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Rentals

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junejuly

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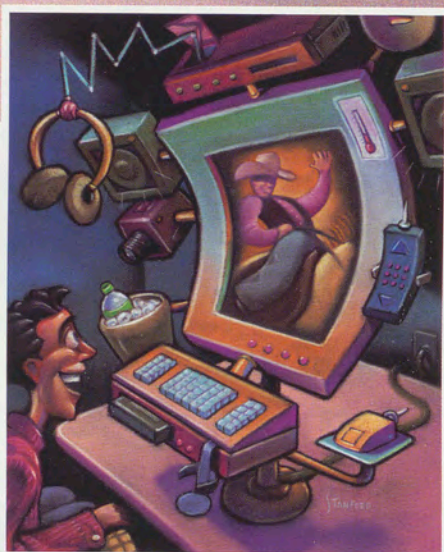
DEPARTMENTS

26 Cleaning up the industry's act — and telling about it

For months you've read that RTO customers — and non-customers — feel there's room for improvement within the industry. TateAustin's Phillip Hudson, an account manager with APRO's public relations firm, interviewed some dealers who have listened to what the public is saying and are doing something about it.

34 The future is now! Audio/visual update

When it comes to audio/video products, bigger is always better. Barbara Stooksberry finds the same holds true in RTO. Electronics companies are expanding their product lines and prices are dropping, giving rental dealers the opportunity to offer more variety in their showrooms. Take a look at the newest trends and find out where the future of electronics is headed.



WALTER STANFORD



A.J. GARCÉS

40 Rev up your engines for APRO's Rally at Bally's!

Look out Las Vegas! APRO will meet in the city that never sleeps for a little business, some education and a lot of fun during the 1997 APRO convention and trade show. Barbara Stooksberry and Mark Miles preview what's in store for convention-goers at Bally's Hotel, August 11-15.

47 1997 Rental-Purchase Legislative Update

The rental-purchase legislation initiative is almost complete. Great gains have been made and only five states remain without a law on the books. Ed Winn III provides an update on what's happening in Hawaii and Vermont. Plus, the annual summary of RTO laws and regulations, state by state.



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COVER ILLUSTRATION BY A.J. GARCÉS

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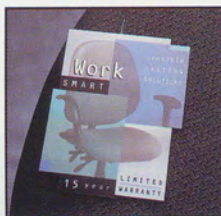


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PROGRESSIVE Rentals

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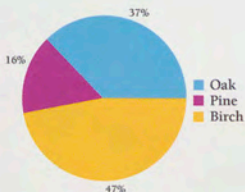


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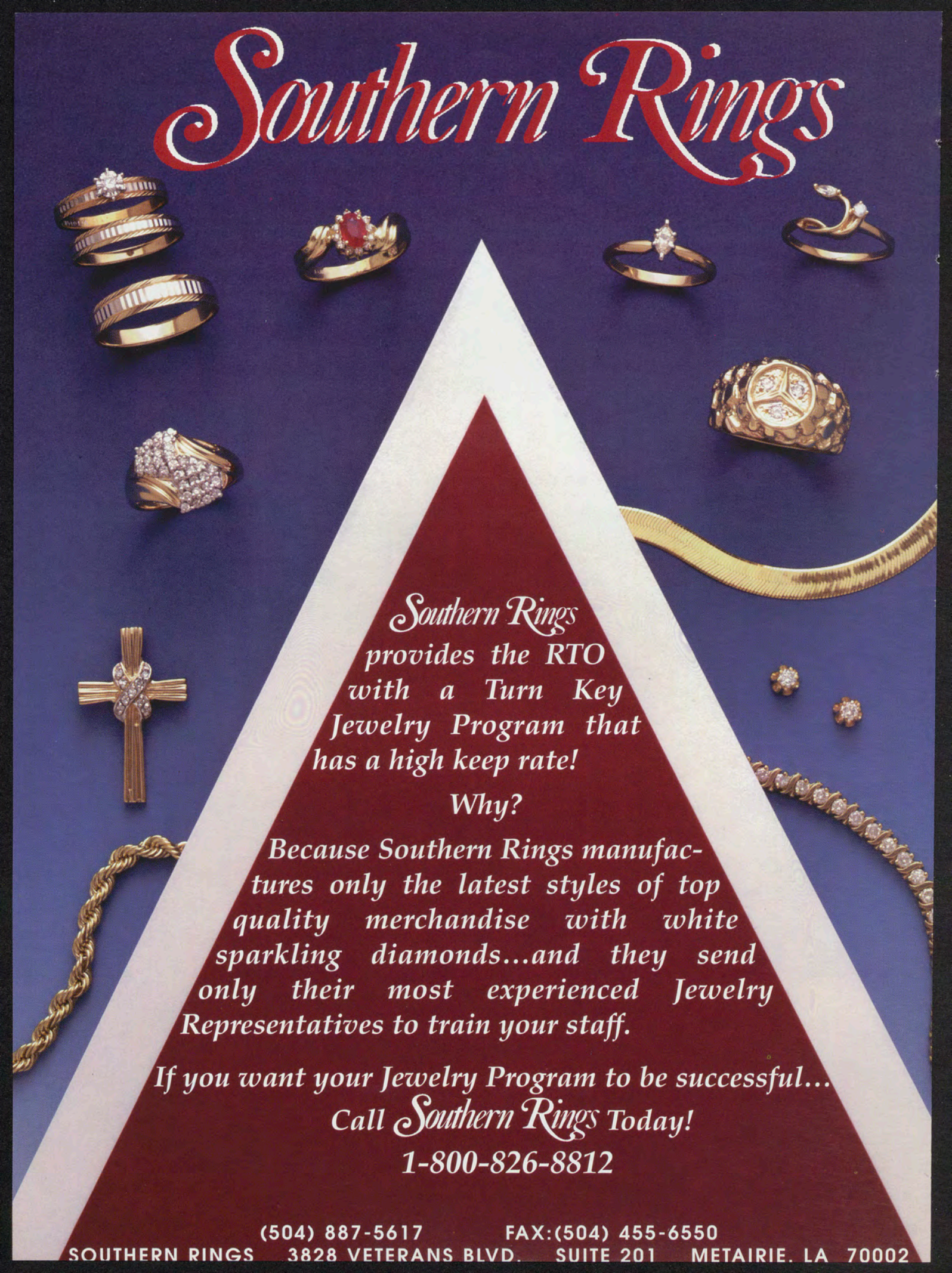
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news

B R E A K

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JULIE SHERRIER**

Vendor Relations Committee adds a new member

Richard McRary of Frisco Furniture has replaced David Weiss on the APRO Vendor Relations Committee. McRary will represent the furniture category on the committee, along with Joe Savovic of Progressive Furniture and Bob Saunders of Saunders Sales and Marketing. Before joining Frisco Furniture, McRary worked for Broyhill Furniture, Aaron's Rents, Carlton and American

Drew. APRO is very fortunate to have him join its Vendor Relations Committee.

APRO welcomes its first British member

Ravenna UK Ltd. recently joined APRO as an associate member. This is the Association's first member from England. A representative from Ravenna UK Ltd.



spoke with APRO Membership Director Carolyn Fitzsimmons and said the RTO concept is gaining more attention in the UK and in Europe, except for France, where RTO stores there have recently received a lot of bad press.

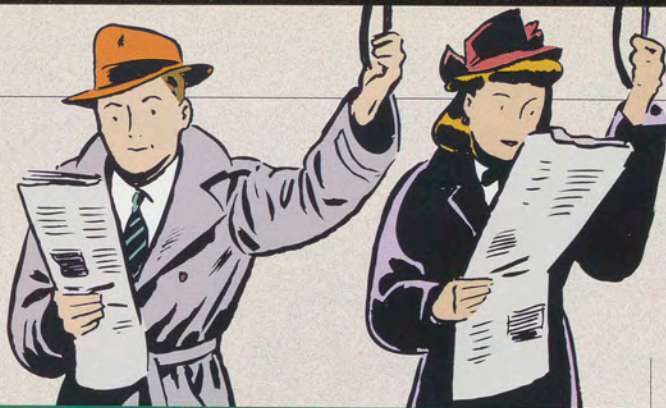
Score removes 'rental' in recent name change

Steve McCardel of Score Discount Rentals out of Birmingham, AL, changed the name of his 14-store chain to Bargain Home Center Inc. An APRO member since 1994, McCardel changed the name to bring marketing cohesiveness to his different stores and reflect the recent APRO research results emphasizing a new image. McCardel says he wanted to

Corrections

The following companies were inadvertently omitted from the April-May 1997 *Progressive Rentals* "Who's Who in Furniture": Lefort Wholesale Furniture, contact: Mike Lefort, 5250 Fulton Industrial Blvd. SW, Atlanta, GA 30336-2330, 800/241-4711; and Douglas Furniture of California Inc., contact: Tom Gates, 4000 Redondo Beach Ave., Redondo Beach, CA 90278, 310/643-7200.

Also, Posture Beauty Sleep Products, while included in the "Who's Who in Furniture" list, was not marked as being a convention exhibitor. Anthony Klatt of Posture Beauty Sleep Products, at 4646 Harry Hines Blvd., Dallas, TX 75235-7704, 214/630-3132, will be exhibiting at the 1997 Rally at Bally's APRO Convention in Las Vegas. We regret the errors.



Creating ads that they'll read

For those of you who have been following APRO's recent research efforts concluding that the industry's advertising must improve, here are some suggestions gathered by the editor of *Starch Tested Copy*, which reviews 40,000 print ads per year:

- ▶ Ads focusing on benefits will be most successful; image ads will lose favor.
- ▶ Ads emphasizing simplicity will fare better than those that are visually complex.
- ▶ Business-to-business ads will simplify their methods in the same way that consumer ads have.
- ▶ Ads that involve the reader will become more popular. Especially effective will be ads that tell stories or include drama.

Source: Board Report for the Graphic Artist.

remove the word 'rent' from his store name since it had such an unpopular connotation with the recent APRO research respondents.

APRO unveils new group health insurance program

Designing a program to meet the needs of APRO members has been the emphasis behind the recent sponsorship of a new group health insurance program offering group major medical, life/AD&D, optional dental and weekly disability

coverage.

The new program is being made available through the Trade Association Group Insurance Trust and is underwritten by John Hancock/Unicare, which is rated A+ Superior by A.M. Best, a highly respected statistical and reporting organization. All marketing and quote issuance will be performed by Mass Marketing Insurance Consultants, which is the broker/consultant specializing in association-sponsored insurance packages. MMIC brings years of hands-on experience to the APRO program.

Firms with one or more full-time employ-

ees are eligible to apply. All active full-time employees, including owners, partners and officers working at least 30 hours a week, are eligible for coverage. An employee spouse and dependent children under age 19 (or 23 if a full-time student) are also eligible to apply.

The cost of insurance for the APRO program may be paid in whole by the employer or shared with the employees. However, the employer's contribution must be at least 25 percent of the total cost.

Firms with 10 or more eligible employees will only complete an employer questionnaire and employees will not have to answer health questions or provide evidence of insurability.

The major medical program offers a \$2,000,000 lifetime maximum per insured and choice of deductibles ranging from \$20 to \$1,000. Eligible hospital expenses such as surgery and doctors' services are covered. Benefits for pre-existing conditions will be covered based on what would have been paid under the current insured firm's plan (or payable under the new plan without the pre-existing condition limitation).

Five different life insurance schedules are available for insured employees and optional dental and disability cov-

1997~98

CALENDAR OF EVENTS

JUNE 28-JULY 1

Dallas Furniture Market,
800/325-6587

JULY 10-13

ColorTyme Annual
Convention, 214/751-1711

JULY 10-13

Atlanta Furniture Market,
404/220-3000

JULY 18-22

San Francisco Furniture
Mart, 415/552-2311



AUGUST 11-15

APRO '97 Rally at Bally's!
Annual Convention & Trade
Show, Las Vegas

AUGUST 21-24

Tupelo Furniture Market,
601/844-1473

SEPTEMBER

APRO Fall Board and
Committee Meetings, date
and place to be announced,
512/794-0095

OCTOBER 16-24

High Point Furniture
Market, 910/888-3700

JANUARY 7-16

Atlanta Furniture Market,
404/220-3000

JANUARY 8-11

CES Las Vegas,
703/907-7600

JANUARY 10-13

Dallas Furniture Market,
800/325-6587

JANUARY 23-27

San Francisco Furniture
Market, 415/552-2311



"Rent-to-own suffers from poor top-of-mind images and low familiarity. Advertising is the primary basis of their perceptions, so advertising and publicity is crucial to enhancing the overall image of rent-to-own," reports Linda Trenholm of Trenholm Research for the rental-purchase industry.

After learning the results from APRO's comprehensive survey, two television and two radio spots are currently in production and will be unveiled at APRO's annual convention. Members will be able to take advantage of the new spots immediately following the show.

These spots, along with "Introducing Gus," will begin the Association's arsenal of advertising to help improve the image and marketability of the rental-purchase industry. The next two television spots, "Image" and "Couple," are real-life commercials designed to deal with the specific misconceptions of rent-to-own and encourage consideration of the rent-to-own consumer option.

"Introducing Gus" advertised the basics of rent-to-own and its animation evoked a new and different look for the rental-purchase industry.

The "Image" and the "Couple" spots follow through with specific messages and reasons to "take a new look at rent-to-own."

Along with the Association's commercials, APRO is also considering creating an advertising co-op where member companies would contribute a fraction of the cost necessary to produce a customized, professional quality advertising spot. Watch future issues of *Progressive Rentals* for upcoming news on the co-op.

order line is 888/389-0434 and the fax line is 954/491-8596. A new catalog will be mailed in July.

Background screenings essential for good business

What you don't know can cost you. Investigate before you hire. Will the next person you hire be the one you wish you didn't?

The above phrases are designed to get the attention of RTO owners and human resource directors. Pre-employment background screening is not a new practice, but has become much more necessary in recent years. From credit and criminal record checks to driving records and workers' compensation claims, background checks are designed to enhance the security of your personnel selection process.

Audrey Langford, founder of Inquiry Services Inc., a personnel research firm providing accurate, legal, confidential, cost-effective options for hiring, and a former RTO dealer/owner, says, "I wouldn't think of hiring anyone in today's workplace without running at least



erages are also available under the new APRO program.

To learn more about the new APRO-sponsored group health insurance program and how to receive a free, no-obligation proposal, call MMIC at 800/349-1039 or send your inquiries to APRO Health Insurance Pro-

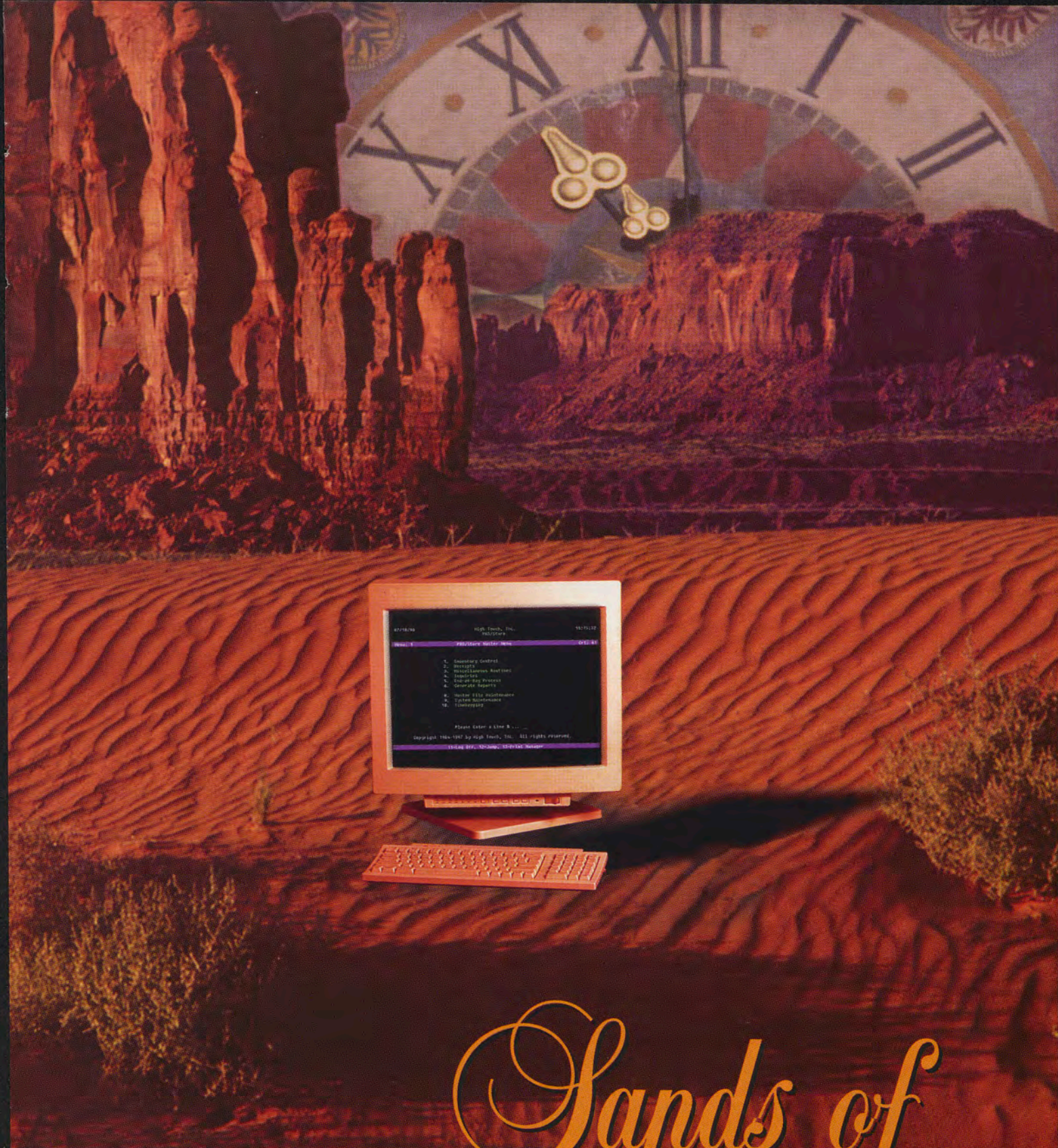
gram, P.O. Box 95, Orland Park, IL 60462.

Jayco spins off new entity

The rent-to-own division of Jayco Ventures, one of the largest suppliers of electronic accessories to the industry, has spun off into a new enti-

ty, PRS Products Inc.

PRS was created to branch out more into the RTO industry. PRS Products Inc. plans on expanding its product line to include a much broader range of products to better serve RTO, says Jayco President Jason Cohen. The new change went into effect May 1. The new toll-free



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Blair Blundt joins Shopper's View

RTO veteran Blair Blundt joined Shopper's View, a mystery shopper service, with Steve Leach, who together bring a total of 27 years of RTO experience to the organization. Blundt's experience with multi-store operations and consumer research will supply good insight for RTO stores monitoring and training employees and growing their businesses.

Blair has spent the past 14 years working with Rent-A-Center. He directed the development and operations in the Midwest United States and directed the development of the relatively new RTO concept in Canada. As vice president of RAC in Canada, he developed and implemented programs such as "Try and Buy," "Shop by Phone" and promotional campaigns to turn the struggling Canadian market around. Blundt has also been involved with consumer research programs in the United States.

Dreyer joins MARTA Cooperative

Jerry A. Dreyer, a former buyer for Rent-A-Center, has accepted the position of executive director and chief executive officer of the MARTA Cooperative of America Inc., succeeding Joseph P. Verdi, the group founder, who is retiring.

MARTA is a cooperative buying group representing approximately 130 independent retailers of electronics, appliances and furniture with several hundred store locations across the country. Its members account for a significant portion of the retail sales of major appliances, consumer electronics and furniture in the United States today.

MARTA Cooperative of America Inc. is located in Scottsdale, Arizona.

a criminal and credit search. Whenever you have employees going into customer's homes or handling your cash, it becomes extremely important to know the integrity of each individual you hire."

Inquiry Services Inc. has offices in Coral Gables, FL, and San Mateo, CA. The company can be reached at 888/444-4033.

Mid-Year Conference a splash

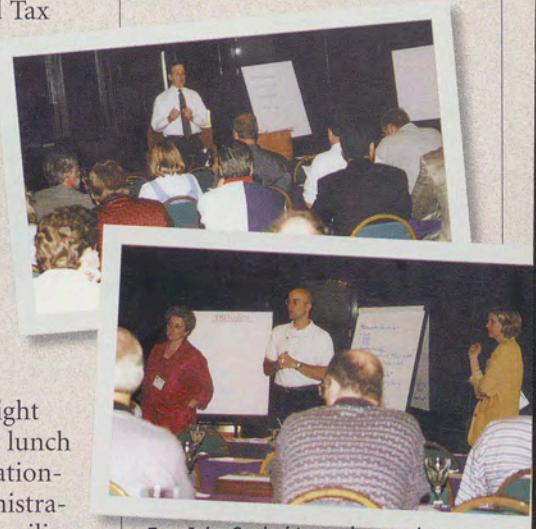
Gentle ocean breezes blew in approximately 100 APRO members from across the country to sunny Key West who came to attend the 1997 Mid-Year Conference May 1-3.

Committee meetings, the APRO Public Relations Investigative Report, the Annual RTO Legal Update and Tax and Accounting Update and Industry Round Table comprised the business end of the Conference all four days, while cocktails under the palms (a hospitality hosted Thursday evening by Foresight Inc.), an outdoor lunch (sponsored by Nationwide Club Administrators), snorkeling, sailing and various other water sports comprised the

entertainment side of the meeting. It was a perfect blend of getting down to business and sun and fun.

Both the APRO Public Relations Investigative Report and Legal Update and Tax and Accounting Update were well attended. APRO's public relations firm, TateAustin, presented the Investigative Report. The results from the recent focus group and telephone survey research were reviewed and explained, along with ideas and suggestions for improving the image of the industry.

Ed Winn III shared his insight on changes in the consumer leasing act, RICO, the Federal Trade Commission, bankruptcy, collections issues, issues relating to state rental purchase statutes, re-renting used bedding and employee hiring and firing during the legal



Top: John Gerdes' tax and accounting update. Above: Kerry Tate and Phillip Hudson of TateAustin help visualize the RTO store, circa 2004.

portion of the Legal Update/Tax and Accounting seminar. John Henderson of Rent-A-Center also gave an update on litigation around the country. Christine Hess, legislative assistant to Sen. Lauch Faircloth (R-NC) talked about matters before the Senate Banking Committee, including the industry's consumer protection legislation. Hess indicated that she felt confident that APRO-sponsored



Foresight sponsored a cocktail reception that allowed Conference attendees to mingle by the sea.

language regarding sale vs. lease and consumer disclosure language would be included in the forthcoming bill authored by Sen. Faircloth, Sen. Shelby and Sen. Mack sometime in June.

Tom O'Keefe, vice

Six ways to build a top staff

To build a staff into a team that does the best possible job for the organization:

- ▶ Be friendly to staff members, but don't treat them like close personal friends. They want you to be the boss; they want to be employees. It works better that way.
- ▶ Tell them everything. And expect them to tell you the same. Shared knowledge builds loyalty and trust.
- ▶ Practice Pulitzer Prize plagiarism: Steal only from the best. If you need help, reach out to your professional community. Someone, somewhere, somehow will know how to help you.
- ▶ Invest heavily in loyalty. If staff members know you're always loyal to them, they'll give you the same in return.
- ▶ Realize that fairness — not cleanliness — is next to godliness.
- ▶ Never be too busy to laugh. Nothing gets people through a crisis like a good laugh — and a manager who's willing to enjoy it with them.



Source: Gene H. Cheatham, writing in *Association Source*, Florida Society of Association Executives.

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NEWS BREAK

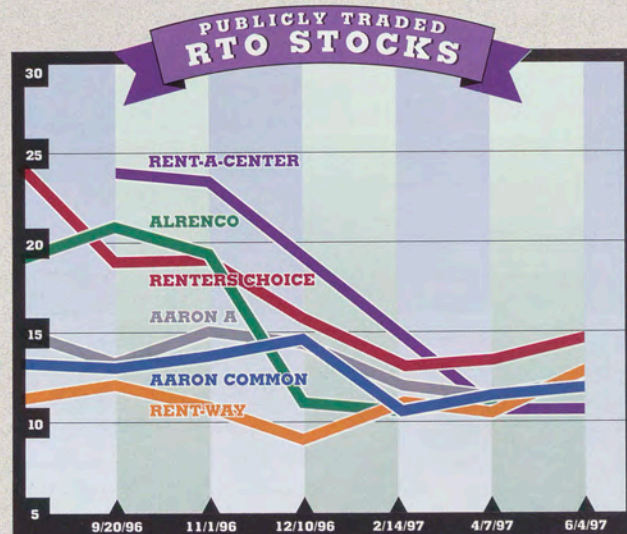
president and CFO of Champion Rent-To-Own, and John Gerdes, a lawyer from Wichita, KS, also spoke on the latest tax and accounting developments in the industry. APRO Government Affairs Director Ron Waters updated the audience on the latest status of federal tax legislation.

For those of you who missed out on the 1997 Mid-Year Conference, start thinking about attending the Conference in 1998. Watch for details on next year's meeting dates and location in

upcoming issues of *Progressive Rentals* and *Network News*.

Glaubinger of Ther-a-pedic dies

Richard W. Glaubinger, president of Ther-a-pedic International in Middlesex, NJ, passed away on May 8, 1997. Glaubinger, 61, had served as president of the company for the past three years. Prior to serving as president, Glaubinger was vice president of international market-



ing for Therapedic and was president of Archer Advertising, an independent advertising and marketing firm which assisted Therapedic since its inception 40 years ago.

Therapedic joined APRO as an associate

member in 1995 and is one of two members companies offering bedding to the rental-purchase industry. Glaubinger was instrumental in exploring new markets for his company's bedding products.

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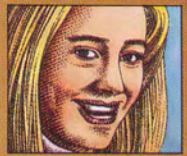
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Member since 1981, longer than any other appliance manufacturer.

The past four years have been a wonderful, challenging experience. Serving two consecutive terms as your APRO president has been an honor. This industry has been good to me for a long time, as it has for most of us in the business, and my long association with APRO is an opportunity to give something back. I believe the industry will continue to reward all of us who stay involved and care enough to invest in it our time and money.

I've been in RTO nearly a quarter of a century and have served on the APRO board as long as

guard against divisiveness. I hope we will always agree to disagree on issues that separate us, but join together to achieve important goals that will benefit the common good.

I'm proud of what APRO has done over the past two years. We didn't have the drama of congressional investigative hearings nor the specter of imminent doom from the Internal Revenue Service. What we did have is a period of relative peace and harmony in which to establish a strong base for the future of our industry.

I believe the foundation we have built during the past two years

will be vital to redefining the image of our industry. For the first time in our history, we are taking control of our destiny. By establishing the highest of ethical standards, providing better products and more professional service to our customers and educating the American public on the benefits of our program of service, we are building a broader, more loyal customer base.

I want to say thank you to the entire APRO board of directors, the membership and staff for your support and trust. This being my last report as president, I want to challenge more rental dealers to become active in your state associations and the national Association of Progressive Rental Organizations. Your energy, your knowledge and your experience are needed at every level. It's time for new leaders to step forward and guide this industry into a brighter future. ■

Bill White concludes his second term as APRO president.

"I believe the foundation we have built during the past two years will be vital to redefining the image of our industry. For the first time in our history, we are taking control of our destiny."

These are the good old days

anyone. During this time, I have seen many changes in both the industry and the Association and these changes have made us better.

Our history has been checkered with challenges—from finding suppliers of name-brand products to rent in our stores to addressing the need for regulatory legislation on both the national and state levels. There was even a time when the largest RTO companies had less than 100 stores. During those early years, we were motivated by the excitement of creating a new industry, which is not something many people get to do. We had many successes and some failures. We experimented with new products and services and learned to discard our failures and institute the winners.



By BILL WHITE
APRO's President

Nostalgia is fun, but those good old days were often days of uncertainty and difficulty. We've come a long way and have been quite successful. I believe among the things we have done right, working together to confront common challenges stands out. Cooperation has made our industry and the Association what it is today.

Cooperation doesn't always require uniformity of ideas. Quite the contrary! I view cooperation as having divergent ideas presented and discussed in open forums and arriving at consensus. There will always be room for diversity of views and opinions. However, we must

In the December-January issue of *Progressive Rentals*, Ed Winn III, APRO's general counsel, outlined the dangers of packaging damage waiver and leased property insurance into the rental transaction. He made analogies to the small loan industry and warned of the potential for lawsuits should dealers use these business practices.

When the customer is offered a service with real value, there is no need to "hide" any additional fees for that benefit. A recent survey including both American and European firms showed that one-third of the responding compa-

ing the product replaced or repaired if it is stolen or damaged, customers also receive

payment protection if they involuntarily lose their job, two years of additional service protection after they own the merchandise, \$10,000 accidental death and dismemberment coverage, automotive benefits, health and food savings, entertainment discounts, travel savings and many more services.

With myriad benefits offered in the *FORESIGHT* Club, it is easy to find something that addresses the needs of the rental customer and increases the

value of the rental transaction. Plus, one membership in the Club covers all agreements a customer has with the rental store.

This program truly gives customers value for their money.

In addition to customer retention and new customer attraction, the *FORESIGHT* Preferred Customer Club is another source of income for the rental-purchase store. So, the Club program benefits both the customer and the store.

The *FORESIGHT* Preferred Customer Club is an excellent means to add value to the rental transaction, increase profits and avoid the potential of lawsuits through traditional damage waiver and leased property insurance. For additional information on *FORESIGHT*'s Club program, call 800/733-0811. ■

Ron Logan is executive vice president of sales and marketing for FORESIGHT Inc.

"The Club program benefits both the rental-purchase customer and the store."

Clubs remove optional fee risks

nies found that value-added services helped them maintain their competitive edge. In addition, one-quarter of respondents said the value-added programs actually gave them a competitive advantage.

Other findings from the survey indicated that 67 percent of the respondents said value programs increased their customer retention; 64 percent said these programs helped to build long-term relationships with customers; and 56 percent claimed that these programs help attract new customers. All of these benefits spell additional profits for a store.

When value is built into a rental transaction, it actually lowers the cost of the item in the customer's mind. By solving a customer's problems through the benefits of the product or service, the overall cost of the item decreases. In other words, when the perception of the value goes up, the product's cost goes down.

This is what the *FORESIGHT* Preferred Customer Club does for more than 2,500 rental-purchase stores across the nation and it is one reason why it is bet-

ter than damage waiver coverage.

While one of the benefits in the *FORESIGHT* Club is leased property insurance, this is not the only benefit to the customer. In addition to hav-



By **RON LOGAN**

"I am bothered by those who say APRO represents the big and not the small, the strong and not the weak."

At a recent meeting of rental dealers, I was asked a question I want to discuss in some detail. The question came as a surprise and after much reflection, I have concluded that I need to communicate more effectively with you on this issue. The question was: What is APRO and who does APRO represent?

APRO is a voluntary organization of rental dealers joining together to promote a common good. The leadership, or the board of directors, is elected by the membership and the board elects the officers or executive committee on an annual

worth more than the money. One of the most appreciated member services is the

"Gus" television commercial. The board has also approved the production of two more commercials based on the extensive research of the past few months. These spots will be unveiled at the APRO convention in Las Vegas and will be available to members and TEAM Fund contributors.

Historically, APRO has always measured membership status to companies, not stores. Each company has one vote, regardless of the number of stores. In fact, all associations are organized in this

way. Consequently, associations are similar to the equal representation of the U.S. Senate where every state has an equal vote—from Rhode Island to California, each state has two senators. Thus, in APRO, the

one-store dealer has equal voting power with the 1,000-store dealer.

Let's look at the composition of the membership in another way. There are 15 APRO member companies with 31 stores or more. These companies represent 4 percent of the membership, but their dues amounts to 22 percent of the APRO budget. The other 96 percent of the membership dues amounts to 20 percent of the budget. That same 4 percent of the membership accounts for 69 percent of the member stores in APRO. That also represents an estimated 41 percent of the stores nationwide of both APRO and non-APRO member stores.

Who does APRO represent? APRO represents everyone in the rental-purchase industry. It wouldn't be a viable association if it only represented the "big boys" or the "mom-and-pops." There is commonality among us all. That's who we represent. We all share the transaction known as rental-purchase. That's what we represent. When I took this job in 1989, I told the membership that as long as I was executive director, APRO would be inclusive, not exclusive.

I am bothered by those who try to divide the Association by pitting the small against the big, the weak against the strong. I am bothered by those who say APRO represents the big and not the small, the strong and not the weak. These allegations are destructive and don't contribute to the betterment of the industry or the Association. ■

Just what does APRO do?

basis. The elected officials make all policy decisions for the Association. The Association has a paid staff whose role is to implement board policy and serve the membership.

The membership of the Association is as different as there are personalities in the industry. This is a young industry and that youth and diversity is reflected in the membership.

While all the large companies in the industry belong to and support the Association, APRO is primarily comprised of small stores or chains. Here is the breakdown of APRO membership:

Size	Home offices	Percent of membership
1-10 stores.....	324.....	88%
11-20 stores.....	23.....	6%
21-30 stores.....	8.....	2%
31+ stores.....	15.....	4%



By BILL KEESE
APRO's Executive Director

After more than two years of industry consolidation, APRO membership has remained stable. We have sustained this size because an increasing number of one- and two-store operators have joined APRO. Smaller dealers are joining the Association in greater numbers today than at any other time since the beginning of APRO in the early 1980s.

What's more, many of the policy decisions made by the board of directors over the past few years are designed to provide greater value to APRO's smaller dealers. For \$450 a year in dues, many smaller dealers see benefits that are

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If you aren't renting vacuums, maybe you should be. Opportunity is under your feet. Find out how to transform 4 feet of space into money-making real estate.

**Stop in our APR0 '97 booth
August 11-15, 1997**

One busy Friday when an account rep just quit in a fit of pique, Abelard Rental Co. hired the proverbial “next warm body,” Leo, an affectionate ex-con. Leo worked out well for a while and learned to enjoy the business. He particularly enjoyed the payment clerk and flirted with her shamelessly. The clerk was good-natured and uninterested and finally, fearing a sexual harassment claim, Abelard let Leo go, telling him simply that “things aren’t working out.” By the way, Abelard never knew Leo had done time. Leo lied about it on his employment application.

checks with the Department of Motor Vehicles before you let an employee drive your vehicles. To fail to run the check might be negligent. Negligence is the failure to act as a reasonable and prudent person under the same or similar circumstances and involves measuring behavior after the fact to see if someone—an employer, for example—carefully and accurately weighed the choices before making a decision—e.g. to hire someone. If you can run a DMV check for \$10 and get the results in a day, there is little reason not to do it. It is a minimal invasion of privacy and you can get an applicant’s permission in advance. If a DMV check costs \$1,000 and takes three months to get the results, it might not

“Welcome to the wonderful world of negligent hiring. An employee issue suddenly on the radar concerns the steps you go through when hiring.”

Are you hiring criminals?

Leo then found his way to Heloise’s Rental Co. and lied again about his stint in the pen. He listed Abelard as a previous employer. Heloise made the call to see what kind of employee Leo had been. Abelard, fearing liability, did not say much. Heloise did not ask Abelard if he would hire Leo again; Abelard offered nothing up. Leo had a winsome smile. Heloise hired him.

One day, while installing a stove, Leo concluded that the customer looked as hot as the product. Flirting shamelessly and unsuccessfully, Leo “insisted” on a hug and a kiss from the customer very much against her wishes and promised her much more when her due date rolled around.

The customer could not get to her psychiatrist and lawyer fast enough. Her psychiatrist put her in a sanitarium for trauma. The lawyer thinks she has a claim against both Abelard and Heloise and is demanding \$500,000 from each company. The insurance companies are saying their policies do not cover “this sort of thing.”



By **ED WINN III**
APRO's General Counsel

Welcome to the wonderful world of negligent hiring. An employee issue suddenly on the radar concerns the steps you go through when hiring. If you are not careful, later you may find the company accused of negligent hiring even if the employee has done something far outside the scope of his employment and done harm to a customer, another employee or some third party. This is why you run

be reasonable to do it. What is or is not reasonable depends on a factually intensive inquiry of the particular situation in question, but it is what the law of negligence is all about.

Now, think for a moment about criminal background checks. Do you, should you or can you run a criminal background check on applicants for employment? A straw poll at the Mid-Year Conference in Key West indicated that some rental companies do it for all prospective new hires. More larger companies are doing it than smaller companies, perhaps because the larger companies are relatively more liability sensitive.

Can you do it? Yes. Get the applicant’s consent on the employment application. You are merely investigating what is a matter of public record. There are a number of companies that, for a fee, will run this kind of check on employment applicants. A few names and numbers culled from the Internet appear at the end of this article.

Should you do it? Given the nature of the business and the fact that you are sending employees into customers’ homes daily, prudence dictates you should. Heloise should have, because a background check on Leo would have turned up a felony conviction for sexual assault. Heloise had better get out her checkbook.

Abelard’s is a tougher case. His company is getting sued for negligent failure to warn an inquiring rental company about Leo’s amorous propensities. Note that Abelard made no misrep-

Continued on page 20

RentScreen

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Continued from page 18

resentations to anyone and answered all questions asked. What he failed to do was warn Heloise. The legal question is whether he had a duty to warn her. No duty, no liability. The answer may depend upon what he actually knew. Did he really know that Leo was more than just an ill-mannered, aggressive flirt? This is dangerous ground, because to say too much could open Abelard up to a charge of defamation by Leo-saying or writing something untrue that injures a person's reputation. It would have been dangerous for Abelard to tell Heloise that Leo was a sexual predator even if Abelard thought he was.

But oh, how clarifying it would have been had either company run a criminal background check on Leo. Think of the problems that would have been avoided.

Even when running a check, rental dealers will have to decide what kinds of information makes someone ineligible for employment. Maybe any

felony. Maybe some misdemeanors. A criminal background check draws no conclusions. It merely recites the facts from the public record. Dealers will have to make their own decisions.

Dealers also must exercise some caution when rooting around in people's criminal pasts. While investigating for criminal convictions is entirely appropriate, investigating for arrests may not be. The Equal Employment Opportunity Commission has statistics showing that non-whites are arrested more often than whites. The EEOC maintains that a company policy of refusing to hire based on arrest records is tantamount to racial discrimination. The EEOC does not make the law, but the safer ground is to make decisions based on convictions, not arrests.

Finally, the law in a few states still maintains that employers have no duty to conduct criminal background checks without a specific statutory mandate to do so, e.g., school teachers and more recently, apartment managers. The reasoning is that an employer is entitled to take an applicant at his or her word when the box is checked "no felony convictions" on an application.

But the world is shrinking. We are all increasingly more responsible for one another. The jury in Heloise's case will likely hold her negligent and make her pay for the customer's actual injuries and pain and suffering. Abelard's case is a tougher one and probably worth fighting. Do we really want to hold him liable for Leo's wrongful acts long after Leo quit working for the company? Maybe not yet, but it is safe to say that tort law, the law of negligence, is moving in that direction.

Here is a random sample of companies offering criminal background checks for a fee:

- ▶ Inquiry Services Inc., 888/444-4033;
- ▶ Asset Control Inc., 972/481-9224;
- ▶ Professional Information Services Network, 800/255-6643;
- ▶ Interquest Information Services, 800/455-1655;
- ▶ National People Finders, 407/330-3834;
- ▶ Pinkerston Security and Investigation Services, 800/232-7465;
- ▶ Conick & Co. Inc., 800/631-8777;
- ▶ Mills & Associates Inc., 800/984-3339. ■

"A criminal background check draws no conclusions. It merely recites the facts from the public record. Dealers will have to make their own decisions."

Background Checks

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Ed Winn III is APRO's general counsel.

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1995 APRO VENDOR OF THE YEAR

APRO ASSOCIATE MEMBER
SINCE 1991

Perhaps you've noticed that the past 10 to 15 issues of *Progressive Rentals* magazine have included articles on ethics or ethical behavior in the workplace. In addition, not a board meeting has gone by that we didn't discuss ethics in one form or another. Every APRO convention that I've attended in the past several years also has included unethical behavior as a seminar topic.

In preparation for this article, I surfed the Internet and guess what I found: more than 1 million matches on ethics in the workplace, ethical behavior, codes of ethics, etc. And even after

Step two: Get involved in your state organization and APRO.

Step three: Ask if your state organization has an ethics committee. If not, volunteer to initiate one.

Institute your own state code of ethics or adopt APRO's Code of Ethics. Develop and implement state policies and procedures for reporting unethical behavior and rewarding exceptional ethical practices. Distribute and communicate your state's code of ethics and its policies and procedures to all your members.

The incorporation of these three basic steps into daily practice will authenticate and reward ethical

dealers while relegating unethical dealers to industry- and consumer-imposed sanctions.

Join with me in declaring that enough is enough. Act today. Help put an end to unethical practices. ■

Wayne Sutton is president of Instant Rent To Own Inc. and serves as APRO's treasurer.

"I say, enough about ethics already! It's time to quit talking — and start acting. It's time to move to the next level and initiate tangible grassroots action."

Talk is cheap. Take action!

all these articles and inspirational speeches, unethical behavior still pervades our industry.

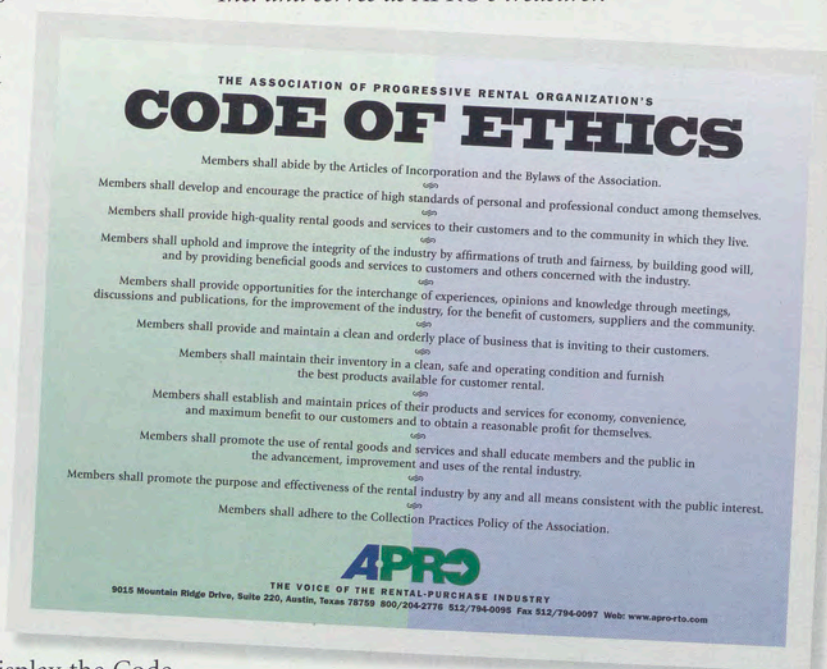
I say, enough about ethics already! It's time to quit talking — and start acting. An old wise man once said, "You are only as good as your weakest link." We need to reinforce our links. It's time to move to the next level and initiate tangible grassroots action in solving the ethics problem.

Ethical issues and unethical behavior are not to be tolerated any longer. We can no longer risk turning the other cheek. Transgressors must be reported to our state organizations or the ethics committee of APRO. Unethical rental dealers tarnish the image of our entire industry. We mustn't let the incompetent minority affect the hundreds of reputable dealers nationwide.



By **WAYNE SUTTON**

Take the first step. In the next few weeks, every APRO member store will be receiving a copy of the APRO Code of Ethics. Have your store manager and associates read it and then frame it. Prominently display the Code of Ethics for all to see.



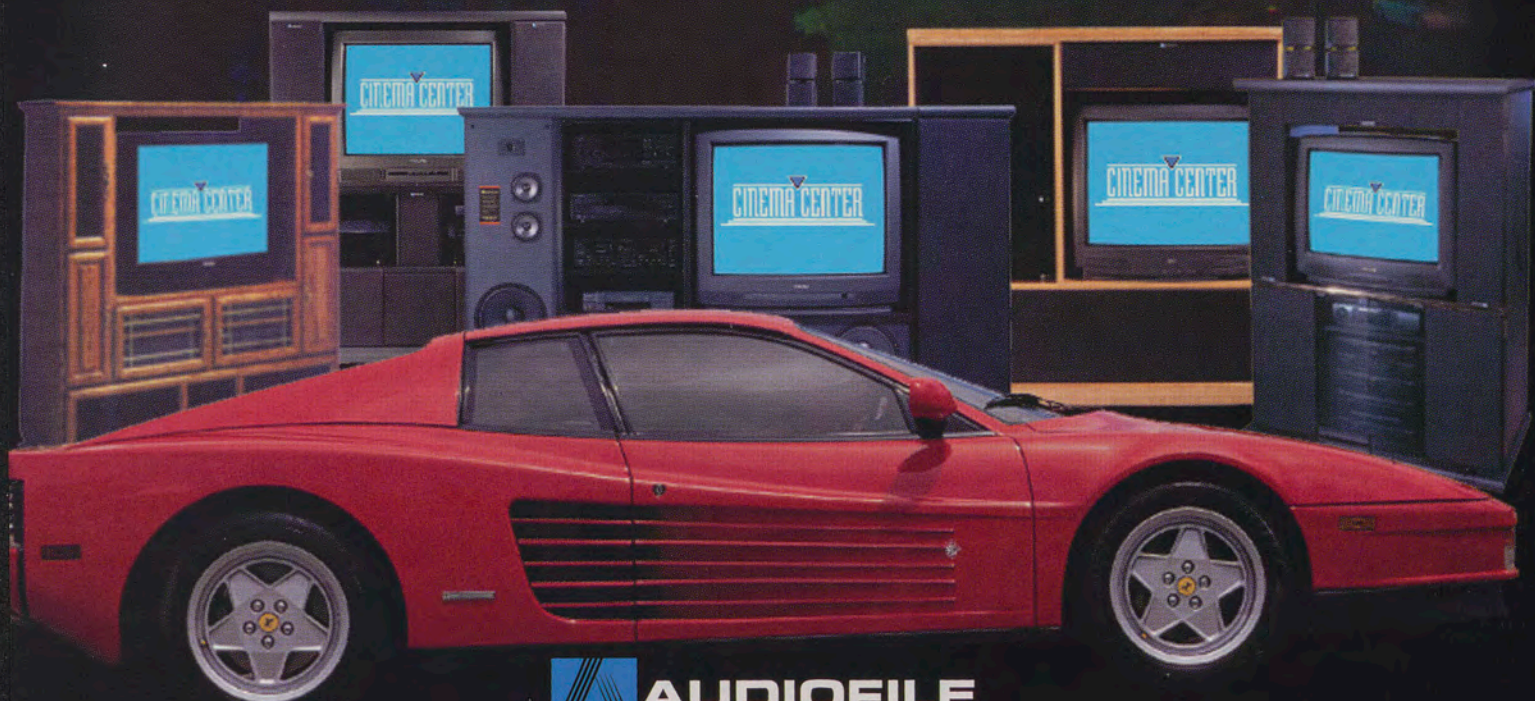
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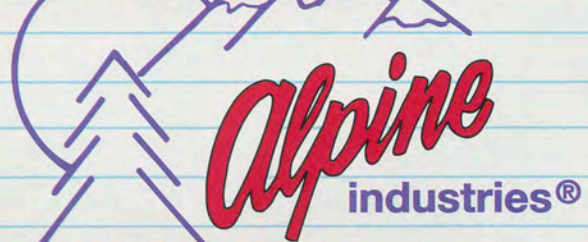
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CLEANING UP THE **N** IN



one goes into business intending to muddy an industry's image. But that's what happened to the rent-to-own industry when dealers practiced high-pressure sales tactics, collection harassment and low-quality advertising. Not to mention that many of the stores were shabby, carried dingy merchandise and employed untrained staff.

Clearly, that's not a proper description of the majority of dealers or stores today. Leaders in the industry saw the need for change years ago and charted a course to make improvements in their stores and in the industry as a whole. So why is it other industries who have cleaned up their acts endear themselves with the public, while rent-to-own continues to suffer from a very low image?

And why is it with the enormous amount of change that has taken place in the industry, a large gap still exists between what consumers expect from a shopping experience and what they perceive they get from rent-to-own?

The answer is twofold. First, the industry still has work to do. Second, it has neglected to tell people about the changes it has already made.

...AND

INDUSTRY'S ACT...

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PHOTOGRAPHS BY LANCE SCHRINER

TELLING ABOUT IT

BY PHILLIP HUDSON

For months you've read that RTO customers—and non-customers—feel there's room for improvement within the industry. We found some dealers who have listened and are doing something about it.

START BY LISTENING

During the past year, APRO's Public Relations Committee in conjunction with TateAustin, APRO's public relations and advertising firm, conducted formal research to determine the state of the industry's image and



to find out what the public's perception of rent-to-own is based on. The consumers surveyed represented likely rent-to-own customers in terms of demographics and psychographics, with the distinction they were not current customers.

The survey confirmed many old assumptions and shed light on a few new issues. Most important, the survey showed the industry's negative image is based on

"As a result of my first-hand knowledge of the research as a member of the Public Relations Committee, I'm making some drastic changes to my advertising strategy," Eichlin says. "It's not happening all at once, but I'm slowly moving away from advertising specials, like free-week offers, to emphasizing the quality of the products we offer, the excellent service we provide and the financial benefits of RTO."

The survey respondents listed the lack of credit hassles, the option for flexible, early pay-off plans, the opportunity to establish credit and the various service-oriented benefits of the rent-to-own transaction as financial-related attributes that could affect their decision to rent-to-own in a positive direction.

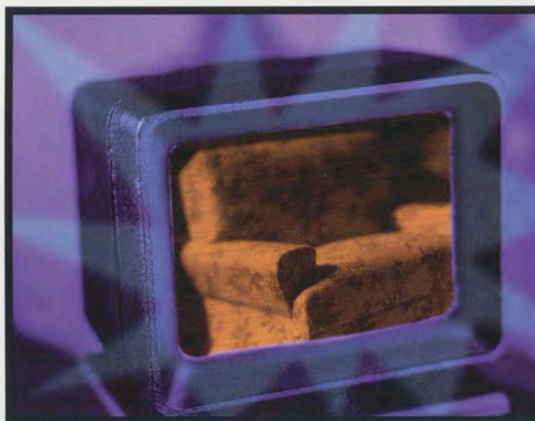
"To attract the non-customer, the research showed that we've got to stop our price-related come-ons," Eichlin says. "We can't leave price promotions all together, but they have to be scaled back."

According to Tom Burris, advertising director at Action Rent to Own, his organization conducted four focus groups in the Dallas area last year. The results were sim-

DICK EICHLIN: "As a result of my first-hand knowledge of the research as a member of APRO, I'm making some drastic changes to my advertising strategy. It's not happening all at once, but I'm slowly moving away from advertising specials, like free-week offers, to emphasizing the quality of the products we offer, the excellent service we provide and the financial benefits of RTO."

ilar to APRO's recent national research.

The predominant image associated with rent-to-own stores was expense-related, with 40 percent describing the industry as overpriced, more expensive than buying and as a rip off. Besides price, four main areas of concern were mentioned again and again: advertising, product quality, store presentation and employees.



"The main objective of our focus groups was to test our advertising and messaging," Burris says. "Groups were made up of users and non-users of rent-to-own. And, we found out the same thing as the APRO study: you've got to talk about service and products. We're

making a conscious effort to move away from price advertising and move toward image advertising. We're still in transition, but our new campaign coming out soon is all image-oriented," he says.

Obviously, from the consumer's point-of-view, rent-to-own advertising has been stressing the wrong aspect of the business. Instead of focusing on price, the industry needs to alter its messaging to discuss the value associated with the RTO transaction, such as product quality, excellent service, friendly, helpful staff and convenience.

Product quality issues were another "hot topic" for research respondents. They want name-brand items, a

ADVERTISING

"The strongest message that came out of this research is that our advertising must change," says Dick Eichlin, owner of STAR Rentals and a member of APRO's Public Relations Committee.

The public's main source of information on rent-to-own is the industry's own advertising. Unfortunately, the industry has created—and to some degree is still perpetuating—its own negative image through poor-quality, price-driven advertising. The advertising was described by research respondents as portraying negative, overbearing, unflattering images of RTO. In particular, the price-centered message communicates the opposite of what the consumer wants to hear. Research respondents said they can do the math; they want to know what benefits they get in the rent-to-own transaction.

PRODUCT QUALITY

Product quality issues were another "hot topic" for research respondents. They want name-brand items, a

good selection and new merchandise. Also, 20 percent of the sample stated the availability of free service and warranties were top factors in the rent-to-own decision-making process. Debbie Hall, buyer for Action Rent to Own, says customers have become increasingly brand conscious.

At APRO's Mid-Year Conference in Key West, Florida, participants in a working session discussed the importance of product quality. Most agreed that today's rent-to-own customer wants high-quality, brand-name merchandise. One participant explained that when offered the choice of a high-quality product for a few dollars more each week, customers will rent the better product. There are fewer returns on higher-end product

Public Relations Committee, I'm making some moving away from advertising specials, like provide and the financial benefits of RTO."

lines as compared to returns on lower lines. People get this product home, it looks good in their house and are more likely to keep it.

Don Mecke of Standard Furniture says rental-purchase stores are now offering the style and functionality one would expect to find in much higher-priced furniture, but because customers are paying a little each week rather than paying the entire retail price all at once, they are able to afford the quality merchandise they desire.

Rent-to-own offers the means by which everyone can get the high-quality brand names they want without waiting or having to settle for lower-quality merchandise. And rent-to-own customers know that higher-quality products hold up better and are more attractive. They simply want the same level of merchandise available in retail stores.

STORE PRESENTATION

The general public's image of rent-to-own stores (usually based on visuals from television advertising) is of a poorly lit, cluttered store, where what little merchandise is available is not displayed well. In most cases, this is not a representative picture of the industry as a whole.

"I've been in the business since 1976. I've always made it a priority to do major lease-hold improvements when I enter into a new market or open a new store," says John Cleek, owner of Cleek's Rent to Own. "I've always believed that people want to shop in a store that



RTO IN 2004

BY JULIE SHERRIER

Project ahead to the year 2004 and imagine what the RTO store of the future might be like. APRO Mid-Year Conference attendees did just that in Key West when they brainstormed one afternoon during the "Attracting new RTO customers: APRO public relations investigative report" seminar. After reviewing the latest research results, participating dealers were asked break into groups and to project ahead to the year 2004 to imagine how the average RTO store would be characterized as a result of making positive changes.

APRO Executive Director Bill Keese emphasized the four areas in which the RTO industry needs to focus: advertising, store appearance, public perception and in-store merchandising. "Our customer base and potential customer base is always changing," said Keese. "It's time for us to start anticipating the future needs of our customers and potential customers in order to gain a greater business share in the years ahead."

And just what did the attendees think the RTO store of the future would look like? The overall response was that they would provide one-stop shopping for consumers. Instead of just renting a couch, consumers would lease an entire living room suite, for example. Flexibility would be the catch phrase for the industry. Employees would be well-trained and proud to be affiliated with the industry. They would treat customers "like gold." Merchandising in the year 2004 would be vastly improved, according to participants. The ratio of new vs. used merchandise would be 80 percent to 20 percent. Some participants thought their stores would be larger—7,000 to 9,000 square feet—while others thought the showroom would be smaller with just the top-leased items on display. Also, merchandise would be of higher quality and value, which would justify any consumer price issues.

Finally, lease-purchase advertising in 2004 would convey quite a different message than it does today. Words such as convenience, ease, quality, full-service shopping, room-to-go and get-it-now were summoned as catch phrases for the industry of the future. Specific messages targeted to various marketing niches would be employed to such groups as corporations, rent-to-rent, rent-to-own and weekly vs. monthly payment shoppers.

In summary, all the participants wanted their customers to feel "normal" and comfortable in their stores, with no feelings of shame or "parking-in-the-back-of-the-store" fears. The ultimate goal of the group was to have consumers feel every bit as comfortable shopping in a lease-purchase store as a retail store.

has a comfortable atmosphere. I opened two new locations in 1995 and found that I wanted to do all my television commercials in the new stores and not at my main store. So, in '96, I decided that I needed to update the main store. I felt that if I wasn't proud enough to use it in my commercials, it probably wasn't up to the standards my customers are accustomed to."

Cleek worked with an architect and an interior designer on the project. He spent more than \$60,000 to put a new lighting system inside and outside to brighten up the showroom and the exterior, replace carpeting, put in handicap-accessible ramps and create a new electronics section.

"I'm very happy with the improvements," he says. "And, without question, I've seen a dramatic increase in business traffic due to the changes made. It's a nicer place to shop. Customers are more likely to rent furniture at a place where they feel comfortable."

Cleek also mentioned his employees' morale has gone up since the improvements were made. "They're really

showroom," Baxter says. "Flow is very important. Resist the temptation to stack every piece of merchandise available."

According to Baxter, a good interior designer can help rent-to-own dealers not only with new store design, but also on an ongoing basis, such as with furniture buying decisions by spotting consumer trends, managing store presentation and updating furniture with new fabrication or through refurbishing.

EMPLOYEES

Rent-to-own staff is also an influential factor in the consumer's decision of whether to rent or not. Research respondents mentioned the need for knowledgeable, friendly, no-pressure staff.

"At Renters Choice Inc., it is the quality of our people

MARTHA BAXTER: "You've got to start with great lighting. Once you've got that, the rest falls into place. You need to create a home-like setting for furniture. Flow is very important. Resist the temptation to stack every piece of merchandise available."

proud of the way the store looks and that helps motivate people," he says.

Martha Baxter, a registered interior designer, specializes in retail store design. Her past experience includes work for the Kittinger Furniture Company's Washington, DC, showroom. Baxter says there are a few major issues to consider when it comes to store presentation, whether it is for the rent-to-own industry or a top-of-the-line retail showroom, such as Kittinger.

"You've got to start with great lighting," Baxter says. "Once you've got that, the rest falls into place. You need to create a home-like setting for furniture."

Baxter says groupings must include all the elements you would find in a typical home. Don't just

line up couches, she says, create rooms with the furniture arrangements and include art, accessories and flowers. For rent-to-own, try setting up rooms with televisions and stereos arranged in entertainment-style centers to show the depth of the one-stop-shopping experience. You want one rental decision to lead to another. For example, she says, a customer comes in to rent a couch, but likes the attractive grouping and leaves with a couch, two chairs, the matching tables, lamps, art, rug, etc.

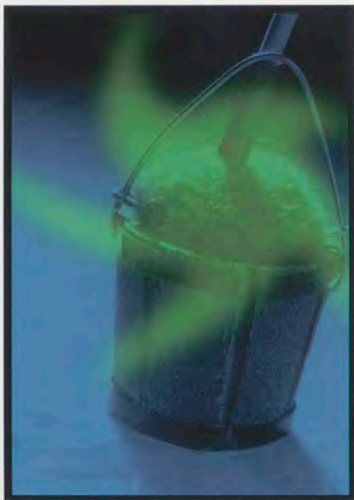
"Now that you've got attractive, coordinated groupings, make sure you have room to move through the

that makes the difference in our company's performance," says Joe Arnette, vice president of training and personnel. Arnette's overall philosophy on customer relations is if you treat people in a positive manner, you will have a more positive experience. Sounds easy, right? Well, as he explained, it takes a lot of training and education to create an atmosphere where positive experiences are the norm.

Renters Choice Inc. starts by requiring all prospective employees to fill out an employment application and take aptitude and personality tests. "Through this type of hiring process, we're able to find people who assimilate our philosophy a lot faster," he says. "Our two- to four-week training program acquaints new employees with our basic philosophy through behavioral training. Each person is trained in all aspects of the business: selling, rental agreement, product, customer service and renewal. It's a four-step process where they watch videos on various subjects, read educational materials, answer questions and participate in role-playing exercises. By the time they've finished this course, they've seen it, they've demonstrated it and they've done it."

Training is done at the store level at Renters Choice Inc. Regional managers train store managers. Then, store managers train all other staff. "We make sure our store managers have the best training materials, so they're prepared to train everyone," says Arnette.

Arnette concentrates on the main issues facing rent-to-own — making sure employees feel good about what they do, the customer is treated with the respect deserved and employees understand and can educate the customer on the value of the rent-to-own transaction.





CHANGE IS IN THE AIR

You may be saying to yourself, "I'm already doing all this." If that's the case, good. But be prepared to continue to make changes and improvements, because today's consumers want more of what they value. If they value convenience, they want it faster and easier. If they value low cost, they want it for less. If they want high-quality products, they want the best. If they want to be treated with respect, they expect the royal treatment.

It's a constant struggle to stay competitive. As the research showed, the rent-to-own industry still has some cleaning up to do—fine tune advertising messages, improve product quality, perfect the presentation and

enhance service.

The next step will be to get the word out. At APRO's Mid-Year Conference, the Public Relations Committee approved a long-term plan to build credibility and increase the market presence of the rent-to-own industry, ultimately improving the industry's public image and marketing environment. The plan's goals are to assist APRO members in their efforts to reach the highest professional standards, thereby building the industry's credibility; to offer APRO members comprehensive communications strategies to implement in their own communities in an effort to increase the presence of rent-to-own dealers; and to launch a media relations campaign that improves the industry's image as reflected in the national, regional and local media.

We've done our homework—extensive public opinion surveys and comprehensive focus-group testing. Now it's time to take action on two fronts. Keep polishing up the rental-purchase industry at the store level and start promoting the new image through a national advertising, public relations and community relations program. ■

Phillip Hudson is an public relations account manager with TateAustin, a public relations and advertising firm in Austin, Texas.

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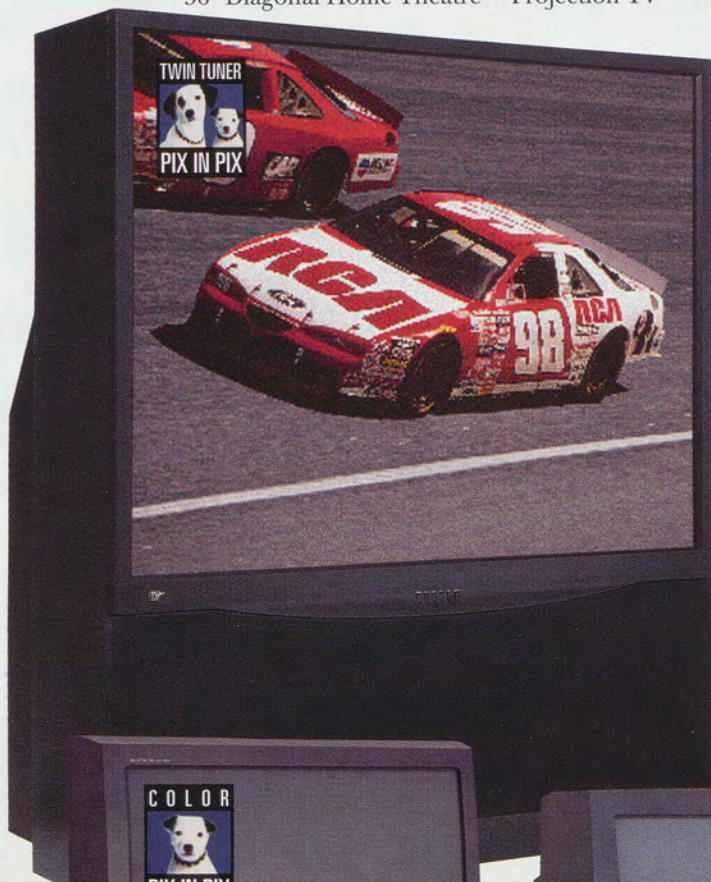
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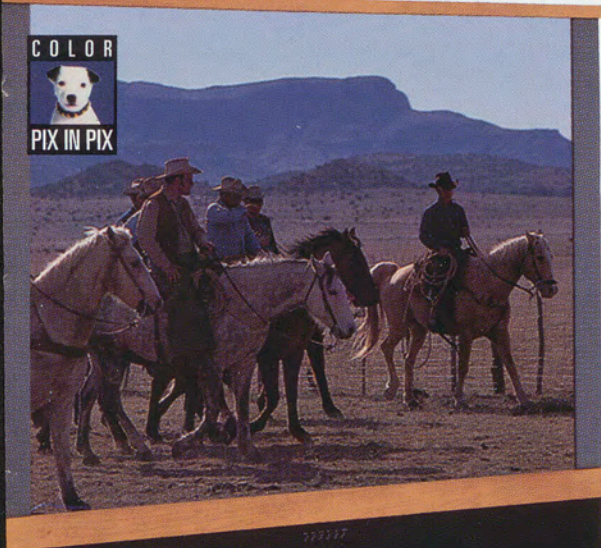
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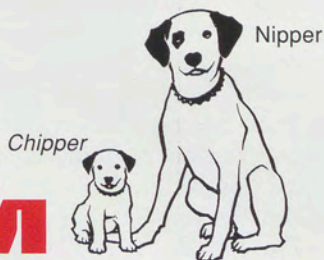
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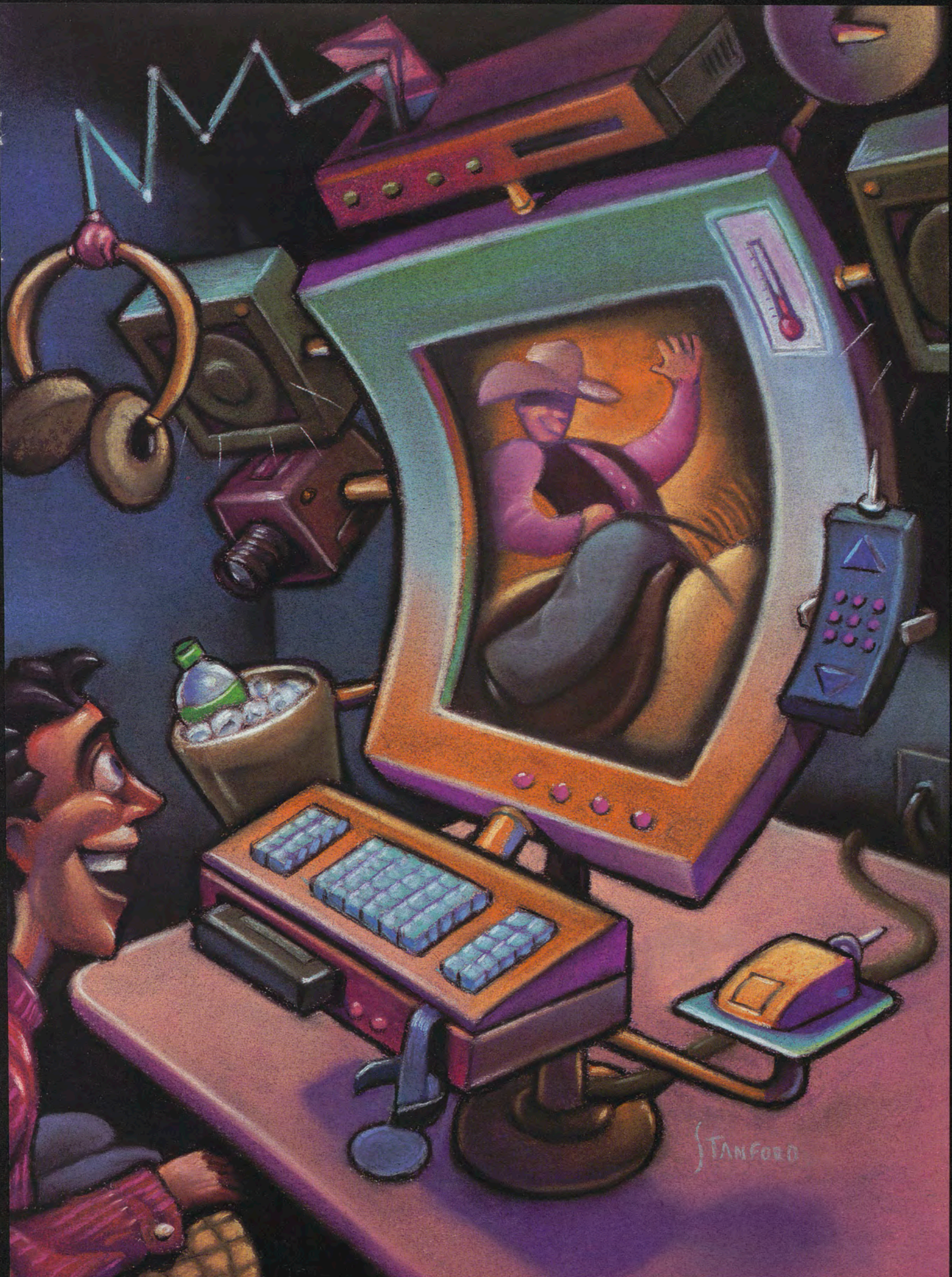
1997 AUDIO/VISUAL UPDATE

BY BARBARA STOOKSBERRY

If televisions and stereo speakers get any bigger, we're all going to have to build larger houses. Yet bigger has always meant better in audio-video product mix and that still holds true today.

Tom Blodgett of JVC says the 27-inch television is now his company's bread-and-butter and demand for 32- and 35-inch sets is getting stronger. He acknowledges what APRO surveys and conventional wisdom have told us: today's rental-purchase customer wants what the retail customer wants—more bang for the buck. Luckily, with dramatic drops in the price of electronics, that's exactly what they can get without stretching the budget too far.

The low-end product that once worked for rental-purchase no longer works for many customers. The good news is with better products comes more pride and customer satisfaction, resulting in more merchandise staying out longer. Blodgett points out, for example, in VCRs, the two-head is disappearing and the four-head is now the entry-level piece. JVC makes its entire line available to RTO to satisfy a wide range of customer wants and needs.



STANFORD

P

hilips' Ken Gay sees the product base in RTO enlarging, and Philips is "dramatically expanding" its product line offered through the rental channel. The rental customer, just like the retail customer, is looking for the "biggest, newest, best, cheapest," Gay says. "Everyone is graduating to higher-level products," such as four-head, hi-fi VCRs. In addition to making its full line available to the rental market, Philips offers some specialized RTO products, such as cellular and wired telephones, Web TV, the new digital video disk technology, car audio and "observation systems," which are security systems with a hard-wired monitor and up to four cameras—all in addition to more conventional rental-purchase products like televisions, VCRs, home theater and TV-VCR combinations.

Gay says Web TV is a good RTO product because it allows customers who are curious about the Internet, but intimidated by computers, to access the Net via their televisions. A stand-alone box hooks up to any television to bring the Internet through the phone line. The customer maneuvers around the Net with the television remote or an infrared keyboard. Philips offers Internet access through Web TV for \$19.95 per month.

Nineteen-inch televisions are still strong for Philips, Gay says, but he credits the salesmanship of the dealer in moving many customers up to 27- and 32-inch sets and to the 54- and 60-inch projection sets. Better merchandising and an improved appearance to the rental-purchase store are having an impact, too.

Philips is also enlarging its staff to address the needs of larger RTO customers. The company, Gay says, recognized the necessity to reorganize and re-identify customer needs because of changes in the industry, such as consolidation and a widening customer base.

Jeff Shafer, district sales manager for Hitachi, says with electronics prices "tumbling," the RTO customer can now afford what was previously out of reach. Big-screen televisions are a big growth area, as is home theater. Because televisions are mostly stereo these days, Hitachi sees a greater demand for hi-fi VCRs because they compliment the stereo television set. Hitachi has a three-tiered lineup, with RTO dealing mostly in the lower two. The drop in electronics prices allows dealers to offer more variety on the floor—a good/better merchandising mix.

"Thirty-two-inch sets are a big growth category," agrees Tim Shannon of Thomson Consumer Electronics. "Rental-purchase is mirroring what is happening in retail. With prices down, the dealer is able to offer bigger screens and more features—a level of product the customer wouldn't have thought they could afford, but now can," Shannon says.

As price points come down, Thomson is doing a brisk business in hi-fi VCRs with such features as commercial advance, back-lit remotes, movie advance, bilingual and trilingual screen menus and automatic clock setting. "There are no boundaries to

The rental customer, just like the retail customer, is looking for the "biggest, newest, best, cheapest." Everyone is graduating to higher-level products, such as four-head, hi-fi VCRs.

what will go in RTO," Shannon says.

Zenith's Norm Smith doesn't doubt for a minute there is a trend toward larger screen televisions. Zenith's 19- and 20-inch sets were his biggest sellers for years, he says, but now the 25-inch leads the way, with the 27-inch in second and the 20-inch and 32-inch sets tying for third. Smith is also seeing significant growth in the popularity of projection televisions because of improved picture quality and the availability of protective shields to protect the screen from breaking or scratching.

Ray Gonzales, a salesman for Carefree Rental Center in Pueblo, CO., has seen the move toward projection in his locale. In his store, the console television is a thing of the past, Gonzales says, as customers move toward larger tabletops for home entertainment centers and toward 52-inch projection sets. His customers also look for four-head stereo VCRs with plenty of features.

At Wade's TV Rental in Jasper, Texas, Andrew Wade is also experiencing more interest in projection televisions, as well as a brisk business in TV/VCR combinations.

Is digital in your future?

Representatives for these manufacturers generally believe the Digital Video Disk is in your future, but probably not in your present, not because the technology isn't there (it is), but because DVD is a software-driven market and there are simply not enough titles widely available to motivate the customer to get into this area just yet. It's coming, though, because this new technology offers higher quality video than VHS, the disks don't wear out like tapes and what is presently on a laser disk can be compressed to the size of a CD. Besides there being only a limited number of titles available in this format at the moment, a second drawback is the DVD players cannot record—but that's all bound to change, opening up a whole new product line for rental-purchase.

Pump up the bass

In audio systems, *big* had better describe the size of the speakers or the RTO customer might shop elsewhere. Some dealers are moving rack systems with no problem;

others are seeing more demand for home entertainment centers. Either way, the customer these days demands good quality sound, which in some cases translates to *loud* and in others, translates to "I want to feel it in my bones."

JVC's Tom Blodgett says their stereo rack systems are the first things dealers want to see at the APRO convention, but his company also makes individual components, such as a Dolby Prologic receivers that can be integrated into home theaters. They offer a one-rack system with three-way, 12-inch power speakers, a dual-well cassette deck and five-disc CD changer, and another with Dolby sound and center and rear speakers.

For the past five years, Philips has sold mostly an all-in-one unit, but according to Ken Gay, now the trend is toward offering a greater variety of components so the customer can build the system he or she wants. Although there is still a market for the pre-wired, all-in-one system, Gay sees a trend toward stocking more product, delivered in pieces and needing to be

hooked up. Philips' shelf and stand-alone units feature 50- and 100-watt speakers with Dolby sound.

Thomson Consumer Electronics offers bookshelf systems and home entertainment centers under the RCA and GE labels. Their systems range from 40-watt systems with three-CD changers to 200-watt systems with surround-sound Dolby speakers. Their audio theater systems have a receiver and up to 190-watt speakers—center, left- and right-hand speakers and a subwoofer to make you "feel" the sound.

Because of the popularity of home theater systems, Thomson has entered into a joint venture with Bush to provide stands that will allow the rental-purchase store to offer a complete system, including the cabinet, all in one box. These units will be unveiled at the APRO convention.

Everything in its place

Other manufacturers specialize in speakers and/or cabinets and join up with electronics manufacturers to offer the RTO dealer a complete system. Others leave the question of filling the shelves to the dealer.

American Design Acoustics manufactures separate speakers with a carpet-like finish and home theater centers with built-in speakers. Their speakers are virtually "bulletproof," says Al Hernandez. ADA is teaming up with an electronics company to offer

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a complete package to rental-purchase. Their speakers are rated at a 100-watt minimum with a large subwoofer. They are constructed of medium-density fiberboard and covered in vinyl with tempered glass and some solid wood fronts and moldings. The trend toward larger-screen televisions has changed the face of this industry by requiring cabinetry that will accommodate screens up to 50 inches.

ADA offers free freight for a minimum shipment of four units to one location. It keeps a large inventory and ships quickly because the company understands the urgency required to satisfy RTO customer needs. Hernandez will do in-store training to answer technical questions, point out features and provide hands-on instruction for hooking up the systems.

Audiofile Home Theater also manufactures speaker boxes and furniture for integrating components into a home entertainment system. Rental-purchase is becoming a big part of their business, says Sunny Amorosa, who does marketing for the firm. In the early 1980s, Audiofile manufactured home audio speakers, but over the past five years, they have been doing more furniture with speakers built in. They can consolidate home theater systems with televisions and stereos so the RTO dealer gets a customized system all in one.

Manufacturers are viewing rental-purchase as a great means of distribution and are willing to work to develop a mutually agreeable relationship with RTO.

Pacific Waves Audio prides itself on making a product to take the kind of abuse a rental-purchase product often has to take. In addition to an external carpeting cover that can withstand a lot of wear and tear, Pacific Waves uses strong internal components, says Rusty Atkinson, spokesman for Pacific Waves. His company offers two total systems, with electronics by AIWA. Their 48-inch rack system has a single 15-inch woofer with 8-inch midrange and Piazto horn tweeter. The 42-inch rack has a single 12-inch woofer, 6-inch midrange and Piazto horn tweeter.

Smile for the camera

In addition to sight and sound equipment, most of these manufacturers consider camcorders a solid rental-purchase product. Whether leased for a special weekend or to keep to term, folks seem to prefer the full-size unit, perhaps because they perceive it to be more product for their money, or perhaps because these units don't

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require a cassette adapter to play the tape on the VCR. Today's camcorders have added features, such as easier operation, color viewfinders and 18X zoom lenses.

Satisfying a need

Michael Gerwe, a former distributor for RCA, found his niche in the rental-purchase support system by becoming a supplier for electronics accessories. His company, RES Marketing, takes a lot of the headaches out of RTO electronics by serving as a one-stop shopping outlet for blank tapes, remote controls, connectors, cables, antennas, etc.—all the little things that can get lost in the rush of the rental-purchase transaction, but can lead to lost rentals and down time if they are not there. RES Marketing keeps most merchandise in stock and usually ships orders received by 4 p.m. on the same day.

Rental-purchase has become such a significant market segment with electronics manufacturers that they have devised a number of ways to provide support to this industry—by providing in-store training, training tapes and/or printed materials with specifics on their product line or by devising special delivery arrangements that get the product delivered faster and more efficiently.

Jim Violi, a buyer for Rentway, says RTO is becoming the saving grace for many manufacturers, not just in electronics, but also in appliances and furniture as well, as retail hits a significant slump. Violi believes manufacturers are viewing rental-purchase as a great means of distribution and are willing to work to develop a mutually agreeable relationship with the rental-purchase industry. Positive trends he's noted include the increased popularity of projection television, TV/VCR combinations, stereo rack systems, especially those with Dolby Prologic sound (tip of the day from Violi: Use a good demo tape and it will sell itself!), feature-laden shelf systems and home theater systems with dynamic, futuristic looks.

So, if you're not getting what you need from your supplier, maybe you just need to ask. According to them, this industry is nothing if not healthy. ■

Barbara Stooksberry is a free-lance writer living in Austin, Texas.

WHO'S WHO IN

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Woodson & Bozeman Inc. *

Contact: John W. Cowart
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Memphis, TN 38181
901/362-1500; fax 901/362-1509

Zenith Electronics Corp. **^

Contact: Norman W. Smith
1000 Milwaukee Ave.
Glenview, IL 60025-2423
847/391-8231; fax 847/391-7604

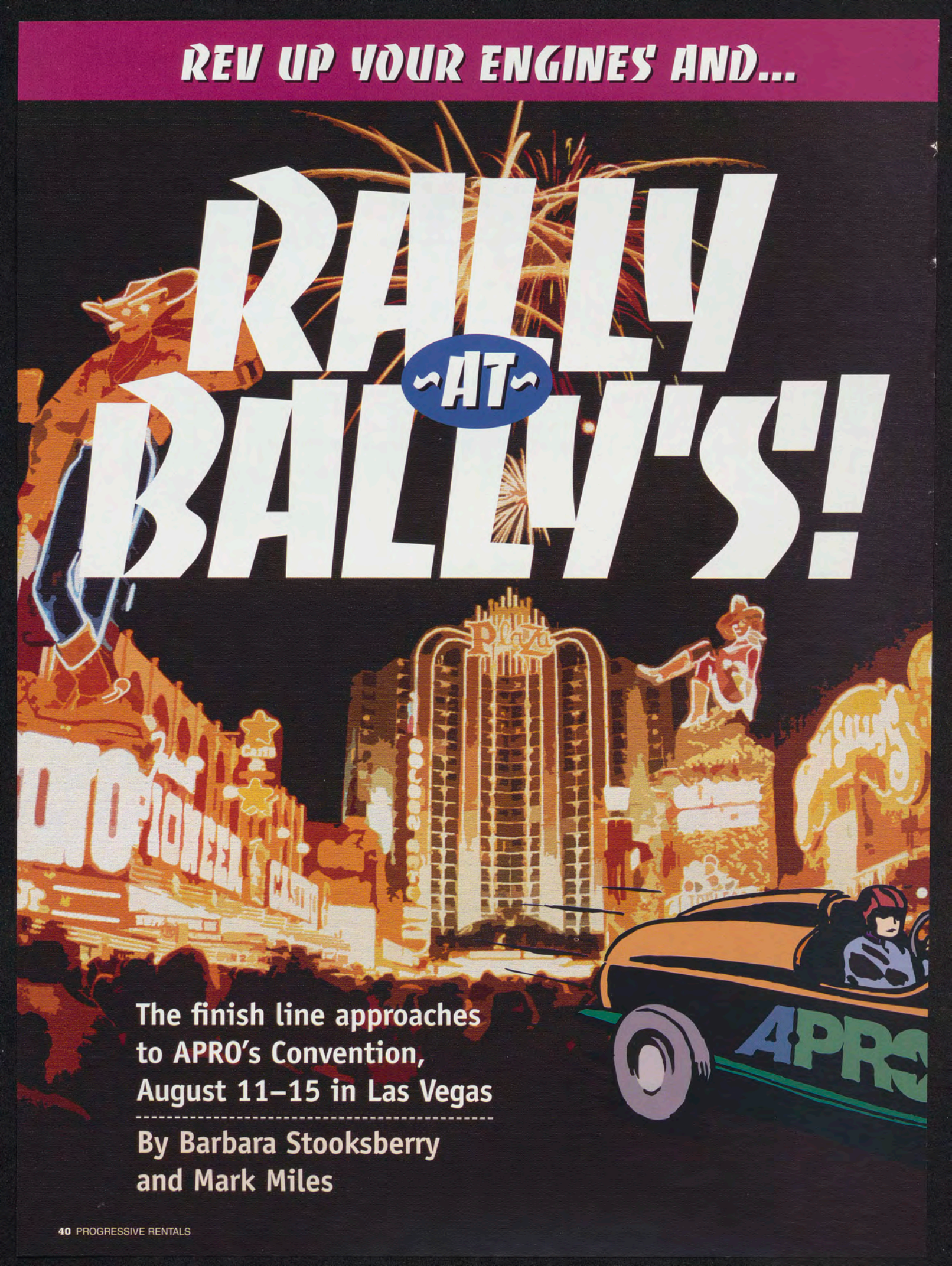
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REV UP YOUR ENGINES AND...

RALLY ~AT~ BALLY'S!



**The finish line approaches
to APRO's Convention,
August 11-15 in Las Vegas**

**By Barbara Stooksberry
and Mark Miles**

Soaring 26 stories into the Nevada skyline, Bally's Casino Resort, home to all the APRO action this August 11-15, sits at the very heart of the Strip at the renowned "Four Corners" intersection. Bally's spans four full city blocks, making it one of the largest and most luxurious resort complexes in the world. All convention events will be under one roof at Bally's, which should make for a user-friendly convention with a minimum of hassles.

If evening entertainment is your passion, you can choose from two main showroom experiences that will linger in your memory long after you've gone home. Head for the Ziegfeld Theatre, where the Titanic sinks nightly! It's just one of the many spectacular special effects that make Don Arden's dazzling "Jubilee!" the most popular stage spectacle in Vegas. Or visit the Celebrity Room, where such stars as George Carlin, Harry Connick Jr. and Barbara Mandrell perform.



SUNDAY, AUGUST 10

4-6 p.m.	Early registration
4-5 p.m.	APRO Executive Committee meeting
5:30-7 p.m.	APRO Government Relations Committee meeting

MONDAY, AUGUST 11

6:30 a.m.	Buses depart for APRO golf tournament
8 a.m.	Golf tournament, Angel Park [<i>Sponsored by Whirlpool</i>]
9 a.m.-5 p.m.	Early registration
4-5:30 p.m.	State President's/Congressional Leadership reception [<i>Sponsored by Voyager</i>]
6-8 p.m.	Welcome reception: "Camp APRO" [<i>Sponsored by Design Acoustics</i>]

TUESDAY, AUGUST 12

9 a.m.-6 p.m.	Registration
9-10 a.m.	Pick up ballots for board election
10 a.m.-12:30 p.m.	General Session and Business Meeting
12:30 p.m.	Exhibit hall ribbon-cutting ceremony/ champagne welcome [<i>Sponsored by NAFCO</i>]
12:30-1:30 p.m.	Complimentary lunch in exhibit hall [<i>Sponsored by PRS Products Inc.</i>]
12:30-6 p.m.	Exhibit hall open
6:30-8:30 p.m.	Gala cocktail reception: "Rally at Bally's" [<i>Sponsored by Foresight</i>]

WEDNESDAY, AUGUST 13

9 a.m.-5 p.m.	Registration
9 a.m.-12:30 p.m.	Seminar round tables [<i>Breaks sponsored by TRIB</i>]
10-11:30 a.m.	Open exhibitor meeting/information session
12:30-1:30 p.m.	Complimentary lunch in exhibit hall [<i>Sponsored by Phillips/Magnavox</i>]
12:30-6 p.m.	Exhibit hall open
Noon-5 p.m.	Spouse program: "Far East Fitness"
8:30-11 p.m.	APRO President's Hospitality Suite

THURSDAY, AUGUST 14

8-9 a.m.	APRO Vendor Relations Committee meeting
9-10 a.m.	APRO full board meeting-election of officers
9 a.m.-5 p.m.	Registration
9-10 a.m.	Complimentary continental breakfast in exhibit hall [<i>Sponsored by Office Star Products</i>]
9 a.m.-1 p.m.	Exhibit hall open
1-6 p.m.	Seminars [<i>Breaks sponsored by TRIB</i>]
7-8 p.m.	Awards reception [<i>Sponsored by Thomson Consumer Electronics</i>]
8 p.m.-12 a.m.	Awards banquet: "Mission: Impossible" [<i>Sponsored by High Touch and G.E. Appliance; entertainment sponsored by Audiofile</i>]

APRO Convention Daily sponsored by Sears.
 Massage station in Exhibit Hall sponsored by TRIB.
 APRO registration computers provided by Alliance Computer Technologies Inc.



Beyond Bally's, there is much to discover in the City of Lights (with apologies to Paris), beginning with the Fremont Street Experience (downtown between Main and Fourth), where 2.1 million lights create a spectacular

trade show, on Tuesday, Wednesday and Thursday in Bally's Special Events Center, will draw hundreds of vendors who cater to the rental-purchase industry. Don't miss this opportunity to see all the latest products and visit with the vendors who support rent-to-own. Trade show hours have been chosen to allow

and Pro Player Stadium. In 1971 he co-founded his first company, Waste Management Inc. (now WMX Technologies Inc.), today the world's largest waste collection and disposal company. Huizenga directed his second company, Blockbuster Entertainment, into a position of world leadership in its industry before selling to Viacom in 1994. Huizenga's business acumen put a totally new spin on the video rental industry. Find out what Huizenga has to

say about his vision of the future for RTO.

WORKING TOWARD A BETTER IMAGE

Imagine projecting the image you want for your industry, your company, your employees, yourself! That's what the 1997 APRO seminar sessions are all about. In keeping with the goal of projecting a positive image, APRO is offering you the tools you need to be the best you can be in all aspects of your life, your



light-and-sound show spanning the length of almost five football fields.

Of course, it's not just the razzle-dazzle and the big players that draw you to Vegas. It's the opportunity to network with vendors and colleagues in the rental-purchase business.

Arrive early to tee-off Monday morning at the eighth annual Tom Kitchens/Joe Eason Golf Tournament. Buses leave at 6:30, so have your swing in shape as you prepare to play the Mountain Course at Angel Park Golf Course, where panoramic views of the Spring Mountains, Red Rock Mountains and Vegas' skyline make it hard to concentrate on your game!

APRO's all-important

maximum participation and, of course, there is no charge for entry, although you must present proper business identification.

The 1997 APRO General Session and Business Meeting will usher in a new era for the rental-purchase industry when Florida businessman H. Wayne Huizenga, chairman and co-CEO of Republic Industries, gives the keynote address Tuesday morning. Huizenga recently entered the rental-purchase industry with the purchase of Texas-based Action TV & Appliance Rental.

Huizenga's sports interests include the NHL's Florida Panthers, Florida Marlins baseball team and the NFL's Miami Dolphins

APRO'S 1997 SEMINARS

WEDNESDAY AUGUST 13 9 a.m.– 12:30 p.m.	APRO Round Table Sessions
THURSDAY AUGUST 14 1–2:30 p.m.	SKYVIEW 1 You Must Be Present to Win: Personal Motivation <i>Dr. Lawrence Helm</i>
THURSDAY AUGUST 14 2:45–4:15 p.m.	You Must Be Present to Win: Personal Motivation <i>Dr. Lawrence Helm</i>
THURSDAY AUGUST 14 4:30–6 p.m.	Maximize Your Time <i>Alan Dobzinski, Success Motivation Institute</i>

business and your industry.

The first seminar sessions on Wednesday will be expanded, in-depth versions of last year's popular round table discussions. This program gives dealers and managers the opportunity to discuss concerns and share ideas on such topics as employee turnover and lowering overhead. The format will allow participants to pick the topics they are interested in by choosing the appropriate table. Professional moderator Carter

Schelling will facilitate.

On Thursday afternoon, APRO will offer 18 break-out sessions on a number of topics important to the continued success of this industry. Here's a bit of what is in store:

After a career as a lawyer, Brad Armstrong founded a company soon ranked among the 500 fastest growing privately held companies in America. In his newest role as strategic adviser to business and coach to executives and entrepreneurs,

Armstrong shares his strategies on making employees an integral part of your company in "How to Win Friends and Influence People."

Gary Hoover, founder of Bookstop, Reference Press and TravelFest, discusses future business trends in "The Big Picture: Leading Successful Organizations."

Larry Helms, who will talk on personal motivation, is a nationally respected and recognized expert in the field of personal development. He has

been called an "edu-tainer" and "funtastic" for his unique ability to mix good, clean humor and professional stage magic with serious training messages. He is president and chief operating officer for Western Training Systems.

Don Hutson's dynamic program on making and keeping customers happy covers 12 concepts that prove extremely valuable in gaining a competitive edge through positive relationships with both your external and internal customers.

SKYVIEW/BALLY'S HOTEL

Participate in in-depth discussions with fellow industry insiders. Topics will include quality control, financing, lowering overhead and increasing profits, new products, collection practices, store structure, setup and staffing, employee turnover, employee theft and more.

Moderator: Carter Schelling

SKYVIEW 2	SKYVIEW 3	SKYVIEW 4	SKYVIEW 5	SKYVIEW 6
1997 RTO Legal Update and Tax Update Ed Winn III, APRO Tom O'Keefe, Champion	Customer Service Don Hutson, Don Hutson Organization	RTO Compensation Guide: Pay Your Employees Right Larry Randolph, TRIAD Learning	Managing Managers and Multiple Locations Bud Holladay, Alrenco	Focus Findings: Increasing Your Customer Base APRO Public Relations Dept. and TateAustin
The Big Picture: Leading Successful Organizations Gary Hoover, TravelFest	Customer Service Don Hutson, Don Hutson Organization	RTO Compensation Guide: Pay Your Employees Right Larry Randolph, TRIAD Learning	Industry Consolidation: Private View Panel discussion Darrell Tissot, Countryside Rentals, moderator	How to Win Friends and Influence People: Motivating Employees Brad Armstrong, Armstrong and Co.
The Big Picture: Leading Successful Organizations Gary Hoover, TravelFest	1997 Rental-Purchase Statistical Survey Thomas J. Noon, Industry Insights	1997 Government Relations Update Ron Waters, APRO	Industry Consolidation: Public View Panel discussion Ed Winn III, APRO, moderator	How to Win Friends and Influence People: Motivating Employees Brad Armstrong, Armstrong and Co.



1997 EXHIBITORS

In a highly competitive marketplace, he shows how quality customer service can help you increase and keep market share.

As the rental-purchase industry has become aware of the huge projected potential to broaden its customer base, it has also come to realize that much of the population is simply unaware of the advantages of rental-purchase. APRO's public relations staff and public relations firm TateAustin will tell you how to launch a new era for your company by putting focus group findings to work in increasing your customer base.

Also on the seminar schedule are Thomas J. Noon, co-founder and principal of Industry Insights, Inc., who will show you how to use the APRO industry survey to improve bottom-line performance by identifying your firm's strengths and weaknesses; Larry Randolph of TRIAD Learning will discuss employee compensation; and Alan Dobzinski of Success Motivation Institute will tell you how to make maximum use of your time. Longtime industry guru Bud Holladay of Alrenco will share his valuable experience in managing



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Adesso Lighting
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Alliance Computing
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American Design Acoustics
American Way Cellular &
 Paging
Ashley Furniture
 Industries Inc.
Astro-Lounger • Davis
Audiofile Home Theater
Barkel Inc.
BDI Distributors
Beaulieu of America
Beekman/Imperial
Bell Furniture Industries
Benchcraft Inc.
Beneficial National Bank
Berkline Corp.
Black Hills Gold by Coleman
Jerry Bogo Co.
Bonnie "The Flyer Specialist"
Brunswick Billiards
B.S. Trading Co. Inc.
Bushline
BW Lighting Corp.
California Curves
Catalina Furniture
Central File Inc.
The Chair Co.
Classic Brass Collection Inc.
The Cluett Corporation
Coaster Co. of America
Colby Furniture
Continental Jewelry Express
Creative Business Forms

CrossLink Electronic Filing
D&W Silks Inc.
Desarrolladora Industrial, S. A.
Digital Marketing
Dismar Corp.
DMC
Douglas Furniture of
 California Inc.
Emerald Home Furnishings
England Upholstery Mfg. Co.
Englander Sleep
 Products/Fraenkel Co.
FLX-Industries Inc.
FORESIGHT Inc.
Fashion Craft Corp.
Forest Designs
Frigidaire Co.
Frisco Furniture Co.
G&G Graphics and Promotions
Gaines Manufacturing Co.
GE Appliances
Gibson Appliances/
 Frigidaire Co.
H&H Furniture
 Manufacturing Inc.
Harris Potteries
High Touch Inc.
Hitachi Home Electronics Inc.
Holiday Lamp & Lighting
Home Line Industries
Howard Miller Clock Co.
Ideal Software Systems
Images Furniture
 Manufacturing
Impact Furniture
Inform Business Services
International Silk Plants
Jackson Furniture Co.
JVC Corp.
L. Powell Company Inc.
LABS Inc.
Laurel Arts
MAFCO
Manifestations Inc.
Master Design
Maytag Appliances
McNamara Isuzu Trucks
Meadowbrook Furniture Inc.
MirroTek International L.L.C.
Mirror Dynamics Ltd. Inc.
NAFCO
Nationwide Club
 Administrators
Next Dimension Studios Inc.
Office Star Products
Oro International

O'Rourke Custom Solutions
Pacific Waves Audio
Parris Manufacturing Co. Inc.
Pay N Talk/JRC
Posture Beauty Sleep Products
Progressive Furniture Inc.
PRS Products Inc.
Pulaski Furniture Corp.
The Quantum Group
Ravinia Furniture
Reflections Furniture
 Industries Ltd.
Regency House
The Relax-R Corp.
Rental & Sales Software Systems
Rental Information
 Systems Inc.
RES Marketing Inc.
Ridgewood Furniture
Rose Hill Co. Inc.
RTO+ for Windows
Sanyo Fisher Co.
Saunders Sales & Marketing
Schweiger Division of KCS Inc.
Sears Contract Sales
Sold on Hold
Sony Electronics
Southern Rings
Standard Furniture
Steve Silver Co.
Stratolounger Co.
Style-Line Furniture Inc.
Supreme Corp.
T&S Import Co. Inc.
Taylor Edwards Inc.
Tele-Track Inc.
Ther-A-Pedic International
Thomson Consumer
 Electronics RCA/GE
Toshiba America Inc.
Total Package Marketing
Triad Learning Systems Inc.
Triangle Furniture Corp.
TRIB Group
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Unique Dinettes
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Whirlpool Corp.
Whitaker Partners Ltd.
William's Design Inc.
Wingate Monday Co.
Zenith Electronics Corp.



Beyond Bally's, there is a lot to discover in the City of Lights. But it's not just the razzle-dazzle that draws you to Vegas — it's the opportunity to network.

For another fun-filled evening, doff your derby and oil the carb as you are transported to a place where the sounds of engines racing and the yell of the pit crew can be easily heard. Enjoy the atmosphere of a miniature racetrack or dance the night through to classic "car tunes" during the "Rally at Bally's" on August 12, 6:30–8:30 p.m.

On Thursday night, your mission, should you choose to accept, is to have a great time and enjoy a leisurely open bar at "Mission: Impossible." Awards

interspersed with top entertainment acts make this APRO final party too good to miss.

Spouses are not left out of the fun with the special "Far East Fitness" program on Wednesday afternoon. This unique program acquaints you with traditional Eastern health philosophies and includes sessions on Chinese wok cooking, the fine art of tea drinking and the use of natural herbs to improve circulation, relieve pain, strengthen cardiac function and reduce stress. Finally, you'll learn about

managers and multiple locations. Darrell Tissot of Countryside Rentals will lead a panel discussion on a "private view" of industry consolidation, and APRO's General Counsel Ed Winn III will moderate a panel giving the "public view."

SPECIAL EVENTS

Pack the tent stakes and remember your backpack as APRO

brings the great outdoors indoors with "Camp APRO" in the Bally's Grand Ballroom from 6–8 p.m. on Monday, August 11. You'll enjoy hors d'oeuvres from tables situated around the "forest" as you renew acquaintances with APRO friends and colleagues. Or, save your strength to meet the challenge of the rock-climbing wall. It all spells f-u-n for this year's welcome reception.

All I Need To Know About Life I learned From Computers...



 "Don't byte off more than you can process."  "Spell checker is the best thing since sliced bread."

 "Keep your hands off other people's gigabytes."

Don't just nibble at renting PC's

Take a Megabyte With Quantum Tech!

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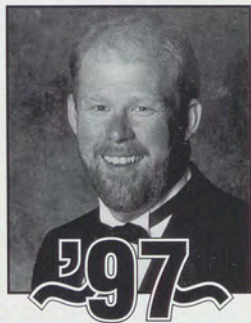


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- Elected APRO Board '93
- Chairman Public Relations Committee '95-'97
- Chairman Education Committee '94-'95
- "President's Award of Excellence" recipient '96
- Chairman Fund-Raising Task Force '93-'94
- Perfect attendance for all APRO Board meetings and votes
- Attended more than 40 congressional meetings in Washington during legislative conferences
- Seven-store dealer with 17 years of RTO experience

ATTENTION ASSISTANT MANAGERS AND STORE MANAGERS:

Are you unappreciated and overlooked?

Do you have doubts about the stability or future of your company?

If you are caught in the volatility of the current RTO industry, we offer stability and opportunity for advancement for assistant managers and store managers. Excellent salary and benefits package available. Send résumés to Randy McCoy, Southern Home Rentals, P.O. Box 24146, Chattanooga, TN 37422-4146



the Tai Chi method of health maintenance practiced by the Chinese from

send in your spouse registration (this program is included in the full

spouse/guest registration fee).

APRO loves Las Vegas and Vegas loves conventions, so this year's "Rally" is sure to be a crowd pleaser. With business, fun and vacation all rolled into one, your potential is limited only by your imagination.

Indulge yours at APRO '97: Rally at Bally's. ■

Barbara Stooksberry and Mark Miles are free-lance writers living in Austin, TX.



ancient times. The afternoon will allow shopping time in Vegas' Chinatown. It's a special treat, but you must preregister by checking off this event when you

"WHAT SHOULD I WEAR?"

Meetings and seminars

Casual is fine. Many attendees choose polo shirts, shorts and tennis shoes or comfortable walking shoes. Others prefer "business casual," which is considered a little dressier. What's important is that you feel comfortable. After all, we are in Las Vegas in August!

Welcome Reception: "Camp APRO"

6-8 P.M., MONDAY, AUGUST 11

Camping/hiking attire. Bring your backpacks and hiking boots if you really want to get into the spirit of the evening.

Gala Cocktail Reception: "Rally at Bally's"

6:30-8:30 P.M., TUESDAY, AUGUST 12

Again, casual attire. "Racetrack"-inspired duds will be the way to go.

Spouse program: "Far East Fitness"

12-5:30 P.M., TUESDAY, AUGUST 12

Casual will be your best bet here — you may want to try out some of those Tai-Chi moves you'll be learning. Be sure and wear comfortable walking shoes for the afternoon.

Awards Reception and Banquet: "Mission: Impossible"

8 P.M.-12 MIDNIGHT, THURSDAY, AUGUST 14

Here is your chance to go all out. This is APRO's semi-formal bash of the year. "International spy couture" will be the hit of the evening, so dress to-the-nines and enjoy the atmosphere of this elegant evening.

1 9 9 7



RENTAL- PURCHASE

LEGISLATIVE

A COMPREHENSIVE
LOOK AT RTO LAWS,
AND REGULATIONS
STATE BY STATE—
INCLUDING THE
ADDITION OF HAWAII
AND VERMONT



UPDATE

BY ED WINN III

B

anner headlines for state rental-purchase legislation are increasingly difficult to come by as the industry nears its goal of creating a safe legal harbor for the rental-purchase transaction everywhere. Gone are the days when the industry could boast of 11 new state rental-purchase statutes in one year. Only five states remain without balanced rental-purchase legislation. This year, the Hawaii Legislature has passed a rental-purchase bill and, by publication date, the bill should have become law.

In 1996, the industry saw unfairly restrictive legislation introduced in Hawaii. The 1996 bill would have blurred the distinction between rental-purchase transactions and credit sales. The industry is neither large nor well-organized in that state. Nonetheless, industry reps were able to meet with the bill's sponsor and persuaded him to agree to look deeper into the issue. After seeing how other states have regulated the industry and after store visits by legislators, the legislature in 1997 considered a bill which closely tracks the model bill and similar rental-purchase statutes that have been enacted in recent years.

During the course of negotiations in the Hawaii Legislature, some limits were added to rental-purchase pricing. Rental dealers will have to disclose a cash price which can be no greater than twice the dealers' acquisition costs. Then, the total rental-purchase price is, in turn, limited to two times the cash price. Other charges—processing, delivery, in-home collection and late fees—are regulated in line with other states that have elected to limit these fees.

Hawaii borrowed the California early-purchase option formula, which is cumbersome to explain, but seems to be working satisfactorily in California. The required formula is a fraction of the cash selling price. The numerator of the fraction is the number of pay-

ments remaining to be made; the denominator is the total number of scheduled payments. For example, in the first month, the customer would have to pay $\frac{17}{18}$ of the cash price to exercise the option. In the last month, the customer would have to pay $\frac{1}{18}$ of the cash price.

Given the initially hostile atmosphere in Hawaii, the resulting legislation is fair both to consumers and the industry and can be viewed as effective action by a state legislature.



Such is not the case in Vermont. In 1994, the state legislature was unable to grapple decisively with the rental-purchase issue and instead punted the issue to the Vermont attorney general. The legislature enacted a two-paragraph law defining the industry, delegating to the attorney general the authority "to adopt by rule standards for the full and conspicuous disclosure to consumers of the terms of the rent-to-own agreements." For two years the attorney general did nothing, but finally came forward with proposed rules in accordance with the state's rule-making provisions.

The attorney general, doubtlessly seeking to enhance his consumer protection credentials, offered disclosure regulations, unremarkable except for one provision. The attorney general demanded the industry in the state make a disclosure he labeled the "effective annual percentage rate." He defined it as the difference between the cash price of the rental unit and the total of payments necessary to acquire ownership expressed as an annual percentage rate. His regulation requires one to assume the consumer will make all payments and obtain ownership of the property. But one cannot really make the calculation

using Truth-In-Lending formulations because the statutory definition of APR depends upon the existence of a finance charge—the price for allowing payments on a debt over time. The words "finance charge" and "debt" are in the federal law. Reg. Z defines APR, appropriately, as "a measure of the cost of credit expressed as a yearly rate." The Vermont attorney general knew he could not require disclosure of a real APR because the legislature, in its short pro-

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Legislature has
passed a rental-
purchase bill and, by
now, the bill should
have become law.**



Thank you!

THE ASSOCIATION OF PROGRESSIVE RENTAL ORGANIZATIONS WOULD LIKE TO THANK THE FOLLOWING COMPANIES FOR THEIR GENEROUS SPONSORSHIPS AT APRO '97, RALLY AT BALLY'S, AUGUST 11-15, LAS VEGAS



Tom Kitchens/Joe Eason Golf Tournament
8 A.M., MONDAY, AUGUST 11



Voyager Insurance Companies

State President's/Congressional Leadership Reception
4:30-5:30 P.M., MONDAY, AUGUST 11



Welcome Reception: "Camp APRO"
6-8 P.M., MONDAY, AUGUST 11



Exhibit Hall Champagne Welcome
12:30 P.M., TUESDAY, AUGUST 12



Complimentary Lunch in Exhibit Hall
12:30-1:30 P.M., TUESDAY, AUGUST 12



Gala Cocktail Reception: "Rally at Bally's"
6:30-8:30 P.M., TUESDAY, AUGUST 12



PHILIPS

Complimentary Lunch in Exhibit Hall
12:30-1:30 P.M., WEDNESDAY, AUGUST 13



**OFFICE STAR
PRODUCTS**

Continental Breakfast in Exhibit Hall
9-10 A.M., THURSDAY, AUGUST 14

THOMSON CONSUMER ELECTRONICS

Pre-Cocktail Reception
7-8 P.M., THURSDAY, AUGUST 14



AND



Awards Banquet Dinner: "Mission: Impossible"
8 P.M.-12 A.M., THURSDAY, AUGUST 14



Awards Banquet Entertainment



**Seminar Refreshment Breaks and
Complimentary Massage Station**



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- ~ Treasurer • 1996, 1997
- ~ Ethics Committee • 1995, 1996, 1997
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- ~ Education Committee • 1995, 1996, 1997

♦ **TRIB Board Member • 1996, 1997**

♣ **Louisiana State Rental Dealers
Association President**

1994, 1995, 1996, 1997

♥ **14 years of experience in
rental industry**

♠ **Member of APRO for 14 years**



WAYNE SUTTON

APRO BOARD OF DIRECTORS

nouncement, declared a rent-to-own agreement was not a retail installment sales contract. So, in his zeal to be a consumer champion, the attorney general adopted misleading terminology and has turned it into law.

Misleading terms in advertising have long been in commerce. Gullible consumers have been offered "faux pearls," "pseudo sexual potency pills" and "simulated diamonds and other jewels" by merchants preying on ignorance and small vocabularies.

Fortunately, most attorneys general have attacked these ruses as misleading. For perhaps the first time in the history of consumer advocacy, an elected official, the Vermont attorney general, is using the powers of his office to foist a misleading disclosure on the citizens of his state.

The APR designation has become the common denominator in the country for measuring the cost of credit. To attach the designation to a transaction that involves no credit is no different from calling cleverly painted paste balls "faux pearls." Both terms deliberately obfuscate the underlying truth—they are not really pearls and it is not really interest. Most people who do such things are guilty of fraud and when caught, are punished. The Vermont attorney general gets to do it

under color of law and proclaim himself a consumer champion.

This unfortunate twisting of words has left Vermont rental dealers in a quandary. Do they go along with the attorney general's deception and mislead their customers, or do they change the nature of the transaction to avoid having to make the misleading disclosure?

It is not a happy choice for Vermont rental dealers. They can only hope the legislature will now deal with the rental-purchase issue head-on and correct the attorney general's disappointing misstep over into the world of deception.

Other states are still considering rental-purchase bills as of this writing, namely Minnesota and New Jersey, but none has taken any final action.

Copies of the Hawaii bill and the Vermont attorney general's ruling are available upon request from the APRO office. ■

Ed Winn III is APRO's general counsel.

**TO ATTACH
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really pearls and
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interest.**

IN-STORE PRICE TAG DISCLOSURES

	Cash price	Amount of periodic paymt.	No. of paymtns. for ownership	Total R-P price	R-P charge	EAPR	Rental period	Retail value	New or used?	ID transaction as R-P agreement
ARIZONA	▲	▲	▲	▲						
CALIFORNIA	S E E D E T A I L E D I N F O R M A T I O N B E L O W									
CONNECTICUT	▲	▲		▲						
DELAWARE	▲	▲		▲						
ILLINOIS	▲	▲	▲	▲					▲	
MAINE			▲	▲						
MARYLAND		▲	▲	▲						
MICHIGAN	▲	▲	▲	▲						
MINNESOTA	▲	▲		▲						
NEW HAMPSHIRE	▲	▲	▲	▲						
NEW MEXICO	▲	▲	▲	▲						
NEW YORK	▲	▲	▲	▲						
OHIO	▲	▲	▲	▲						
OREGON	▲	▲	▲	▲						
PENNSYLVANIA	▲	▲	▲	▲						
VERMONT	▲	▲	▲	▲		▲			▲	▲
WEST VIRGINIA		▲	▲	▲	▲		▲	▲	▲	
WYOMING	▲	▲	▲							

CALIFORNIA
TOTAL OF PAYMENTS \$ _____

COST OF RENTAL
\$ _____
Amount over cash price you will pay if you make all regular payments

CASH PRICE
\$ _____
Property available at this price for cash from retailers in this area.

You must pay this amount to own the property if you make all the regular payments.
You can buy property for less under the early purchase option.

AMOUNT OF EACH PAYMENT
\$ _____ per _____
(Insert period)

NUMBER OF PAYMENTS _____

RENTAL PERIOD _____

CALIFORNIA NOTICE:

- ▶ You are renting the property. You will not own it until you make all of the regularly scheduled payments or you use the early purchase option.
- ▶ You do not have the right to keep the property if you do not make required payments or do not use the early purchase option. If you miss a payment, the lessor can repossess the property, but, you may have the right to the return of the same or similar property.
- ▶ See the contract for an explanation of your rights.

NOTICES TO CONSUMERS

COLORADO

- ▶ Do not sign this before you read the entire agreement including any writing on the reverse side, even if otherwise advised.
- ▶ Do not sign this if it contains any blank spaces.
- ▶ You are entitled to an exact copy of any agreement you sign.
- ▶ You have the right to exercise early buy-out option as provided in this agreement. Exercise of this option may result in a reduction of your total cost to acquire ownership under this agreement.
- ▶ If you elect to make weekly rather than monthly payments and exercise your purchase option, you may pay more for the leased property.

DELAWARE

- ▶ Do not sign this lease-purchase agreement before you read it or if it contains any blank space.
- ▶ You are entitled to a completely filled in copy of this agreement.
- ▶ Under the law, you have the right to exercise an early purchase option which will result in a lower cost to acquire ownership

FLORIDA

- ▶ Do not sign this rental-purchase agreement before you read it or if it contains any blank spaces.
- ▶ You are entitled to an exact copy of the rental-purchase agreement you sign. Keep it to protect your legal rights.

HAWAII

- ▶ Do not sign this before you read the entire agreement, including any writing on the reverse side, even if told you do not need to.
- ▶ Do not sign this if it contains any blank spaces.
- ▶ You are entitled to an exact copy of any agreement you sign.

IOWA

- ▶ Do not sign this before you read the entire agreement including any writing on the reverse side, even if otherwise advised.
- ▶ Do not sign this if it contains any blank spaces.
- ▶ You are entitled to an exact copy of any agreement you sign.
- ▶ You have the right to exercise any early buy-out option as provided in this agreement. Exercise of this option may result in a reduction of your total cost to acquire ownership under this agreement.
- ▶ If you elect to make weekly rather than monthly payments and exercise your purchase option, you may pay more for the leased property.

MAINE

- ▶ Do not sign this agreement before you read it.
- ▶ You are entitled to a copy of this agreement

MICHIGAN

- ▶ Notice: This agreement is regulated by state law and may be enforced by the attorney general or by private legal action.

NEBRASKA

- ▶ Do not sign this before you read the entire agreement, including any writing on the reverse side, even if otherwise advised.
- ▶ Do not sign this if it contains any blank spaces.
- ▶ You are entitled to an exact copy of any agreement you sign.

NEW MEXICO

- ▶ Do not sign this agreement before you read it or if it contains blank spaces. You are entitled to a copy of the agreement you sign.

NORTH DAKOTA

- ▶ Do not sign this before you read the entire agreement, including any writing on the reverse side, even if told you do not need to.
- ▶ Do not sign this if it contains any blank spaces.
- ▶ You are entitled to an exact copy of any agreement you sign.

OHIO

- ▶ Notice: This lease-purchase agreement is regulated by state law and may be enforced by the attorney general or by private legal action.

PENNSYLVANIA

- ▶ Notice: You are renting this property. You will not own it until you make all of the regularly scheduled payments or you use the early-purchase option. You do not have the right to keep the property if you do not make required payments or do not use the early-purchase option. Subject to your grace periods and reinstatement rights, the lessor may repossess the property if you fail to make rental payments as scheduled. Your rights and responsibilities are fully explained in this rental-purchase agreement.

VERMONT

- ▶ Important information about rent-to-own: Do not sign this agreement before you read it or if it contains blank spaces.

WYOMING

- ▶ Do not sign this agreement before you read it or if it contains blank spaces. You are entitled to a copy of the agreement you sign.

RENTAL-PURCHASE AGREEMENT DISCLOSURES

Charts for comparison only. For details of any state's rental-purchase requirements, refer to statutes.

	MODEL	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	CONNECTICUT	DELAWARE	FLORIDA	GEORGIA	HAWAII	IDAHO	ILLINOIS
1. Total cost of rental-purchase ownership	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
2. Statement that the total cost does not include other charges	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
3. Amount and timing of payments	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
4. "No equity" statement [no ownership until total of payments made]	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
5. Explanation of risk or loss during term of agreement	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
6. Statutory limit on consumer's risk of loss [fair market value, cash price, purchase option price or other limit]	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
7. Description of the leased property	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
8. Whether property is new or used	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
9. Description of any damages to property	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
10. Cash price of property [or fair market value]	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
11. Total initial payment due before delivery or consummation	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
12. Disclosure of any early buy-out options or formulas	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
13. Early buy-out option required by statute	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
14. Early buy-out formula set by statute	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
15. Explanation of maintenance and service responsibilities during agreement	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
16. Disclosure of any manufacturer's warranty coverage after ownership	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
17. Requirement to transfer any unexpired manufacturer's warranty after ownership	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
18. Identities of the parties and date of the transaction	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
19. Statement that consumer may terminate at any time without penalty	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
20. Explanation or notice of reinstatement rights of consumer	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
21. Disclosure of amounts of "other charges"	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
22. Explanation of purpose of "other charges"	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
23. Limit on "other charges"—must be "reasonably related to the cost"	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
24. Statement concerning how agreement can be terminated	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
25. Cost of lease service	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
26. Statement that the transaction is regulated under state law	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
27. Statement of any fees or taxes payable by lessee	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
28. Statement of amount of any lessee liability at end of lease term [compare with termination penalty in long-term lease]	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
29. Description of any insurance required of lessee	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
30. Description of any security interest retained by lessor	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
31. Statement that consumer is not required to buy insurance from merchant	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
32. Any in-home collection charge must be disclosed and separately agreed to	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
33. Description of any insurance paid for by lessor	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
34. Statement that consumer not required to purchase damage waiver fee	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
35. Statement re: default notice	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
36. Statement re: consumer warranties	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
37. Statement re: rights if rental agreement sold as negotiable instrument	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
38. Statement re: liability damage waiver	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
39. Statement regarding written receipt	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
40. Statement: If you want to purchase this or similar property now, you should consider cash or credit terms that might be available to you	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
41. EAPR [effective annual percentage rate]	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲

California: Model year of rental property must be on agreement.

SPECIFICATIONS ON FEES AND PAYMENTS

MODEL	Late charges/ reinstatement fees/ delinquency charges permitted	Statutory amount [per missed payment]:	Grace period on late fees, etc.		Separate reinstatement fee permitted. Statutory fee limits:	In-home collection fees permitted. Statutory fee limits:		Processing fees permitted. Statutory fee limits:	Delivery charges permit Statutory fee limit
			Monthly	Weekly		Monthly	Weekly		
ALABAMA	Yes						Yes	Yes	Yes
ARIZONA	\$5 max.		7 days	2 days	No		Yes	Yes	Yes
ARKANSAS	Yes				Yes		Yes	Yes	Yes
CALIFORNIA	\$2-\$5		7 days	3 days	No		Yes	Yes	Yes
COLORADO	Yes	\$5 monthly; \$3 weekly	5 days	3 days	\$5 max.	\$10 [3x/6 mo.]	\$10 [3x/6 mo.]	\$10	\$15-5 items or \$45-over 5 ite
CONNECTICUT	Yes	Lesser of 5% or \$5	5 days	3 days	\$5 max.	\$5 [3x/6 mo.]	\$5 [3x/6 mo.]	\$10/agreement	Yes
DELAWARE	Yes	Gtr. of 10% or \$3	2 bus. days	2 bus. days	\$5 max.		Yes	Yes	Yes
FLORIDA	Yes	\$5 max.			\$5 max.		Yes	Yes	Yes
GEORGIA	Yes	\$5 max.			Yes			Yes	Yes
HAWAII	Yes	\$5 monthly; \$3 weekly	5 days	3 days	\$5 max.	\$10 [3x/6 mo.]	\$10 [6x/6 mo.]	\$10	\$15
IDAHO	Yes							Yes	Yes
ILLINOIS	Yes	\$5 max.	3 days	3 days			Yes	Yes	Yes
INDIANA	Yes	\$5 monthly; \$1-\$3 weekly	5 days	3 days	\$5 max.	\$10	\$10	\$10	Yes
IOWA	Yes	\$5 monthly; \$3 weekly	5 bus. days	3 bus. days	\$5 max.	\$7/trip lmt.	\$7/trip lmt.	\$10/agreement	\$10 [\$25-over 5 it
KANSAS	Yes				Yes			Yes	Yes
KENTUCKY	Yes							Yes	Yes
LOUISIANA	Yes							Yes	Yes
MAINE	Yes	Greater of 5% or \$2	5 days	3 days		\$5	\$5	\$15/customer	\$20-\$40
MARYLAND	Yes	\$5 max.						No	Yes
MASSACHUSETTS	Yes				Yes		Yes	Yes	Yes
MICHIGAN	Yes	Lesser of 5% or \$5	1 month	1 week	No		Yes	No	Yes
MINNESOTA	Yes	Greater of 5% or \$3	3 bus. days	2 bus. days	\$5 max.	\$7 3 times/3 mo.	\$7 3 times/3 mo.	Yes	\$15 [\$30-over 5 i
MISSISSIPPI	Yes				No		Yes	Yes	Yes
MISSOURI	Yes	\$5 max.			\$5 max.		Yes	Yes	Yes
NEBRASKA	Yes	\$5 monthly; \$3 weekly	5 bus. days	3 bus. days	\$5		No	\$10	\$10 [\$25-over 5 i
NEVADA	Yes						Yes	Yes	Yes
NEW HAMPSHIRE	Yes	\$5	5 days	2 days	No			Yes	Yes
NEW MEXICO	Yes				No		Yes	Yes	Yes
NEW YORK	Yes	Gtr. of \$3 or 10% wkly. or gtr. of \$5 or 10% mo.	7 days	3 days			Yes	Yes	Yes
NORTH DAKOTA	Yes	Gtr. of \$3 or 5%						Yes	Yes
OHIO	Yes		5 days	2 days	\$5 max.		Yes	No	Yes
OKLAHOMA	Yes	\$5 monthly; \$3 weekly			Yes	\$10 [3x/6 mo.]	\$10 [3x/6 mo.]	\$10	Yes \$15-\$45/agre
OREGON	Yes	\$5 max.	5 days	2 days	No			Yes	Yes
PENNSYLVANIA	Yes	Gtr. of \$5 or 10%	5 days	2 days			Yes		
RHODE ISLAND	Yes				\$5 max.		Yes	Yes	Yes
SOUTH CAROLINA	Yes	\$6.60 monthly; \$3.30 weekly	5 bus. days	3 bus. days		\$7/trip [limit 3/6 mo.]	\$7/trip [limit 3/6mo.]	\$5	\$15 [\$45-over 5
SOUTH DAKOTA	Yes				Yes		Yes	Yes	Yes
TENNESSEE	Yes				Yes		Yes	Yes	Yes
TEXAS	Yes	\$2-\$5	7 days	7 days			Yes	Yes	Yes
UTAH	Yes				Yes		Yes	Yes	Yes
VIRGINIA	Yes				Yes		Yes	Yes	Yes
WASHINGTON	Yes				Yes		Yes	Yes	Yes
WEST VIRGINIA	Yes	Lesser of 5% or \$15 wkly. or mo.	5 days	3 days	\$5		Yes	No	Yes
WYOMING	Yes		5 days	2 days	Yes		Yes	Yes	Yes

Delivery fee or repossession permitted	Fees or penalties for return of the merchandise or termination of the agreement permitted	Security deposit permitted	Final "balloon payments" permitted	Requiring insurance to be purchased from RTO dealer	Limits on R-P pricing	Optional damage waiver fee permitted by statute. Statutory fee limits:	Optional leased property insurance permitted by statute. Statutory fee limits:
Yes	No	Yes	Yes	No	No		Yes
Yes		Yes	No	No	No		
Yes	No	Yes	No	No	No		
Yes	Yes	Yes	Yes	No			
Yes	No	Yes	No	No		No	No
	No	Yes	No	No		Greater of 10% or \$2 wkly.; 10% or \$5 mo.	No
Yes	No	No	No		R-P price cannot be greater than 2 times cash price	7.5% of payment	5% of payment
Yes	No	Yes	No	No			
Yes	No	Yes	No	No			
Yes	No	Yes	Yes	No			
Yes	No	Yes	No	No	R-P price cannot be greater than 2 times cash price		
	Yes	Yes	No	No			
Yes	No	Yes	Yes	No		Greater of 10% or \$2 wkly.; 10% or \$5 mo.	
Yes	No	Yes	No	No	R-P price cannot be greater than 2 times cash price		
Yes	Yes	No	Yes	No			
	Yes	Yes	Yes	No			
Yes	No	Yes	Yes	No			
No	No		No	No	R-P price cannot be greater than 2 times cash price	Greater of 5% or \$2 wkly.; 5% or \$5 mo.	No
Yes	Yes	Yes	No				
Yes	No	Yes	No	No	R-P price cannot be greater than 2.2 times cash price		
Yes	No	No	No	No		Required by statute 10% of payment	No
Yes	No	Yes	Yes	No			
Yes	Yes	Yes	No	No			
No	No	Yes	Yes	No		No	No
No	Yes	Yes	No			Yes	Yes
Yes	No	Yes	No	No		Yes	Yes
No	No	Yes	No	No			
Yes	No	Yes	No	No	R-P price cannot be greater than 2 times cash price		
Yes	No	Yes	No	No	R-P price cannot be greater than 2 times cash price		
No	No	No	No	No		Greater of \$1 or 5% of payment	Yes
Yes	Yes	Yes	No	No	No		
	No		No	No	R-P price cannot be greater than 2 times cash price	Yes	Yes
Yes	Yes	Yes	Yes	No			
Yes	No	Yes	No	No			
Yes	No	Yes	Yes	No			
Yes	No	Yes	No	No			
Yes	Yes	Yes	No	No			
				No			
Yes	Yes	Yes	Yes	No			
Yes	No						
Yes					R-P price cannot be greater than 2.4 times retail value	No	Yes
Yes	No						

ADVERTISING DISCLOSURES

	1. Triggering term[s] If an advertisement contains these items, then the disclosures must also appear in the advertisement:	A. Disclosures. Must make all of the following disclosures:	B	C
MODEL	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
ALABAMA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	
ARIZONA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and amount of payments necessary for ownership	No equity statement
ARKANSAS	Rental-Purchase Agreement	ID transaction as an R-P agreement		
CALIFORNIA	Amount of any payment	ID transaction as an R-P agreement	Total number and amount of payments for ownership	No equity statement
COLORADO	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
CONNECTICUT	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total number and amount of payments for ownership	Ownership option
DELAWARE	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
FLORIDA	Reference to or statement of a rental rate OR Reference to R-P of a specific item			
GEORGIA	Rental rate due at start of lease of a specific item	Amount of initial payment due		Cost of services
HAWAII	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
IDAHO	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
ILLINOIS	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
INDIANA	No advertising requirement in statute			
IOWA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
KANSAS	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	No equity statement	
KENTUCKY	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
LOUISIANA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
MAINE	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
MARYLAND	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
MASSACHUSETTS	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total initial payment due	Security deposit applicable
MICHIGAN	Rental rate due at start of lease	Amount of initial payment due	Total of all payments necessary to acquire ownership	Periodic payment
MINNESOTA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
MISSISSIPPI	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
MISSOURI	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
NEBRASKA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
NEVADA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
NEW HAMPSHIRE	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
NEW MEXICO	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
NEW YORK	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total and number of payments necessary to acquire ownership labeled total cost	Availability of early buy-out ownership option
NORTH DAKOTA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
OHIO	Amount of initial payment	Amount of initial payment due	Amount of regular payment	Total number of payments necessary to acquire ownership
OKLAHOMA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	
OREGON	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
PENNSYLVANIA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	Total initial payment due	Rental payment	Total number and amount of payments
RHODE ISLAND	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total initial payment due	Security deposit applicable
SOUTH CAROLINA	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
SOUTH DAKOTA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
TENNESSEE	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
TEXAS	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total of payments necessary to acquire ownership	No equity statement
UTAH	No advertising requirements in statute			
VERMONT	Reference to or statement of a rental rate OR Reference to R-P of a specific item	ID transaction as an R-P agreement		No equity statement
VIRGINIA	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
WASHINGTON	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement
WEST VIRGINIA	Price of the item		All seven of the disclosures required in the rental agreement	
WYOMING	Reference to or statement of a rental rate AND Reference to R-P of a specific item	ID transaction as an R-P agreement	Total amount and number of payments necessary to acquire ownership	No equity statement

2. Triggering Term[s], and, if the advertisement also contains the following items, then the disclosures listed must also appear in the advertisement

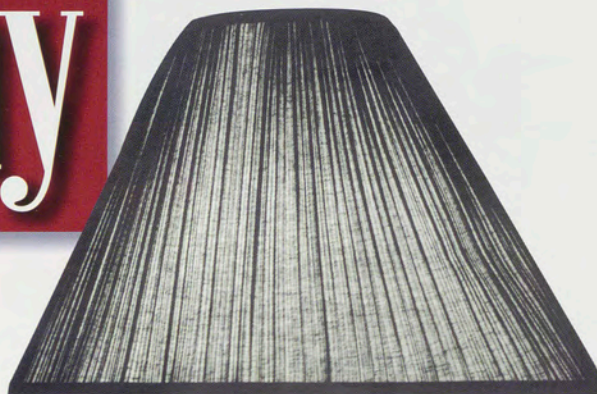
D	2. Triggering Term[s], and, if the advertisement also contains the following items, then the disclosures listed must also appear in the advertisement	Disclosures [E]	[F]	[G]
[Yellow Pages exception]				
Total of all payments necessary to acquire ownership				
[Yellow Pages exception]				
[Yellow Pages exception]				
[Yellow Pages exception]				
Number amounts and timing of payments; possible extra charge at lease end other charges payable by lessee	Amount of lease payments and rate necessary to acquire ownership of a particular item	Total of payments necessary to acquire ownership	Early buy-out formula rental purchase agreement	No equity statement
[Yellow Pages exception]				
[Yellow Pages exception]				
[Yellow Pages exception]				
[Yellow Pages exception]				
[Yellow Pages exception]				
	Multiple terms and rate information	New or used	ID transaction as rental-purchase agreement	No equity statement
[Yellow Pages exception]				
Number amounts and timing of payments	Amount of lease payments and rate necessary to acquire ownership of a particular item	Total of payments necessary to acquire ownership	Early buy-out formula rental-purchase agreement	No equity statement
Total cost				
[Yellow Pages exception]				
[Yellow Pages exception]				
[Yellow Pages exception]				

REINSTATEMENT RIGHTS

	1. Weekly Payments	2. Monthly Payments	3. Statutory "cure period" after notice before suit can be filed	
			Monthly	Weekly
MODEL	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
ALABAMA	2 days; then 30 more; days if property returned	5 days; then 30 more; days if property returned		
ARIZONA	7 days; if property returned then 60-180 days; depends on payments made	7 days if property returned, then 60-180 days; depends on payments made		
ARKANSAS	2 bus. days, then 30 more; days if property returned	5 bus. days; then 30 more; days if property returned		
CALIFORNIA	7 days; if property returned then 1 year	10 days; if property returned then 1 year		
COLORADO	60 days; then 120; depends on payments made	60 days; then 120; depends on payments made		
CONNECTICUT	Upon return of property 30 to 180 days; depends on payments made	Upon return of property 30 to 180 days; depends on payments made		
DELAWARE	Upon return of property 30 to 180 days; depends on payments made	Upon return of property 30 to 180 days; depends on payments made		
FLORIDA	60 days	60 days		
GEORGIA	21 days	90 days		
HAWAII	30 to 60 days; depends on payments made	30 to 60 days; depends on payments made		
IDAHO	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
ILLINOIS	7 days; then 30 days more; if property returned	16 days; then 30 days more; if property returned		
INDIANA	60 days	60 days		
IOWA	60 days	60 days	5 business days	3 business days
KANSAS	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
KENTUCKY	2 days; then 30 more; days if property returned	5 days; then 30 more; days if property returned		
LOUISIANA	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
MAINE	Upon return of property 45 days to 180 days; depends on payments made	Upon return of property 45 days to 180 days; depends on payments made	3 bus. days before notice can be sent, then 5 business days	3 business days
MARYLAND	2 days; then 15, then 21, or 45 days more; depends on payments made	5 days; then 15, then 21, or 45 days more; depends on payments made		
MASSACHUSETTS	No statutory reinstatement	No statutory reinstatement		
MICHIGAN	21 days	90 days		
MINNESOTA	7 days; then 60-180 days; depends on payments made	7 days; then 60-180 days; depends on payments made	7 days	7 days
MISSISSIPPI	2 days; then 21 or 45 days more; depends on payments made	5 days; then 21 or 45 days more; depends on payments made		
MISSOURI	21 days	90 days		
NEBRASKA	3 bus. days if property returned, then 30, 60, or 180 days; depends on payments made	5 bus. days if property returned, then 30, 60, or 180 days; depends on payments made		
NEVADA	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
NEW HAMPSHIRE	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
NEW MEXICO	2 days if property returned, then 21 or 30 more; depends on payments made	5 days if property returned, then 21 or 30 more; depends on payments made		
NEW YORK	7 days if property returned, then 30, 60, or 180 days; depends on payments made	15 days if property returned, then 30, 60, or 180 days; depends on payments made		
NORTH DAKOTA	2 days; then 21 or 45 days more; depends on payments made	5 days; then 21 or 45 days more; depends on payments made		
OHIO	21 days	90 days		
OKLAHOMA	2 days; then 30 more days if property returned	2 days; then 30 more days if property returned		
OREGON	2 days; then 21-30 days; depends on payments made	5 days; then 21-30 days; depends on payments made		
PENNSYLVANIA	7 days if property returned, then 90-120 days; depends on payments made	7 days if property returned, then 90-120 days; depends on payments made		
RHODE ISLAND	21 days	90 days		
SOUTH CAROLINA	60 days	60 days	5 days	5 days
SOUTH DAKOTA	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
TENNESSEE	2 days if property returned, then 30, 60, or 180 days; depends on payments made	5 days; if property returned, then 30, 60, or 180 days; depends on payments made		
TEXAS	7 days; then 30 more days if property returned	16 days; then 30 more days if property returned		
UTAH	2 days; then 45 days to 90 days more; depends on payments made	5 days; then 45 days to 90 days more; depends on payments made		
VIRGINIA	2 days if property returned, then 21 or 45 days more; depends on payments made	5 days if property returned, then 21 or 45 days more; depends on payments made		
WASHINGTON	5 days if property returned, then 21 or 45 days more; depends on payments made	10 days if property returned, then 21 or 45 days more; depends on payments made		
WEST VIRGINIA	60 days to 90 days; depends on payments made	60 days to 90 days; depends on payments made	7 days	7 days
WYOMING	7 days if property returned, then 21 or 30 days more; depends on payments made	7 days if property returned, then 21 or 30 days more; depends on payments made	5 business days	3 business days

~RTO~

on display



Shine a little light

Liteline's sparkling table lamps illuminate a dark room with their decorative lit-up bases. The 32-inch Triad Table Lamp creates a halo with its 20 acrylic triads surrounding Liteline's



low-voltage tubes.

The Infinity Table Lamp's core adds a glimmer with its circle of lights encased in smoked glass in the middle of its black triangular base.

For more information, contact Liteline, 1100 West Cermak Rd. #C203, Chicago, IL 60608, 312/421-7733, Customer Service 800/24-LIGHT; fax 312/421-5444. Review Liteline's on-line catalog and product information at www.litelineltd.com.

Central File ushers in mail promotion

Central File, the leader in direct-mail marketing for the rental-purchase industry, has hit another home run with its "No-Risk Rental" promotion. The personalized laser letter is designed to be mailed to the rental operation's past and present customers.

"In our initial roll-out of the 'No-Risk Rental' promo, our customers rented one unit for each \$20 spent on the ad," says

Central File President Dan Chaudoir.

Central File's Preferred Customer program allows the dealer to mail monthly promotions to these customers, which are selected electronically by Central File. The price is just a few hundred dollars per store and includes data retrieval, data processing, print, postage and handling.

For more information, contact Dan Chaudoir, Central File Inc., 1000 Wisconsin Centre, Port Washington, WI 53074, 800/749-MAIL.

Rent PCs to rent

Renting personal computers allows RTO customers to be up-to-date in this increasingly computer-oriented country. But with technology changing so fast and maintenance being so expensive and time-consuming, it has been a challenging investment for RTO stores.

Pomeroy Computer Resources provides a solution for RTO stores by renting pre-owned, pre-configured, name-brand PCs on a monthly basis to RTO stores and, in turn, the stores can rent the computers to customers.

The PCs have a minimum of a 486 processor at 33 megahertz with 4 MB of RAM, a 230-MB hard drive, 14.4 internal modem



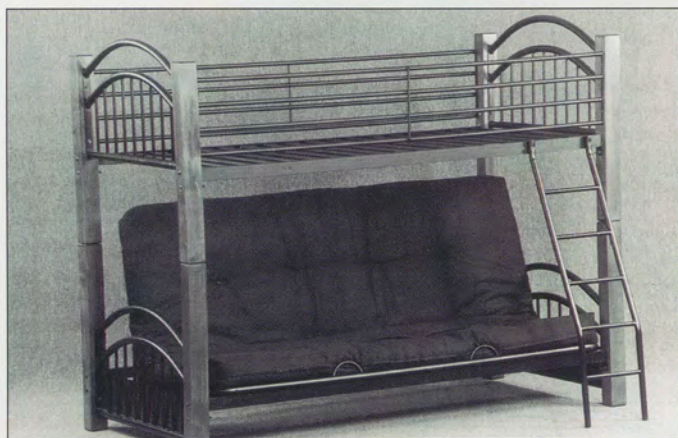
Comfortable furniture that will sit well with customers

The natural-looking wood furniture from Parris Manufacturing Co. helps create a room that overflows with a solid comfort. The six-piece den group is constructed from solid wood and comes in three finishes: honey pine, whitewash and a honey pine/hunter green combination. The thick cushions soften the seating and

come in a variety of colored fabrics.

The solid-wood spindle and slat bunkbeds come in honey pine, whitewash and natural finishes.

For more information, contact Tracyene Oakley, Parris Manufacturing Co., P.O. Box 338, Savannah, TN 38372, 800/530-7308.



Imperial offers king-size variety

Imperial's modern and retro furniture adds decorative accents to any room. Sleep like royalty on Imperial's bed set, including the headboard, footboard and springs. The curvy, metal set comes in either twin or full sizes, in red, black, blue, white or matte black. An under-bed drawer unit is available for extra storage in white or black.

Convert a sleeping area into a sitting area with the rustic futon-bunk bed. The stackable bed is topped with a railed-in twin bed and a futon at the bottom. The set is supported on rustic wood legs and the metal frame has a black matte powder finish.

The Infiniti five-piece dining set comes with a clear 35-inch x 59-inch x 3/16-inch glass supported by four charcoal gray, rounded tubes connected by a thinner bar. The straight-backed chairs match the silvery base with cushioned seats to provide comfortable dining.

The Antique's five-piece dining set chairs are crowned with silver decoration, adding a modern touch to a dining room. The table is a rectangular 42-inch x 72-inch glass top on a two-toned silver and circus blue-gray base that matches the chairs' adornments. The chair frames are completely welded with full perimeter steel seat support for extra strength.

For more information call Ashley M. Magdovik, Imperial, P.O. Box 671102, Marietta, GA 30066, 770/971-9635; fax 770/509-9112

and a 14-inch SVGA monitor. The computers also are equipped with Microsoft Works, Windows 3.11 and Internet access software. When stores rent the product to a customer, PCR will ship the computer overnight to the store and bill on a month-to-month basis.

PCR will replace a product if it fails under normal use and provides a limited customer service help desk to answer questions about the installed software or hardware problems. PCR also provides employee training software for a small fee so employees can offer in-store service to customers.

PCR is seeking a select few customers to try this service in the RTO industry. If interested, contact Jeff Hayes or Steve Mumford, Pomeroy Computer Resources, 908 Dupont Rd., Louisville, KY 40207, 502/893-2800.

Don't fool with tools with Alexandra's sofa

In two minutes, the Alexandra Ltd. sofa

transforms from separate boxed pieces to a soft, sturdy sofa. The sofa is constructed with easy-assembly connectors allowing quick attachment with no tools required.

The "sofa-in-a-box" features fabulous Perm-A-Lator springs and fiber-wrapped High Crown foam. Southern hardwood construction and reinforced stitching gives it a long-lasting strength. Unassembled, the sofa saves warehouse space, allows easier customer delivery, eliminates freight damage, has cheaper shipping rates due to rectangle cartons and damaged parts are easily replaceable.

For more information call Ron Roesink, Alexandra Ltd., 1278 Newark Granville Rd., Granville, OH 43023; 614/587-3559, fax 614/587-3571.

Create an odor-free environment

Send those offensive odors that sometimes hitchhike back to the store on rented products away with Bonnie "The Flyer



Specialist" Nitzsche's new air purifiers. Using the magic combination of ozone and ions, these air purifiers are revolutionizing the environment and smell of homes, offices and rental stores nationwide. The units may also be rented to customers to eliminate skunk odors, fire and smoke odors, pet odors, musty smells and to rid the air of allergens, dust mites and more!

For more information, contact Bonnie Nitzsche, 10110 Cincinnati/Colum-

bus Rd., Cincinnati, OH 45241, 800/837-7468.

A sensible approach to all-around sound

Astute RTO businesses have moved past selling an assortment of audio and video products, focusing instead on providing customers with complete solutions. Audiofile's new Cinema Center 3250 Home Theater is an all-around sound solution that delivers exceptional

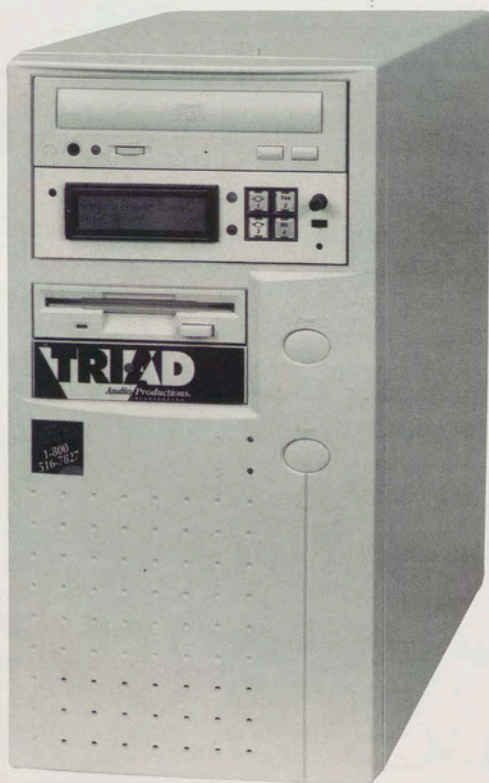
Internet audio computer has a marketing solution that's music to the ears

A store audio computer promotes store-brand products and inventory clearance sales and supports community activities as well. The new Tri-Ad audio computer system produces a continuous program of music and ads tailored to each store in a chain. The program is distributed via an Internet connection to each store.

The audio computer system allows marketing directors to target audio ads to customers in selected stores at specified times. Local news and announcements for community events brings chains a "community feel" and helps integrate the store with the community.

Each audio computer can operate in conjunction with an existing music service, currently providing background music in the store, or it may receive its music programming via the Internet.

For more information, contact John McMullen, Tri-Ad Audio, 530 S. Commerce Rd., Orem, UT 84058, 800/516-7827.



RE-ELECT



DAVID P. DAVID

FOR A FIFTH TERM ON

APRO's Board of Directors

16 years in the rental industry

General manager and vice president for 28-store chain

President Indiana Rental Dealers Association for five years

Received the APRO Leadership Award for State Association 1991

Chairman of the Education Committee 1996-97

Fund-raiser chairman for Team APRO 1996-97

Regular attendance to the Washington DC Legislative Conferences

DAVID P. DAVID

A VOTE FOR SOLID LEADERSHIP

★ VOTE GARY ROMINE ★



RE-ELECT TO APRO BOARD OF DIRECTORS

"I want to continue to be your voice and to lead this industry to new heights."

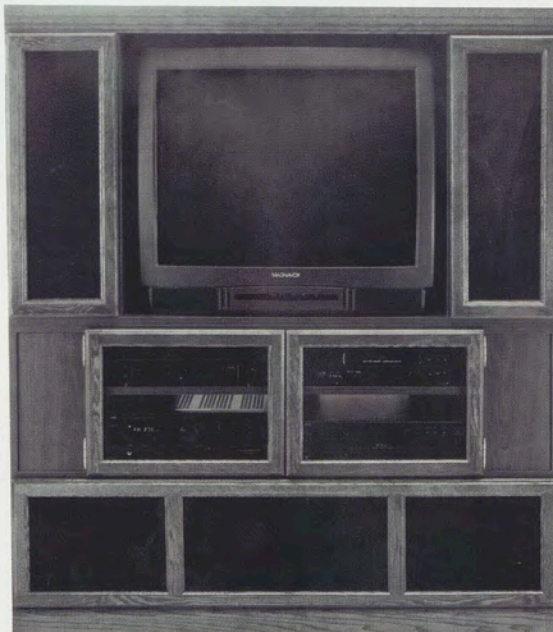
- ▶ President of Missouri Rental Dealers Association 1991-95
- ▶ APRO State Association of the Year Award 1994
- ▶ Chairman, APRO Ethics Committee
- ▶ Attended Washington Congressional meetings three of the past four years

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 Zenith ElectronicsBC

audio, beautiful cabinetry and expansive storage wrapped in a sensible design that eliminates cable and component clutter.

Accommodating direct view televisions as large as 32 inches, the Cinema Center brings big theater sound into the home. Its built-in front channel speaker system incorporates dual 6½-inch mid-bass shielded drivers and 20mm soft-dome shielded tweeters. There are also dual 12-inch shielded subwoofers, plus a



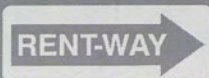
center channel with dual 5½-inch polypropylene shielded mid-bass drivers and 20mm shielded tweeters. Even rear channel surround speakers—finished

to match the main unit—are included.

The cabinetry features transitional styling in a choice of cherry and medium oak finishes. Inside the unit is plentiful audio/video storage space with adjustable shelving. Audiofile offers promotional support and special merchandising opportunities.

For more information, contact Sunny Amoroso, Audiofile Home Theater, 1000 E. Valencia Dr., Fullerton, GA 92831, 800/833-6252; fax 714/992-0552.

Profitable Partnering In the Rental Purchase Industry

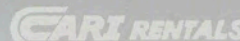
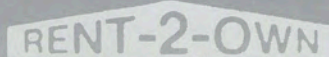


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What do you do consider to be unfair hiring practices?

David Mullins

WAREHOUSE RENTALS SUPERSTORES
LA PLACE, LOUISIANA

An employer coming into another store to recruit employees is unethical. I don't think it should really happen. I would never do it and never have done it. It's wrong because then the process could go on forever, hiring employees back and forth between companies. You can recruit good employees from either an advertisement or an employment agency. If one of my employees was unhappy, then he or she could move to another company. Or people can be hired by word-of-mouth from company to company. But, there is a fine line.

Also, sometimes when people leave to work for another business, they leave on false promises given by the new employer. Then they want to come back to their previous employers. That's not the right way to recruit an employee.

Bob Roberts

YELLOW FRONT RENTALS
TULSA, OKLAHOMA

I consider hiring an employee from another store fair as long as I am not going in and stealing employees from inside a store. If the employee wants to come in on his or her own accord or the company is downsizing, I would not have a problem hiring the employee. It's unfair to offer employees a wage just high enough to hire the employee away from a competitor. In my opinion, I should then give a raise to my other employees. We have had

other companies trying to hire employees from under us. It was unscrupulous.

Jan D. Arnett

Z-BEST RENTALS INC.
SAINT AGUSTINE, FLORIDA



For some people, it's a tough situation to get a quality employee. Your biggest resource is your human

resource. If you are doing a good job, employees will stay with you and people will look to work for you. I constantly have people call me asking me for a job and they continue to want to work for me.

Looking for employees in an unfair way shows the company is desperate. It would be a disruption of business to go in a store and hand your card to an employee. Put out an ad and let them come to you. Then, take care of what you have. You fix your employees' working environment to the best of your ability so you won't have to turn over many employees.

Jay Roberts

TEXAS TV RENTALS
TEXAS CITY, TEXAS

The important thing to remember in hiring practices is you can never feel bad if an employee takes another job to improve his or her life.

Advertise positions locally. New recruits can come from another store, but it is the employee who has to approach the potential employer.

It is not fair for someone to walk into a store to hire away an employee you have trained. On a national average it takes a lot to get an employee to become an asset. Two ways to get good employees is to build them or to buy them. When hiring employees, you look for their potential to acquire knowledge to run a successful operation. It is important to build an individual who has the ability to implement the knowledge he has gained during training.

Robert Fishman

RENTOWN NE INC.
PLANTSVILLE, CONNECTICUT



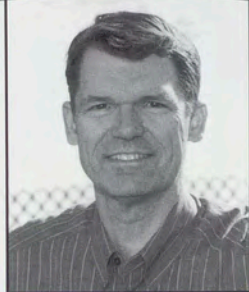
Going out and recruiting directly or using an employment agency who recruits directly from competing

stores is unfair. Recruiting this way shows that you are desperate because the person isn't in the open market place. To entice them to come to you is wrong. At the same time, there is a difference if they call you when they are dissatisfied with their current job. The whole country is fully employed; it is very tough to find employees. The best way to recruit employees is to hook them, get people to talk to you and see your benefits. When recruiting an employee, we talk about how they are going to learn and grow with us. Once another rental company hired an employment agency to find a new employee. The agency went to other rental companies to find that employee. The owner didn't know this was the agency's method and was unhappy about this.

APRO should set up a national employee recruitment system through the Internet. This would help stores find college-educated employees from all over the coun-

COMPILED BY
**ELIZA R.
SELIG**

RE-ELECT TO APRO'S
BOARD OF DIRECTORS



J. KIEFFER

GENERAL COUNSEL, THORN AMERICAS

Proven commitment to APRO and the industry's future

1996-97 member of Board of Directors, Government Relations, Public Relations and Grassroots Committees

Active participant in ethics and education issues

Attorney for 22 years;
Vietnam Veteran—Lt. Colonel, U.S. Army [Ret.]

Contributes practical, experienced and forward-thinking legal and business perspectives to APRO leadership

try and would broaden the potential employee market. A system like this would give the organization a positive image.

Kenny Spanier

THE SUPERSTORE
GARDEN CITY, KANSAS



Our store is located in a very rural area. We have a hard time finding people. Many times we have problems with

incorrect referrals and discover that employers had previous problems with someone we hired. Basically, when looking for new employees, we take the information about the person we can get legally and then research a person actively. We have had other employees go to our competitors. They leave because of stagnation or burnout with the job.

Finding a quality employee is difficult. There are 37,000 people in our county and potential employees are stretched among all the other jobs around us. We actually moved an employee in from another town in Kansas. It is a challenge to find employees. We have tried finding employees by using advertisements, notices at colleges and once through a television ad. ■

Eliza R. Selig is a senior in journalism at The University of Texas at Austin.

Are you in
cyberspace?

APRO would like to know how many dealers have access to the Internet and to e-mail. If you surf the 'net and/or have e-mail capabilities, please e-mail Shelley Martinek at APRO at smartinek@apro-rto.com with your name, company, e-mail and/or Web site address. Or fill out the form below and fax it to APRO at 512/794-0097.

Yes! I'm techno-savvy. Here's my e-mail and/or Web site address:

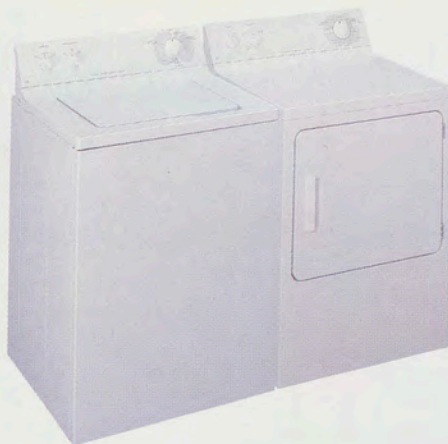
Name _____

Company _____

E-mail _____

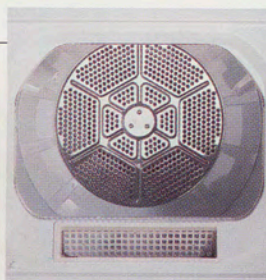
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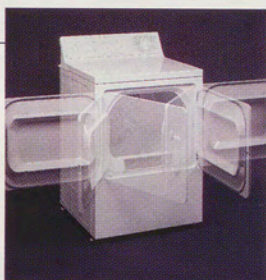
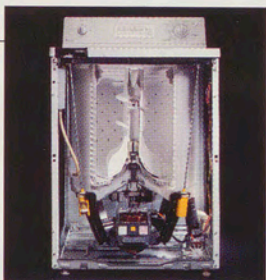
Washers

- 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.
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When you rent,
rent the best.



www.zenith.com

1 847 391 8231 Contact Norm Smith, Zenith Electronics Corporation, 1000 Milwaukee Avenue, Glenview, IL 60025

R9706-1

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