Congress Ave.,
 Suite 2100
 Austin, TX 78701
 512/472-7000
 Fax 512/472-8540

BDI Distributors[!]

2100 Marietta Blvd. N.W.
 Atlanta, GA 30318
 404/351-9816 ext. 139
 Fax 404/355-0430

Computermax Inc.[!]

P.O. Box 3683
 Cleveland, TN 37320
 615/476-9148
 Fax 615/476-9140

IC Systems/ Leasing Inc.[!]

23494 U.S. Hwy 19 N.
 Clearwater, FL 34625
 800/266-7332
 Fax 813/797-8327

The Quantum Group[!]

3179 W. Maple
 Wichita, KS 67213
 316/942-1818
 Fax 316/942-3194

Healing techno-fears

Historically, in RTO's short history of renting computers, the biggest reluctance among dealers has stemmed from inexperience with computers combined with a fear that technical support would not be accessible when a customer hit a snag, especially with the software. Also, traditional training methods did not always address the problem of high employee turnover that is common in the RTO industry.

IC Systems' "custom care package," designed specifically for the rental-purchase industry, takes store personnel out of the picture and makes them more of a facilitator in the business transaction. Here's how it works: When a customer comes into the store, he or she can get on the phone directly with IC Systems and discuss the various capabilities and options with a technician, which allows the customer to function more comfortably with the store employee, who can then place the order and collect a deposit.

Rental-purchase represents a significant segment of IC Systems' business. IC Systems is a manufacturer/systems integrator that builds IBM-compatible computer systems. Woods says the company started with Rent-Way as the "beta test" in November 1994 and was off and running by July 1995. The RTO industry needed to lose its fear of computers, says Woods, because computers have generated a lot of income for dealers who have taken a chance on them and have proved to have a good stay-out rate.

IC Systems offers a total package to RTO dealers that addresses dealers' fears, anticipates potential problems and offers possible solutions. Each of the company's computers undergoes a 48-hour diagnostic "burn in" and testing time to minimize down time.

"We really have two customers," says Woods, "the dealer and his customer. We have a commitment to customer service that is second to none." IC Systems also has a toll-free number for technical support as well as remote diagnostic software to assist in pin-pointing problems once the customer has the computer at home. The company offers a two-year parts warranty and five-year labor warranty and, with cross-shipping, another machine can be on its way to the store while the machine in need of repair is in transit to IC Systems.

Woods believes that dealers should offer the Pentium 100 processor even at the entry-level because, he says, the 486 processor "won't grow" into the future. His machines are all multimedia systems loaded with the software most in demand—Windows95, CDs, word processing, spreadsheet and budgeting software and games—as well as e-mail and Internet capability.

To stock or not to stock?

IC Systems is developing a more streamlined sales approach: an in-store demonstration center where customers can try out three models to see the differences, make their selection and order from there, with delivery in three to five days, depending on shipping arrangements. This strategy avoids the

higher, up-front costs of stocking different models, but does not allow the customer to walk out of the store with the product. Some rental-purchase stores believe in stocking a selection of computers; others believe that RTO computers are a product for which the customer is willing to wait a few days.

Sherry Workman of Quantum Tech

advocates stocking complete systems so customers do not have to wait for a special delivery. One of the ways Quantum recognizes needs unique to rental-purchase is to load its computers up with software, but retain the original software disks until payout, so the dealer doesn't have to worry that the software won't be returned with the hardware. Quantum

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offers the dealer an on-site warranty, replacement and the ability to customize a computer with features that help customers with specific needs, such as providing Spanish support for Spanish-speaking customers. Delivery on custom orders is two to 10 days.

Quantum consults with each dealer to determine what product will work in a particular store or stores, taking into account geography and demographics

and working out a competitive price structure. Workman says her company offers high-quality computers to RTO dealers at distributor prices.

Quantum sells warrantied components from DTK, which makes motherboards for IBM, and produces a product that is more durable than many of the retail machines intended for home use, says Workman. Quantum also builds 33.6 fax modems into its computers and

offers a line of Hewlett-Packard printers. In addition to loading the software, Quantum opens up and checks every computer before it is sent to the RTO store.

Improved training and service

The rental-purchase customer actually gets better service than the retail customer, says Workman, because this industry is service-oriented and the customer has higher service expectations. Quantum offers a free, first-year phone line for technical assistance from 8 a.m. to 5 p.m., Monday through Friday, and 10 a.m. to 2 p.m. on Saturdays—a service that will be expanded as usage increases. Workman has found that the demand for computers in rental-purchase stores is growing so fast that the question is not *if* a store will rent computers, but when.

As far as training is concerned, Workman travels the country training and retraining managers and other store employees so that they become confident in their expertise and their ability to represent competently the product to the customer. Quantum provides business cards depicting the machines' configurations, which is another confidence-building sales tool and helps employees learn how to analyze and create competitive advertising.

Recompute, a new company based in Austin, Texas, is one that believes there is still a solid market for computers with 486 processors—and it has the sales figures to support that contention. Recompute offers (at lower price points) a line of remanufactured PCs, most of which come with the slower processor (see sidebar), but which may suit the needs of some rental-purchase dealers.

Tony Woods says the rental-purchase industry had to evolve to the point of accepting computers as viable RTO products, just as suppliers had to prove that they could handle computers as a rental-purchase product by addressing needs specific to the industry. Most in the industry believe that time has come. ■

Barbara Stooksberry is a frequent contributor to Progressive Rentals.

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What's old is new again!

What happens to all those so-called obsolete computers when a major corporation upgrades and relegates thousands of them to some warehouse in the boonies? Many of them end up in America's landfills—an estimated 150 million of them by the turn of the century. That fact bothered Brian Kushner, CEO of Recompute, when he led an industry-wide environmental assessment of the life-cycle of a computer workstation a few years back for Microelectronics and Computer Technology Corp., a multi-million dollar consortium for the computer industry.

Kushner believed these computers still had a lot of life in them and saw the potential for a whole new industry in the sale of refurbished computers that maybe didn't have all the bells-and-whistles of the newest models on the market, but still had a long way to go before obsolescence. Early this year, he founded Recompute, an Austin, Texas-based company that buys up used computers by the thousands, rebuilds them, sells them at a fraction of what the latest model would cost the consumer and backs them up with a 30-day, money-back guarantee and a year's warranty on the machine itself.

The beauty of offering remanufactured computers through rental-purchase, says Bobby Drish, partnership marketing manager for Recompute, is the low, up-front cost to the dealer, who can place a complete system in his or her store for \$860. Plus, Recompute is going to great lengths to make life easier for both the RTO dealer and the computer user. The company has developed a CD-ROM restoration disk that wipes the machine clean of any software the consumer may have added to it and restores the computer in just minutes to the way it was when initially rented. They also provide a 30-minute training video for rental store employees.

These machines use Intel 486 or Pentium microprocessors (on the most expensive model) and run Windows 3.1, with Windows95 offered as an option. The computers come from top PC makers, such as Dell, Compaq, IBM and Hewlett-Packard, which have solid name recognition with consumers. Recompute computers come with 14-inch color monitors, mouse, keyboard and 8 megabytes RAM, along with licensed software for word processing, spreadsheets, games, e-mail and access to the Internet. Hardware support is handled directly through Recompute Product Support by phone, fax or e-mail for RTO dealers.

To make the computer more user-friendly, Recompute builds in Quickstart™ which allows users to launch applications from a single menu using a colorful numerical pad that resembles a telephone. The rental customer can get technical support from 8 a.m. until 7 p.m., Central Standard Time, five days a week, or have questions answered by e-mail or fax. The numerical keyboard allows the user to help the Recompute technician troubleshoot problems by phone via built-in diagnostic utilities.

Recompute, which recently joined APRO and exhibited at the New Orleans convention, is having some growing pains right now because of its own success, but the company can deliver on orders within 12 days and will soon be able to cut delivery time significantly.

Recompute's remanufactured machines will not fit the bill for everyone, but Drish believes that there are plenty of customers out there who want to have a computer at home, but are unwilling or unable to fork over \$2,000 or more for it. Recompute offers an alternative.



RICK WILLIAMS

ReCompute brings new life and new sales to used computers — and a perfect alternative for RTO customers.

Read to learn ABOUT Rent-to-own

Progressive Rentals is the leading trade publication for the rental-purchase industry in the nation. Published six times a year by the Association of Progressive Rental Organizations, *Progressive Rentals* features late-breaking news, feature stories, legislative victories, business profiles and new product information as it relates to this fast-growing industry — the rent-to-own industry.

APRO members receive *Progressive Rentals* automatically as a membership benefit. 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 APRO at 800/204-2776 or 512/794-0095. If you are only interested in receiving *Progressive Rentals*, simply fill out and return the subscription form to APRO at 9015 Mountain Ridge Drive, Suite 220, Austin, TX 78759 or fax to 512/794-0097.

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A BOOMING

new market!

Rent-to-own has a staunch new market: the middle-aged, minivan-abandoning, life-changing baby boomers. Today, this particular demographic group is in credit, lifestyle and family transitions. The rental-purchase industry can only stand to gain from this vibrant, growth group as long as

Tap the \$900-billion-a-year burgeoning market of Americans whose lives are caught in transition.

your stores are willing to appeal to their tastes, wants and needs.

The 40-plus crowd is starting over by the tens of thousands for myriad reasons: divorce, layoffs or voluntary career changes. Older Americans shop with convenience, lifestyle, comfort and flexibility in mind. They have

distinct preferences. Boomers are more open to flexible payment options since many have leased vehicles, rented apartments for them-selves and their college-age children and live month-to-month financially.

Decreasing available cash flow is this market's financial standard and has been for years, according to recent disclosures of the high debt levels of older Americans. Their credit cards are maxing out; therefore, many are relieved to avoid a credit check or another credit rejection. Yet, the desire and the need for new furniture, appliances and electronic equipment is still there. Their lifestyle includes in-home entertainment, as do the lifestyles of their young adult children who the parents feel obligated to support financially over longer periods of time. Boomers and their adult children represent two markets built into one for RTO.

By Joyce Scott

Quality

SERVICE



By making slight adjustments in your marketing approach, inventory styles and advertising messages and mediums, your business can appeal to this seasoned, bustling and ready-to-rent marketplace.

HOW DO YOU MARKET TO THEM?

According to Ken Dychtwald, Ph.D., who is an authority on the patterns and trends of mature consumers, older Americans want the following:

- ▶ youthful images;
- ▶ positive and attractive products;
- ▶ fewer things in exchange for better experiences;
- ▶ to be comfortable; and
- ▶ convenience and access to what they want.

If your store's stock reflects this market's spirit, if you let them know simply, easily and often that you can help them, they will let you serve them — and serve your bottom line in the process.

In favor of RTO, this transitional market loves new approaches to the new challenges they face.

Older Americans' attitudes about money revolves around cash flow and credit use. They want everything possible to support their more leisure-centered lifestyle goals and they want it now. These people are better educated than any previous generation. They like making decisions and love to demonstrate using good judgment and business savvy when shopping. According to the Dychtwald, the marketplace overall must be "re-tooled" to meet their preferences. For the rental-purchase industry, that, too, means a change. The opportunity is vast if you are willing to take the plunge into this huge, overlooked market.

Mature, more affluent adults like a consultative approach when investigating a product or service. Great customer service integral to the RTO business includes getting these customers in the door, explaining how the rental-purchase contract works and taking them step-by-step through your delivery, return, replacement and rental policies.

If that service is not forthcoming, these customers also know how to shop around. In favor of RTO, however, is that this market loves new approaches to the new challenges they face in integrating their home and work lives.

WHERE TO START

To begin attracting this burgeoning market to your store, you must fulfill their current need to know you want their business by inviting them into your store with advertising they can relate to, products they can picture in their apartment, condo or home-based office and a positive feeling once they have entered the store.

This can be done with advertising that targets the older, vibrant, more affluent adult in the midst of a life change. These people listen to talk-radio programs and read local papers in large numbers. Buy some time with radio talk shows; newspaper ads should say specifically "we're here for you through life transitions." Use a campaign approach by stretching your way of informing the greater community about your offerings. When was the last time you attended a networking meeting at breakfast or lunch? Invite the greater community in to tour your store. You may be surprised at the number of people you meet going through a major life change who are in need of RTO.

Secondly, when older people walk in your door, greet them with familiarity and questions that extend beyond the usual, "may I help you?" Ask them about their overall plans, options, moves, etc. You have more to offer than your customers know. Let them tell you where they are in their life cycle, listen to find out where your store can meet their current and growing needs. This market is more open to suggestions than ever before because of transitions; finance is a major issue. Teach young employees through role-playing. For example, in training, pretend to be the customer — or pretend that someone else is the customer. Allow employees to try different approaches and questioning techniques on one another to become comfortable with asking the what, how, when and who types of questions used in consultative selling.

Third, style does matter. Take a good, objective, targeted, customer-eye-view of your store and its inventory. Do "walk-throughs" with people who have never been in the store and ask them for their impressions. Don't rely only on family members or longtime friends. Get someone who is able to be totally honest about the condition

of the products, the brightness of the store, decorating, cleanliness and overall impression. A new view will help in the long run as you update, brighten and refurbish to take advantage of your advertising campaign. Good renting! ■

Joyce Scott is owner of Strategy Consultants, Consortium, and a national speaker, consultant and writer who lives in Round Rock, Texas.

Worth the effort

Older Americans 45 and older have more discretionary income than their younger counterparts. As of 1990, households headed by 35- to 44-year-olds spend 28 percent more than the average household in categories of furniture, appliances and entertainment. Their spending preferences are projected to continue in spite of their job, marital or life changes. By 1997 they will be pushing 50, facing more changes and are a group with a \$900-billion net worth.

FROM AGE WAVE BY KEN DYCHTWALD, PH.D.

Who are they?

Forty-three percent of older Americans are single. As they grow older, there are more single women than men. By the year 2000, 20 percent of older Americans will work from home. Sixty-eight percent of self-employed men continue to work after they start to receive Social Security benefits — many in home-based businesses.

To the rent-to-own industry, this means an opportunity to target, specifically, a growth market.

Here are two fictional portraits of potential customers whose lives are in transition and could benefit from rental-purchase:



MS. RITA RESTART

Consider the 50-plus newly single woman on her own for the first time. Her transition is confusing and lonely. She is rebuilding her life and possibly her credit, which has probably been uprooted through her divorce. She needs a service provider who

- ▶ listens keenly,
- ▶ creates a hassle-free experience,
- ▶ accommodates her frazzled schedule,
- ▶ explains the rental contract fully and
- ▶ assures her she can change her mind after delivery.

Ms. Restart listens to her favorite call-in radio talk-show

psychologist. If you run radio ads for your store, you may want to purchase some time during a local Dr. Joy or Dr. Laura show. Make the ad clear that you offer an affordable way to decorate without complicated credit problems. Ms. Restart wants colors, styles and lines she sees in decorating and womens' magazines. For her, electronic equipment is easy to use and small enough to fit within her smaller living quarters. To appeal to her modern, floral or Oriental tastes, you could have accessorized displays with matching picture groups, silk flowers and rugs. She loves the jewel tones of blue, mauve, green and purple as they, most likely, match the wallpaper and carpet in her new apartment.



CLAIRE AND CHARLIE CHANGE

The downsizing couple in transition could walk in your door right now. They are planning their next move from their suburban home to a two-person functional townhouse. They were in the midst of designing or building a new home when their suburban home sold. Their furniture and appliances are worn and just won't fit the new, more portable, lifestyle they plan. Working with RTO would help their current cash flow issues as they have two children in college. This couple is accustomed to a feel of luxury

for themselves. They entertain for business and personal reasons. Your store can provide everything they need during this interim period.

This busy couple has just enough time to browse through the local newspapers, especially on the weekends. They noticed your ad describing your showroom of furniture and electronics. It sparked their interest so they came in to rent for themselves or to rent for their college students. Your inventory will appeal to them if it:

- ▶ is comfortably stuffy, perhaps oversized;
- ▶ is neutral colored, beige, brown, off-white;
- ▶ has solids, plaids or conservative prints;
- ▶ is fresh looking, the newer the better;
- ▶ has Martha Stewart-like accessories and/or
- ▶ has pillows, dark wood, colonial looks.

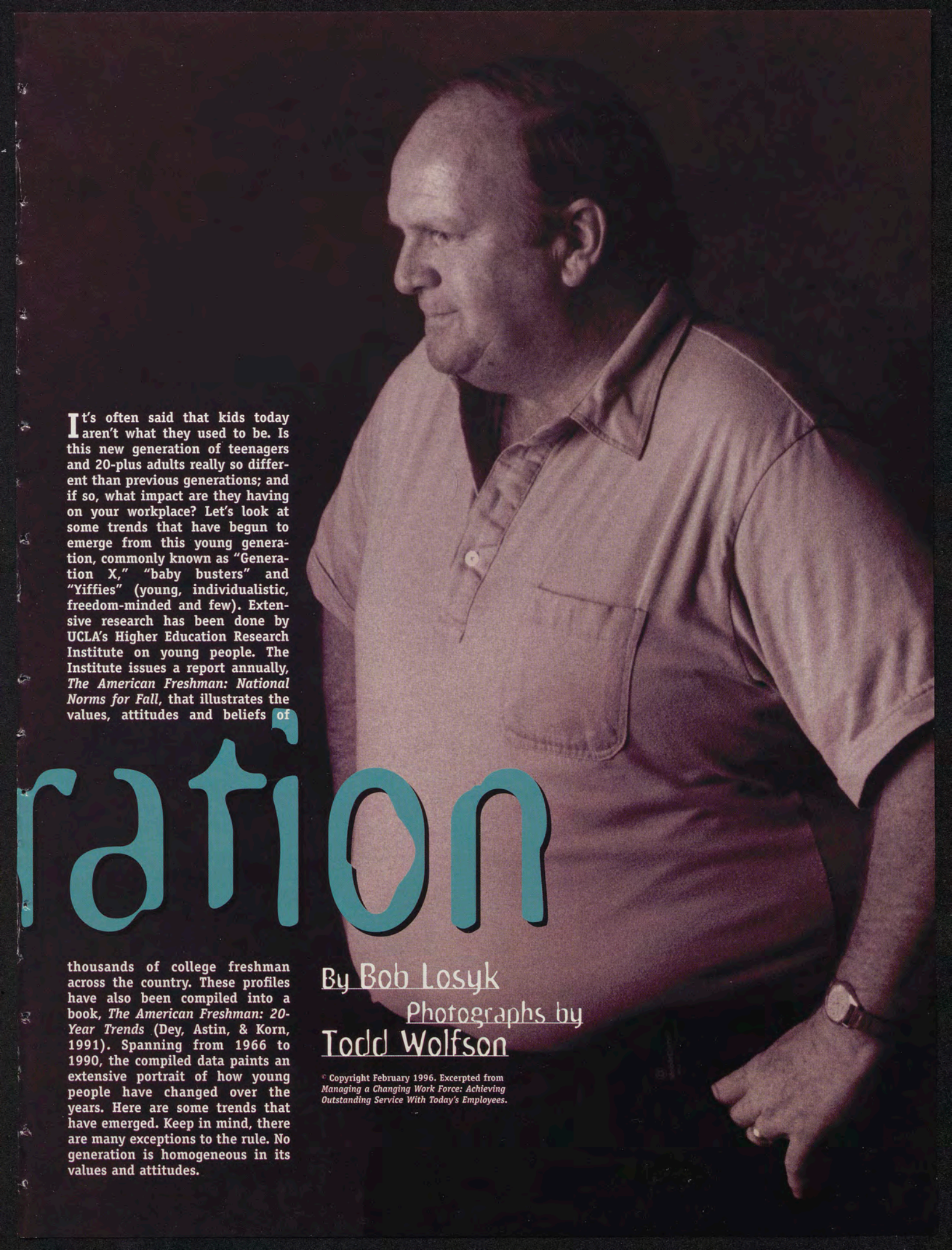
Good taste in your product selection will stimulate the changes to do business with you. For this couple, taste and appeal include the cleanliness of the store, dust-free lamps, tables and accessories, the look of new, unworn fabric on sofas, chairs and pillows. They will sign on the dotted line if they have been fully served throughout the entire transaction. Employees need strong listening skills and knowledge of terms, conditions and delivery schedules to work successfully with these customers.

It is time for RTO to create a higher profile for an option for which the marketplace is more than ready.

Managing and
motivating
the

ne t
Generation





It's often said that kids today aren't what they used to be. Is this new generation of teenagers and 20-plus adults really so different than previous generations; and if so, what impact are they having on your workplace? Let's look at some trends that have begun to emerge from this young generation, commonly known as "Generation X," "baby busters" and "Yiffies" (young, individualistic, freedom-minded and few). Extensive research has been done by UCLA's Higher Education Research Institute on young people. The Institute issues a report annually, *The American Freshman: National Norms for Fall*, that illustrates the values, attitudes and beliefs of

ration

thousands of college freshman across the country. These profiles have also been compiled into a book, *The American Freshman: 20-Year Trends* (Dey, Astin, & Korn, 1991). Spanning from 1966 to 1990, the compiled data paints an extensive portrait of how young people have changed over the years. Here are some trends that have emerged. Keep in mind, there are many exceptions to the rule. No generation is homogeneous in its values and attitudes.

By Bob Losyk
Photographs by
Todd Wolfson

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*Managing a Changing Work Force: Achieving
Outstanding Service With Today's Employees.*

FEW IN NUMBERS. As a result of our work force growing at the slowest rate since the 1930s, skilled and educated Yiffies realize the numbers are on their side. They see themselves as very marketable commodities—they're critically needed and in short supply. They feel they can be patient when choosing a job and many have become highly competitive at getting what they want.

KEEP OPTIONS OPEN. The baby busters or Yiffies, as a whole, take longer to make job decisions and often don't stick to commitments. They want to keep their options open. The grass always seems greener somewhere else.

Yiffies are always looking to upgrade their work and out-of-work situations. In order to upgrade their careers, they tend to leave a job at the hint of a better position. This baffles and frustrates their baby boomer managers. Boomers are accustomed to giving two weeks to a month's notice prior to leaving.

The loyalty and commitment to the workplace of previous generations is a thing of the past. Yiffies watched their grandparents do everything perfectly right only to get a gold watch and collect a pension upon retirement. Their parents' dedication to the company only seemed to result in job losses because of lay-offs, mergers and acquisitions. This generation sees no good reason for commitment.

YOUNG AND FLEXIBLE. Youth enables Yiffies or Generation X'ers to take jobs where physical work or standing all day is a requirement. They normally have high energy levels and can handle stress well. Many are filled with innocent enthusiasm. Depending on the job requirements, they can easily switch gears and are willing to try new tasks. In fact, they like the challenge that comes with new situations. Generations X'ers are bored with repetitive tasks.

SELFISHNESS. This is the first generation to spend considerable time in day care centers. They became independent at a young age. The X'ers have been weaned on M-TV, high-tech, video games and computers. Many were latchkey children, helping them become very freedom-minded, individualistic and self absorbed, bordering on selfish.

This has enabled Generation X'ers to work very well by themselves in the workplace. They are self-directed and often have great initiative for a new challenge. However, many are not adept, early on, at working in teams. With team building training, they can easily assimilate and enjoy working with peers.

CRAVE ATTENTION. Many of the X'ers parents were too busy or tired to have any meaningful, quality time with them. At school, classes were overcrowded. It was hard for X'ers to get noticed. As adults, they still have a great need to be noticed. As a result, they seek attention in the workplace.

Some managers complain about their young workers' bizarre behaviors. When this happens, have a coaching session. Describe the exact behavior to the person and ask why he or she is exhibiting it. Almost all answers will revolve around gaining attention. Young workers are insecure. They are afraid nobody will know they exist.

PROPENSITY FOR FUN. This generation was entertained by Big Bird and Company from Sesame Street. Many spent time after school entertaining

themselves, so it's only natural that a good time, whether it be at work, school or home is a priority. They don't take work seriously like their parents did. They disdain the workaholic, slave-to-the-job mentality. Work is only a means to an end: money, fun and leisure are their priorities.

Many owners and managers voice the same opinion: this group doesn't work very hard. Those that hire the pre-20-year-olds for their restaurant or retail outlets say they really have to keep an eye on them to get them to be productive. Young employees spend a lot of time chatting and laughing with co-workers. Many customers complain they can't get clerks to wait on them.

DON'T RESPECT THE BOSS. This group hasn't had any experience with the military, unless it was their choice. Authority figures and bosses are generally an anomaly to them. Their parents often weren't around enough to tell them what to do or were too soft with discipline. They don't

They disdain
mentality. Work is
money, fun

THE NEXT GENERATION



like to take orders and often question why when they are told to do something. Baby boomer managers feel X'ers' behaviors border on disrespectful because they tend to work around their managers or skip over them and go directly to the top.

NEGATIVE VIEW OF THE WORLD. It is estimated that by the time this group became 18 years old, they had watched more than 22,000 hours of TV and, as a result, witnessed thousands of murders and acts of violence. In addition, their gloomy view of the world was shaped by numerous negative events such as the Persian Gulf War, escalating crime, riots, nuclear threat and global pollution.

UNREALISTIC AND MATERIALISTIC VIEWS. Whether from watching TV or from being given too much by guilt-ridden, never-home parents, the baby busters have come to expect a whole lot for nothing. Their grandparents also contributed

to this by lavishly awarding them with gifts and money. Their motto could almost be: "I exist, therefore I get." They have a strong propensity for instant gratification.

It is not uncommon for X'ers to get out of high school and expect to be paid well for minimal skills. Many disdain minimum wage jobs. Young college graduates look to start at high paying positions with power and perks. They have little patience for paying their dues or working their way up the ladder.

They do feel the need to have material things and gadgets, yet they reject the materialistic consumption of the Yuppies. The X'ers feel that making money is not as important as experiencing life. To be a workaholic, in their minds, is to have no life. Consequently, a paradox exists between how they view life and what they think they need from it.

Interestingly, the student surveys in "The American Freshman" have shown a dramatic increase of students wanting to

employs a work force where 40 percent is under 30 years old. Employees can choose flexi-scheduling around a core set of hours and have the option to work part of the day at home. People can take an unpaid work leave of up to four months per year. Employees are paid about 10 percent to 20 percent higher than similar companies. In addition, they empower their people to take risks, create new work processes and solve problems.

Texas Instruments uses education and training as an incentive to keep younger people. Employees are reimbursed 100 percent for pursuing an advanced degree. Education and training are used as a basis for promotions and pay raises. The company has changed its hourly compensation system for young employees. It used to be based upon seniority. Now the system is based on overall performance, with seniority being a minor factor.

ACCEPT THEM. It is critical to learn to work with this generation rather than fight them. It's a lot easier. Showing that

with their independence and embarrasses them. At the same time, they love the strokes. Once you have proven yourself as a caring manager, the battle is over, as long as you manage in a manner that continually shows you care.

ASK, ASK, ASK. Another key to managing Generation X'ers is by asking questions. The No. 1 rule of asking questions is: don't ask unless you have time to listen to the answers. The No. 2 rule is: don't ask unless you are willing to implement the changes based on those answers.

Asking lots of questions and implementing solutions based on those answers does three things with this generation. First, it shows you value and respect their opinion. Second, it gets them involved and participating in decisions. X'ers take to empowerment very well. Third, it builds loyalty and commitment.

Effective questions to ask young workers.

- ▶ What would you like me to do that I don't do?
- ▶ If you could change one thing about me, what would it be?
- ▶ What is the best way for me to be helpful and supportive to you?
- ▶ When we have a problem or disagreement, what is the best way for us to discuss it?
- ▶ What kind of feedback is most helpful to you?
- ▶ What do you need to do a better job (be more productive, give better service)?
- ▶ How do you like to be rewarded and recognized for exceptional work?
- ▶ Have you ever thought about quitting? Why?

DISCUSS YOUR METHODS. Explain how you like to manage, communicate and evaluate. Ask what X'ers liked or disliked about the way they were treated by previous managers, owners or teachers. Tell how your methods compare. This is good not only as an interview question, but also one that is effective in the first few weeks of employment. It gives you a clue about which buttons to push or not to push.

TRAIN AND ORIENT. When Generation X'ers first come to work, do as much training and orientation as you feel is necessary for them to be effective immediately. Meet with them after day one, week one, month one, quarterly and at the end of the year. You need to know if they are having problems and where help

The workaholic, slave-to-the-job only a means to an end: and leisure are their priorities.

get masters' and doctoral degrees. One explanation may be that they think only an advanced degree will start them at a high paying job. It also reflects the need for money and status.

you don't like them only creates conflicts and turnover.

USE LOVE AND CARING. This is a group that needs to be shown that you truly care about each one as a person. But just talking about how you care about them or appreciate the job they are doing doesn't get it. To them, talk is cheap. A key to motivation is to show that you appreciate them. Be careful, however. They hate anything that smacks of phoniness and can spot it a mile away.

DON'T BABY THEM. Generation X'ers want care and concern, but don't want to be babied. They want you to guide them, but they also want to be seen as independent and self starters. It's no wonder that managers get confused when managing this generation! Don't baby them, but do be a surrogate parent to them in the beginning. If it's their first job, they will be nervous and want you there in case they need you. They don't want anyone to see them being babied as it conflicts

KEYS TO MANAGING X'ERS

Is there hope or is this a lost generation? Although some of these characteristics exasperate both the baby boomers and radio generation (pre-1944), the answers are much more positive than many managers and owners would expect. With the right management and motivation techniques, this energetic, creative, enthusiastic generation is ready to contribute and has much to offer. Many companies have been highly successful in employing them.

Patagonia, a manufacturer of various types of products for active people,

is needed. Empower them to make their jobs more effective and productive. This also helps you to get to know them individually. The greatest management riddle in the world is how to treat each person as an individual, but be fair and consistent with everyone. This is a group that demands fairness.

SET SPECIFIC STANDARDS. Write out the specific standards of behavior, responsibilities and policies you expect. Unless clear standards are written and communicated to employees, what you want will not happen. This generation is not irresponsible. Many just haven't been taught enough about responsibility.

When something goes wrong, it is important not to let it slide. If you ignore negative behavior, it will happen again and usually very soon. There is a testing period where young people will try to learn how far they can push the rules or see what they can get away with. Don't overreact any more than you would with anyone else. We think because the employee is young that we have to break them in hard or "ride herd" on them. This management technique will only create a revolving door syndrome.

Be consistent in what you expect. Don't lower your standards and don't have different standards for different people. Young people already view the world as being unfair. At the same time, learn to be flexible when necessary. Offering young people more options and

Here are some guidelines when you use a written contract:

1. Clearly explain the service behavior or goal you want accomplished. Have the employee repeat your request, so both of you are clear on what is expected. Then put the standards expected on paper and have the employee sign off on it.

2. Give a specific date when this goal must be accomplished.

3. On certain predetermined dates, sit down and discuss their progress. If they know they have mini-deadlines, they will keep working toward their goal.

4. You want to let them know exactly what you will be looking for and how they will be judged. If done properly, this eliminates fear and they are more apt to do a better job.

5. If they do an exceptional job, reward and recognize them accordingly. If, for any reason, they don't succeed, have a plan in place to deal with the failure.

SHOW WHAT'S IN IT FOR THEM. You can't motivate this generation by telling them that what they're doing is for the good of the organization. That just doesn't fly. You have to explain what the benefits are for them or the customer. By letting them know why it is important in their career, they will forge ahead with enthusiasm and energy. It's imperative that the things they are learning in their job or career are going to make a difference down the road. It has to make them a hotter commodity in the job marketplace.

Have friendly competition between individuals or teams for a predetermined service goal. Spotlight winners on a bulletin board or display case. Put photos up where customers can see them. Most young workers like the attention and recognition. If you are not sure that they will like it, ask.

GIVE PROPER FEEDBACK. X'ers want to know how they are doing. They are used to instant feedback from the computer games they played while growing up. They want to know both the good and the bad. They want you to tell them frequently what they are doing right and what they are doing wrong.

GUARD YOUR CHOICE OF WORDS. Stay away from words such as "immature," "childish" or "unprofessional." These words only make the situation worse. Let them know what they are doing wrong, why it bothers you and how you would like them to change. And always ask how you can help.

REWARD AND RECOGNIZE. The last area critical to managing Generation X'ers is to reward and recognize exceptional behavior. If people go above and beyond what is required, be sure to recognize it in words or actions.

With young people, it's best to reward with things important to them. The more you know about each Yiffie, the better you can manage and motivate them. Therefore, you have to ask! One person may prefer concert tickets and another may want to go to a sporting event. This group loves to be rewarded with what is "in" at the moment. Since they are into having fun, any kind of award related to free time, outdoors or leisure will often work.

This generation has evolved in dramatically different ways from those who came before them. Those that make changes in their management style for a different kind of young worker will be the ones who will have less turnover and fewer hiring setbacks. Service gaps that occur from being shorthanded will be reduced. This is the work force of tomorrow. The organizations that can manage them well will be the ones who stay a step ahead of the competition. ■

This article is excerpted from Managing A Changing Work Force: Achieving Outstanding Service With Today's Employees by Bob Losyk. To order, call Workplace Trends Publishing Co., 954/236-6863.

Listen, and you will be rewarded with dedication

THE NEXT GENERATION

choices in such areas as scheduling and benefits is very motivating to them. Matching their job to their skills and interests is also a powerful motivator.

USE WRITTEN CONTRACTS.

If a young person is not cooperating or not following the standards set, then try using written agreements and contracts. This also works well when you want them to accomplish a particular task or goal.

SHARE COMPANY INFORMATION. Share as much information as you can about your company. This generation tells us they want to see the big picture. They want to know where they fit into the scheme of things.

SUPPORT THEM OUTSIDE OF WORK. Show your support for difficult personal situations. Remember: people pay attention to what hurts them most emotionally. This is a difficult time for young people. Take the time to listen and you will be rewarded with higher dedication. You don't have to get involved, but do show that you care.

MAKE WORK FUN. Sales contests and games work very well with this group.

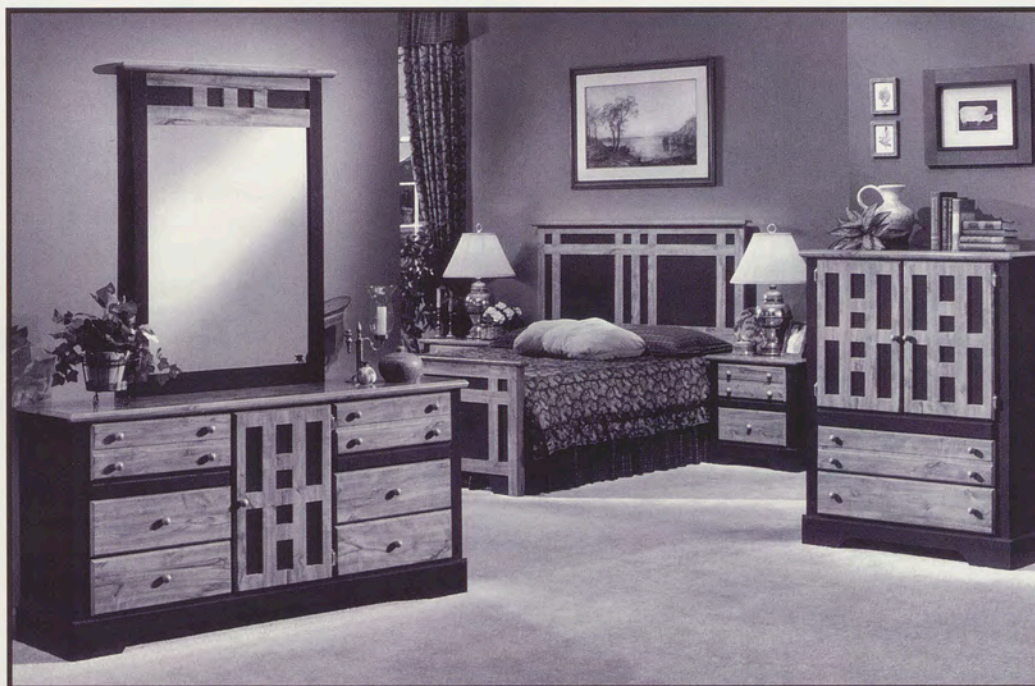


on display

Sweeten your profits with Sugartown

Sugartown, a new bedroom suite from Frisco, blends elements of European Traditional with American Shaker for a stunning look. The finish combination of antique cherry with today's most popular Shaker green provides an expressive appearance designed to blend with today's casual living with emphasis on comfort.

Included in the suite: panel headboard and footboard, framed mirror, door dresser, night stand and



door chest. Featuring door case pieces, center drawer guides with positive stops,

authentic wooden pulls and a magnificent bed, Frisco prices these pieces so you can offer your cus-

tomers real value for their money.

For more information, contact Jeff Holmes, Frisco Furniture Co., 101 S. Main St., Suite 813, High Point, NC 27260, 910/885-5310.

Pay-as-you-go phone system rings true

Topp Telecom Inc. brings to the RTO industry the Prepaid Cellular and TracPhone pay-as-you-go cellular phone system. Now everyone who wants a cellular phone can get one with no credit checks, no refusals, no contracts, no monthly bills, no paperwork and no activation fee or security deposit. This "phone to go" simplicity means customers simply walk in and purchase a TracPhone with no waiting time.

Activation is easily done in minutes when a customer calls TracPhone's toll-free-number. Airtime is purchased from the dealer and loaded almost instantly. TracPhone offers nationwide cellular coverage (long distance and roaming is included) with quality, top-brand-name phones at competitive prices.

TracPhone is ideal for a variety of customers, especially for customers who are denied traditional cellular service as well as companies that want to control employee phone expenditures.

For more information, contact Vivian T. Sotto, Topp Telecom Inc., 8200 N.W. 27th St., Suite 117, Miami, FL 33122, 305/640-2015.



Upgrade your computer with RTO Plus

Mountain Micro Computer Center announces the availability of the RTO Plus for Windows management software for the rental-purchase industry. RTO Plus is the first and only commercially available rental-purchase software designed specifically for the Windows operating system and was developed to meet the needs of businesses not yet automated or those using older char-

acter-based programs wishing to upgrade.

RTO Plus is programmed in Microsoft Visual Basic for Windows and uses the same intuitive visual screens used in other Windows-based software. Data can be retrieved using standard

Summit meets your dining table needs

Summit House is offering a five-piece metal and glass dining set to the rental-purchase market. The 42-inch round glass tabletop centers on an all-metal base. No hardware is



Windows programs such as Microsoft's Access, Word and Excel for custom reports.

Offered at an affordable price even to small rental-purchase businesses, RTO Plus has no perpetual monthly fees and Mountain Micro can provide complete turn-key systems for lease or purchase or can provide the software only. On-site setup and employee training is available at reasonable rates. Data conversion from older programs and custom reports is available as well.

For more information, contact Bob Yarbrough, Mountain Micro Computer Center, P.O. Box 505, Spruce Pine, NC 28777, 704/765-1574.

required and the set is easy to assemble. The chairs are composed of an all-metal frame with a kidney-roll back. A choice of fabric is available. The set comes in a black- or almond powder-coated and electric-plated finish.

For more information, contact Jeannie Junkins, Seaboard Trading Co. Inc., 1560 Archibald Ave., Ontario, CA 91761, 909/923-3870.

Better safe than sorry

Ever considered adding safes to your inventory? Or perhaps purchasing a safe for your store for added peace of mind? Retail cash security takes a giant leap into the future

as McGunn Safe Company introduces Cashier, a new cash dispensing safe featuring the industry's most reliable high-speed bill validator. Additional Cashier features include a self-sealed, removable inner canister and exterior receipt printer.

The Cashier features bill recognition technology and seven individual scan-

ners to ensure the most accurate reading possible. Deposits are scanned at a rate of up to 20 bills per minute; even bills in poor condition are accepted face up or face down.

Each time the 1,000-bill capacity canister is removed, a receipt for the amount is printed automatically. The Cashier tracks each transaction by

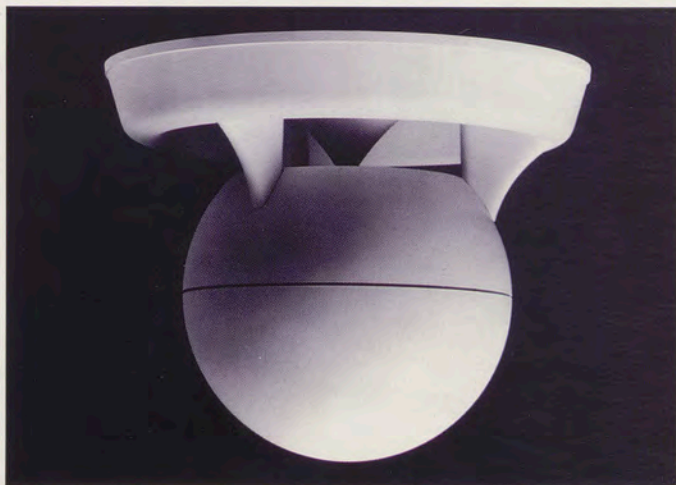
Sound systems come of age

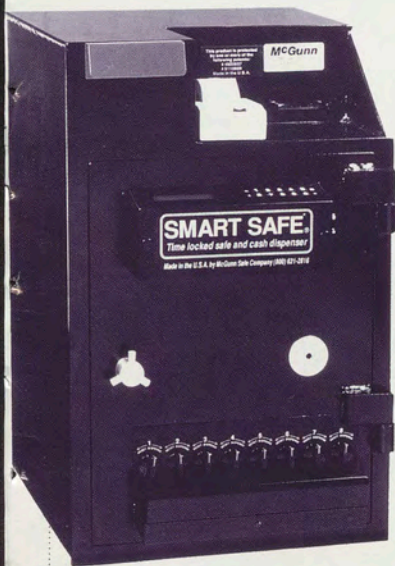
Sonic Systems Inc. introduces the Soundsphere line of loudspeakers providing enhanced intelligibility and low-frequency sound for large commercial areas such as RTO stores.

The speakers allow even distribution of full-range intelligible sound with fewer speakers than traditional methods. Providing better overall sound than traditional public address speakers with lower installation costs and no hot-and/or dead-spots, the speakers may be used as retrofits or new system designs.

Soundsphere loudspeakers are omni-directional with a unique two-part design featuring a sphere in which the speaker assemblies are mounted and special shaped dish to reflect sound waves. Suitable for both interior and exterior use, Soundsphere speakers range from 12-inches to 32-inches high with reflector diameters ranging from 15 inches to 18 inches. They can be surface-mounted or ceiling-suspended and come in white, black, dark brown, sand, parchment or navy gray. Custom coloring is also available.

For more information, contact Peter Hamilton, Sonic Systems Inc. 737 Canal St., Bldg. 23B, Stamford, CT 06902, 203/356-1136.





employee number and recognizes more than 50 different users. Cash dispensing limits can be set by shift, individual employee or both. To further help investigate and eliminate shortages and losses, audit information for every transaction includes user name and number, time, date and amount. The Cashier is compatible with most PC-based point-of-rental systems.

For more information, contact Bill Paige, Falk Associates, 6727 N. Minnehaha, Lincolnwood, IL 60646, 847/675-2580.

ATTENTION RTO SUPPLIERS

You can have your new product(s) featured for free in this new "On Display" section of *Progressive Rentals*. To find out how to be included, call Julie Sherrier at APRO, 800/204-2776 or 512/794-0095.

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Title of publication: Progressive Rentals. Publication number: 8750-6106. Date of filing: 10/1/96. Frequency of issue: published bimonthly. No. of issues published annually: 6. Annual subscription price: \$30. Complete mailing address of known office of publication: 9015 Mountain Ridge Drive, Suite 220, Austin, TX 78759. Contact person: Laurie Derton. Telephone: 512/794-0095. Full names and complete mailing addresses of publisher and owner: Bill Keese, Association of Progressive Rental Organizations, 9015 Mountain Ridge Drive, Suite 220, Austin, TX 78759. Editor and Managing Editor: Julie Sherrier, Association of Progressive Rental Organizations, 9015 Mountain Ridge Drive, Suite 220, Austin, TX 78759. Known bondholders, mortgagees and other security holders: none. Tax status has not changed during preceding 12 months. Publication title: Progressive Rentals. Issue date for circulation data below: June-July 1996. Extent and nature of circulation (average no. of copies each issue during preceding 12 months and to actual no. of copies of single issue published nearest to filing date, respectively): total no. of copies: 6267; 5300: paid and/or requested circulation, sales through dealers and carriers, street vendors and counter sales: 0; 0; paid or requested mail subscriptions: 5670; 4612: total paid and/or requested circulation: 5670; 4612: free distribution by mail: 138; 139: free distribution outside the mail: 208; 350: total free distribution: 346; 489: total distribution: 6016; 5101: copies not distributed: 251; 199: returns from news agents: 0; 0: total: 6267; 5300; percent paid and/or requested circulation: 93%; 90.4%. Signed, Bill Keese, publisher.

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APRO Associate Member since 1983

What changes would you like to see in the RTO industry in the next five years?

Fred Waters

L.A. WATERS FURNITURE CO. INC./RENTOWN STATESBORO, GEORGIA

First of all, I would like the rental industry's name to hold a little more prestige. We've been working on that issue for a long time; I would like to see that come to fruition. Second, I'd like to see all rental-purchase companies have a good service reputation. We are long on promising service, but sometimes a little short in delivering it.

APRO is doing a lot of good with everything it's doing to increase our level of acceptance in business. I'd love to see federal legislation passed because that would add a little more stability and credit-worthiness to our business. I'd also like to see a little more uniformity in the way our rental companies are pricing their merchandise. Instead of having competition on pricing, we should have competition on service.

Gary Romine

SHOW-ME RENT-TO-OWN INC.
FARMINGTON, MISSOURI



I would like to see the solidification of our federal identity. Specifically, we need the rent-to-own industry to be identified as an industry with its own set of guidelines for IRS purposes, accounting purposes and other tax purposes. We need more standardization in the industry—but on a self-regulated basis. I would like the government to say that, yes, we truly do exist as an industry.

APRO members can help to accomplish these things by supporting the TeamAPRO fund and

supporting lobbying efforts. We should continue making trips to Washington, D.C.

Benny Knox

RENTER OUTLET
ROBERSONVILLE, NORTH CAROLINA



The problem I have locally is a discrepancy between the laws that are on the books (in regard to rental-purchase) and what the judges are doing when I go before them. I'm having a very difficult time with district court judges; they seem to disfavor rental dealers and the industry as a whole. We need to provide information about current laws to our members and pass this information on to district attorneys. Maybe the D.A.s can enlighten the judges, because the judges are interpreting the laws differently.

Dave Blevins

SAGE & SAND RENTALS
GOODYEAR, ARIZONA

I don't think we need a lot of changes; I would just like the public to change its view of the rental industry. I've been in the business about five years and this industry has made some real progress. Rental companies price merchandise in a totally different way than they used to and the quality of merchandise is also much better as well. I don't want people to look at us anymore like we are their last hope or last resort for obtaining something they want [but cannot get] because of financing, etc. Anyone can walk off the street now and get an early cash buyout that's pretty much equal to retail price.

I know APRO is trying some national advertising—the commercials with the dog, Gus—and I think it's a good idea. I hope we get some good industry advertising—television, print or whatever—that stresses the point that we run good solid businesses.

Robert Briley

ENTERTAINMENT RENTALS INC.
ABILENE, TEXAS

I'd like to see the payment process go to monthly. If customers started paying us monthly, we'd bring our costs down since we'd only have to collect 12 times a year versus 52 times a year. And that would allow us to get more money up front with the first payment, which would be about four times greater.

I would also like to see higher-quality deliveries, instead of having trucks going back and forth, delivering then picking up. If we do these things, we'll improve our operating expenses and can rent to the customers for less. Long-term, these changes would be better for both the customers and the industry.

Margo Cox

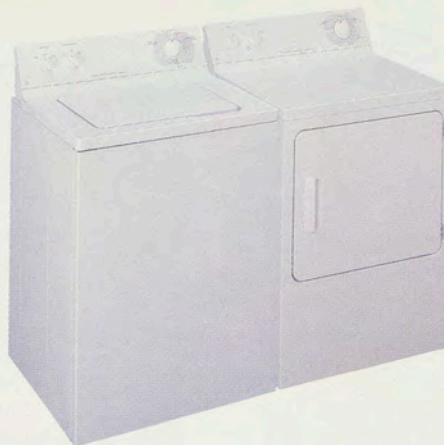
MRS. C'S RENT TO OWN
BURLINGTON, COLORADO

I'd like to have a little more help with repossessions. I've had to file rental theft reports because my customers avoid me and my phone calls and refuse to come in, won't accept mail from me, etc. The authorities in my community are not very good at making their presence known to the customers in this situation. I have a really hard time getting my merchandise back. If the laws were known better by all people involved, including law enforcement, the whole process would work better.

Nicki Carlson is a free-lance writer and journalism major at the University of Texas at Austin.

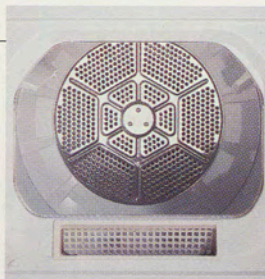
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Capacity



The Largest Capacity Pair in the World!

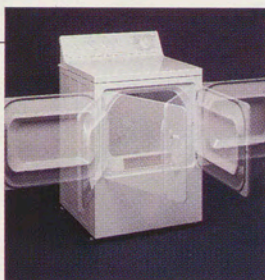
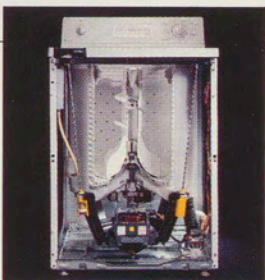
Washers

- These washers are Super 32 (3.2 cu. ft.).
- 1-1/2 foot opening for those extra-large loads.

Dryers

- Extra-large opening for easy loading and unloading.
- 7.0 cubic foot drum for maximum capacity.

Dependability



Long Lasting Reliability!

Washers

- Innovative design with 40% fewer parts and 31% less weight
- PermaTuf II™ Basket 20 year limited warranty.
- Auto Balanced Suspension System.

Dryers with Reversible Doors

- The DuraDrum™ provides long lasting durability.

Logistics



Distribution Anywhere in the Contiguous U.S.!

- Our flexible nationwide distribution system and availability is designed to deliver your appliances within 2 to 5 working days.
- We can track the delivery and check on its progress and confirm the arrival date.

Service



Our Service is Outstanding!

- The 100% front serviceable laundry pair offers exceptional accessibility.
- We offer consumer information services, 24 hours a day, 365 days a year. Simply call **1.800.GE.CARES.**
- For more information on our complete product line and programs, please call Paula Allison at 1.800.782.8093 or Paul Eichberger at 1.800.782.8097.



We bring good things to life.



Advanced Video Imaging™
 Z-Trak™ Trackball Remote Control
 Advanced Performance Flat Screen
 Picture Tube
 Seq Front Surround Sound
 New Surf's Up™ Favorite Channel Selection
 New Icon Based
 Trilingual On-Screen Display
 New SoundRite™ Volume Control
 Parental Channel Control
 Sleep Timer



Whatever.

Whether your customers want a 19" tabletop TV, a 52" projection model, or an easily programmable VCR, there's a Zenith to suit their needs. They'll find cutting edge performance and viewer-friendly technology in everything we make. And you'll find sizes, styles, finishes and features to satisfy your customers...whatever they're looking for.



**When
 You Rent,
 Rent
 The Best!**



The Quality Goes In Before The Name Goes On.



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