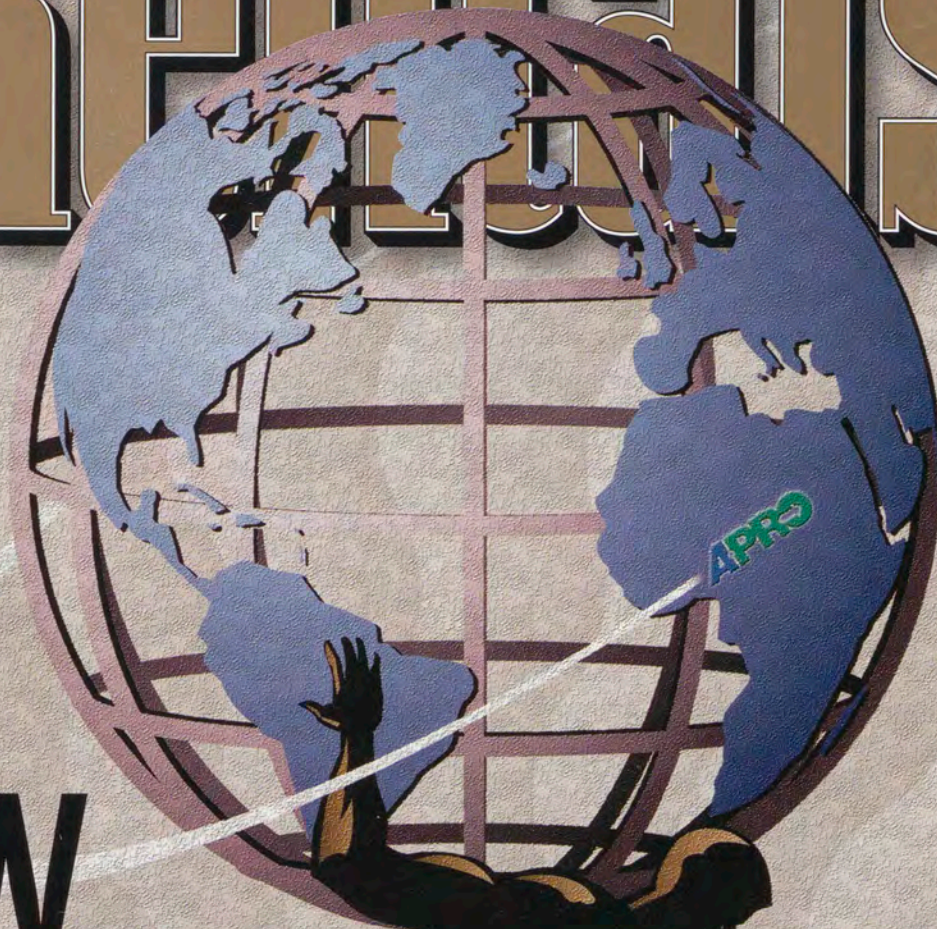


PROGRESSIVE

Rentals



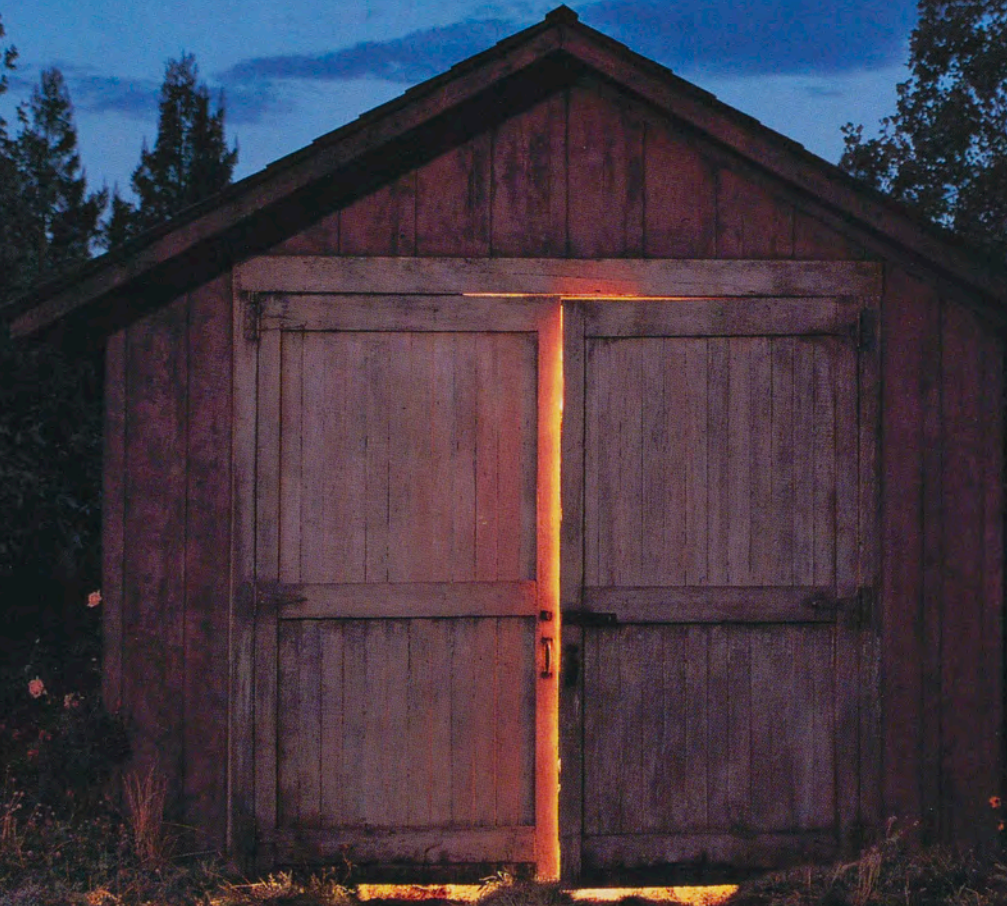
NEW FRONTIERS

APRO celebrates
20 years in 2000
at the annual
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August 2-5

PLUS

APRO 2000 product showcase
The FTC looks at RTO
APROfile: The biggest BOR in the business

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may june

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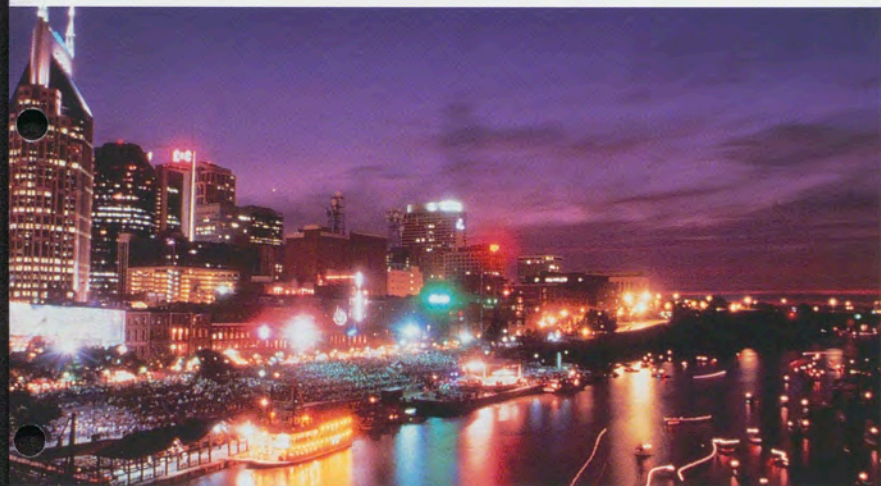
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RTO Product Showcase

Read about the latest in featured products and services submitted by companies exhibiting at the 2000 APRO convention and trade show.

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In April, the Federal Trade Commission released its long-awaited "Survey of Rent-To-Own Customers," which showed unusual and balanced insight into how the industry works. APRO's Ed Winn III takes a close look at the statistical results of the FTC study and how they compare to the industry-commissioned annual survey by America's Research Group.

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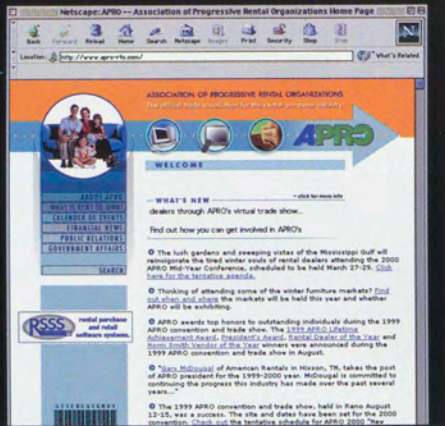
**The biggest BOR in the business:
An APROfile of Herb Weisblatt**

Sam's Furniture and Appliance store has stood quietly and unobtrusively since 1959. Inside, however, is a different story. Ed Winn III chronicles how the Weisblatt family changed with the times and created a most unique formula for its rental store business.



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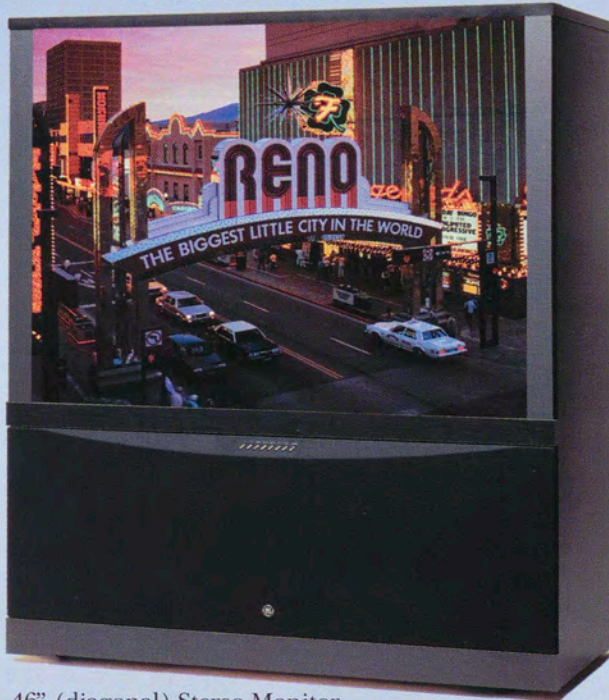
35" (diagonal) Stereo Monitor Receiver



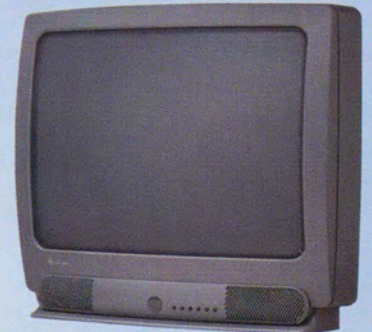
27" (diagonal) XS® Stereo Table Television



19" (diagonal) XS® Stereo Table Television



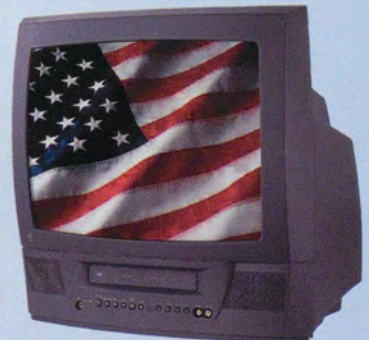
46" (diagonal) Stereo Monitor Projection Television



25" (diagonal) XS® Stereo Table Television



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8 a.m., Wednesday, August 2



Nationwide Club Administrators, Inc.

State President's/Congressional Leadership Reception

4-5:30 p.m., Wednesday, August 2



Midwest Tropical Inc.



Welcome Reception: "Rednecks, White Socks and Blue Ribbon Beer"

6-8 p.m., Wednesday, August 2



Appliances

General Session and Business Meeting

10 a.m.-12 p.m., Thursday, August 3



Complimentary Ice Cream in Exhibit Hall

1-3 p.m., Thursday, August 3



Exhibit Hall Champagne Welcome

12 p.m., Thursday, August 3



Gala Cocktail Reception: "APRO at the Wildhorse Saloon"

6-10 p.m., Thursday, August 3

ROC Software

Complimentary Ice Cream in Exhibit Hall

2-4 p.m., Friday, August 4

THOMSON CONSUMER ELECTRONICS

Awards Reception

6-7 p.m., Saturday, August 5



Awards Banquet Dinner: "Tennessee Travelin'"

7-10 p.m., Saturday, August 5



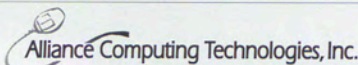
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news

BREAK

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JULIE SHERRIER AND
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APRO members recruit more federal bill co-sponsors

Early indications are that the seventh annual Dave Egan Congressional Conference was a success for the federal legislative program, drawing more than 70 participants who attended over 100 meetings with congressional offices during the conference.

APRO members from 20 states across the country attended the annual three-day blitz of grassroots lobbying on Capi-

tol Hill that resulted in eight new co-sponsors of HR 1634 by Walter Jones of North Carolina.

The eight new co-

sponsors who had already co-signed the bill by the end of the conference include representatives Bill Barrett, R-Neb., Jay Dickey, R-Ark., Chip Pickering, R-Miss., Lee Terry, R-Neb., George Nethercutt, R-Wash., John Sweeney, R-NY, James Talent, R-Mo. and Roger Wicker, R-Miss. These eight now join 36 previous co-sponsors, bringing the total to 44 House members, including eight House Banking Committee members.

An addition to the arsenal of ammunition available to participants this year was the recently released Federal Trade Commission Report, *Survey of Rent-to-Own Customers*. An executive summary of this favorable industry report was included in every legislative kit left with a congressional office. The report indicated RTO customers have an extremely high satisfaction rate of more than 75 percent and recommended federal regulations similar to the provisions proposed in the Jones bill and supported by the industry.

Another highlight of this year's conference included a private dinner and tour of the National Cathedral, sponsored by APRO-PAC. Winner of the





Far left: Congressman Ed Bryant (R-Tenn.), center, visits with Sears' Al Zagorniak, Dave Matthews and Mary and Gary McDougal in his Washington office. Left: Gary Ferriman and Ernie Lewallen visit with Congressman David Hobson (R-Ohio), center. Above: Among the Legislative Conference attendees were (standing) Marianne Strong and Debbie and Jim Brown. Seated are Jimmy Strong, Mark Peterson, Lyn Leach, Darrell Tissot and Terry Beville.

free hotel room night was Terry Beville of Buddy's Home Furnishings. Dick Eichlin of Texas Star Rentals won a computer donated by Xanatron and Lyn Leach of Ace TV Rentals won the free convention registration. Winners of the flag that was flown over the Capitol that day for most meetings held with representatives have not yet been tabulated.

Showplace acquires six new locations

Gary Ferriman, president and CEO of Showplace Inc., based in Marion, OH, acquired Weissbrothers Home Furnishings Plus, a six-store chain of lease-purchase stores in Ohio and Pennsylvania.

"We are excited about this acquisition. It gives us the opportunity to serve some communities that we've been interested in for quite some time," says Ferriman. The new stores are located in

Columbus, Heath and Warren, OH, and in Hermitage, PA.

With this acquisition, Showplace now owns and operates 24 lease-purchase stores throughout Ohio and in Pennsylvania.

TRIB appoints new executive director

The TRIB Group board of directors



appointed Dennis Shields to head up America's one and

only rental industry buying group as executive director on May 1. The Atlanta-based organization represents 1,200 stores throughout the country.

The former director of purchasing for Paradise Valley Holdings, dba Ace

TV Rentals in Phoenix, Shields is a 14-year rental-purchase industry veteran. Prior to working in RTO, Shields worked in the banking industry for eight years.

"This is a golden opportunity to deal with the rental community as well as the vendor community. I like both the negotiating and administrative aspects of this position," says Shields. When asked about his goals for TRIB Group, he says, "My main goals are to continue the growth of the TRIB membership and to solidify our great member programs. I also want to further enhance the volume purchase program for TRIB Type III members."

Shields believes that both APRO and TRIB Group should be united in their efforts to work together for the betterment of the industry.

Rent-A-Center forms alliance with missing children center

Rent-A-Center launched an alliance with the National Center for Missing and Exploited Children to help bring missing children home. Through this alliance, Rent-A-Center will make customers aware of missing children by placing pictures of them on the company's direct mail brochures to assist customers in notifying authorities if they recognize a missing child.

RAC kicked off the campaign in May in their monthly national advertising brochure, distributed to more than 50 million households a month. On the outside cover of the brochure, RAC will feature a different child in seven regions around the country and in Puerto Rico to assist NCMEC in locating these missing children. This program was launched in May to increase awareness of the National Missing Children's Day on May 25.

"We are confident that the 50 million inserts with missing child photos will allow many families to be reunited as a result. The quantity that Rent-A-Center is producing on a monthly basis is one of the largest attempts by a company assisting NCMEC," says Ernie

Allen, NCMEC president.

The FBI estimates that in 1999, approximately 750,000 missing child cases were serious enough for a parent to call the police. Today, one out of every six missing children is recovered as a direct result of someone seeing the child's picture and reporting the whereabouts to the NCMEC.

"We felt the need to leverage our print buying power with our commitment to the community," says RAC CEO and founder Ernie Talley. "With the number of brochures going into customer's homes every month, we hope that we will be able to make a difference in a child's life. Nothing is more important than that."

Rainbow Rentals opens stores in Virginia and North Carolina

With Rainbow Rentals store openings ramping up faster than expected, the company has expanded into new territory and plans on "taking Rainbow's proven formula to additional markets" in the near future, says the company's Chairman/CEO Wayland J. Russell.

The eight new stores Rainbow opened during 1998 hit an annualized revenue rate of nearly \$1 million in the first quar-

ter of 2000, putting them well ahead of schedule, Russell says. Stores opened in 1999 also are performing ahead of plan, both in terms of revenue and profitability.

The company opened its first Virginia store in Richmond in late April

and is to open a store in North Carolina in June. Excluding potential acquisitions, the company will have 105 stores by the end of 2000, says Russell. "We are committed to taking Rainbow... to additional markets," he says.

Compaq adds new RTO customer service division

The John Lee Co., the sales and marketing arm of Compaq computers for the rental-purchase industry, has formed a new customer service division. Sandra Spivey will head up the new JLC/Compaq department, which will offer support and service to individual corporate offices, store-level personnel and RTO customers.

The new customer service number is 800/826-2661. Technical support for Compaq remains 888/751-4240. Compaq products are distributed to the RTO industry exclusively by Atlanta-based BDI Distributors at 800/241-5641. Compaq will be exhibiting at the 2000 APRO trade show in booth 408.



2000

JUNE

24-26

Dallas Furniture Market,
www.dallasmarketcenter.com,
800/325-6587

JULY

5-9

ColorTyme National Convention,
Aspen, CO, 972/608-5376

18-20

Indiana Rental Purchase
Dealers Association Midwest
Expo, Indianapolis, IN,
812/332-6554

20-24

San Francisco Furniture Mart,
415/552-2311

AUGUST

2-5

APRO 2000 Convention and
Trade Show, Opryland Hotel,
Nashville, TN, 800/204-2776

16-19

Tupelo Furniture Market,
Tupelo, MS, 601/844-1473

SEPTEMBER

11-13

Missouri Rental Dealers
Association annual meeting,
Osage Beach, MO,
573/442-2963

18-19

Texas Association of Rental
Agencies board meeting and
seminar, Lubbock, TX,
940/497-1150

OCTOBER

19-26

High Point Furniture Market,
High Point, NC, 336/888-3700



From time to time, the APRO staff is faced with a burning question from our members that just begs for a printed response. This month, APRO Education Director Shelley Martinek presents the following question that APRO members have been asking her a lot lately:

Q:

WHY IS THE APRO CONVENTION HELD DURING THE FIRST WEEK OF THE MONTH? THIS INTERFERES WITH A VERY BUSY TIME FOR MOST RENTAL DEALERS.

APRO is aware of this dilemma and tries to avoid holding meetings the first of any month. APRO has traditionally held the convention in mid-August. However, a few years back, many states started school in mid-August, so we moved it to the second week of August. Last year, many schools moved up their start date to the second week of August. This was creating havoc for those who had to be home to get their children started in school.

Unfortunately, APRO must book these large conventions two to three years in advance to find enough space, so it takes a while to address these problems. We also have to consider what dates are available at the selected hotel. Sometimes we have little choice. The board has discussed having the convention in mid- to late-August, which would not interfere with kids starting school, but noted that many members like to bring their families and this would cause a problem with them. Another option is moving the convention date to July. We would like to hear from you. Please check which *one* you would prefer:

- Convention during the first week of August
- Convention during the second or third week of August
- Convention during the third or fourth week of July
- It doesn't matter to me

Please mail or fax (512/794-0097) or e-mail (smartinek@apro-rto.com) your answers to the APRO office, attention Shelley Martinek, and we will bring the results before the board of directors.

FYI: Here are the dates for the next three APRO conventions:

- 2000 Convention, August 2-5, Nashville
- 2001 Convention, August 6-9, Las Vegas
- 2002 Convention, tentatively July 22-25, Las Vegas

Thanks so much for your input. Please don't hesitate to call APRO with any questions or concerns about your association meetings.

At press time, Rainbow Rentals currently operates 96 rental-purchase stores in Connecticut, Massachusetts, Michigan, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee and Virginia.

RentalRiver.com offers rental dealers new venue

Recognizing the fast-paced growth of the rental industry spurred the development of quite a few Internet sites catering to different aspects of the rental industry, but the concept behind the new RentalRiver.com seems directly tailored to rental dealers seeking an Internet outlet to attract new customers looking to rent. RentalRiver has developed an online infrastructure for professional rental providers, consumers and businesses that is worth checking out.

"Growth of the rental industry is in perfect sync with broader societal trends towards downsizing and outsourcing," says Charles Maltese, executive director of the Rental Industry Association, which represents rent-to-rent stores across the country. By becoming the transactional centerpiece for the rental industry, RentalRiver.com will

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The Rental & Sales Software Home Office/Back Office module produces a mirror image of each store in one unified database. You are able to access any customer, inventory, or payment information from any store at the home office. This includes all customer and inventory history. Flexible reporting is available for selected stores or for all stores with totals for the company. The Home Office/Back Office Summary System will produce summary data on a daily basis for all aspects of your business including revenue breakdowns and totals, all account activity, inventory numbers, and exception information. When you have access to this information you are able to make decisions that are right for your business and will ultimately lead to greater profits. No other software system has a more powerful Home Office/Back Office module!

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- Purchase Order
- And Many Others



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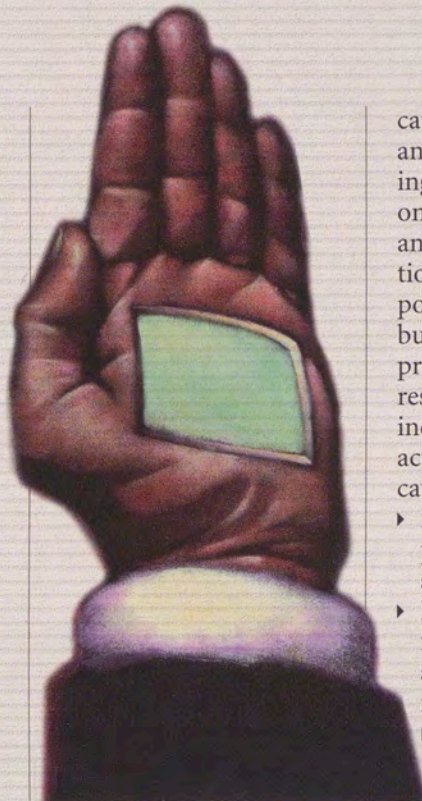
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NEWS BREAK

provide an Internet destination for both existing professional rental establishments and "amateur" rental providers.

"RentalRiver harnesses the Internet to simplify the rental process, allowing consumers quick, easy access to companies offering products to rent," says David Inns, CEO of RentalRiver.com. "Renting is purely faster, cheaper and smarter and the Internet provides tremendous opportunity for the industry to showcase its true potential."

Basically, the site



caters to both renters and consumers, matching up both parties based on the item(s) requested and by geographic location. The renter does not post prices on the site, but gives the rental provider the flexibility to respond to consumer inquiries. The five main activity-based rental categories are:

- ▶ Event and party (tents, party furniture, sound systems, etc.)
- ▶ Living (home furnishings, appliances, home fitness, etc.)
- ▶ Home improvement

(tools, lawn care, etc.)

- ▶ Recreation/vacation (sports equipment, outdoors, watercraft, etc.)
- ▶ Office/home office (computers, copiers, office furniture, etc.)

When a consumer visits the site and submits a request for rental items, messages will immediately be sent out to rental providers in the area the consumer requested. If the consumer needs to get in touch with a rental store immediately, he can access the directory available through the site-providing more

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"What's exciting is that there are so many opportunities to rent rather than buy that the average individual isn't even aware of, until now," says Inns. "We plan to help them become aware and grow demand for rental services through creative marketing opportunities not previously available."

RentalRiver.com launched its beta release in April. Check it out at www.RentalRiver.com/.

Rent Rite appoints new COO

Steve Glucksman, former CEO of Crazy George's in the United Kingdom, is the new chief operating officer at Boca Raton, FL-based Rent Rite Rental Purchase Inc. Prior to heading up Crazy George's, Glucksman held various senior management positions with Thorn Americas/Rent-A-Center, including being a regional director responsible for 96 stores in California and Arizona.

Rent Rite currently has 45 rental-purchase stores open or under construction in seven states with plans to open 15 more stores by the end of 2000.



The RTO transaction spurs academic research

Do you know how much the rent-to-own transaction is really worth? The APRO Public Relations Committee recently approved a way to help the industry apply a measurable, financial value to the rent-to-own transaction in order to justify why we charge customers \$19.99 a week, \$75.99 per month, etc.

For example, how do you measure in quantifiable terms what it is worth to have a refrigerator delivered to your home for a small weekly payment without jeopardizing your credit, going into debt, removing responsibility if the product breaks and receiving a loaner if the product needs servicing?

Two University of Massachusetts finance professors, Ray Jackson and Mike Anderson, will attempt to quantify the value of the "no-obligation," "free delivery," "no credit" and "service included" components of the rental-purchase transaction this summer. By extracting statistical information from a 4,000-store database provided by High Touch, these academicians will attempt to put a value to the rental-purchase transaction.

Professors Jackson and Anderson specialize in financial valuation models and have created models for banking and other industries to measure intangible investments, such as debt financing, merger premiums and asset liquidity. Professors Jackson and Anderson are excited about creating a financial valuation model for the rent-to-own transaction because it not only presents an academic challenge, but also allows them to publish research on a transaction that has received little careful academic study.

The benefit of such a study can provide industry leaders with a better explanation of the actual cost of renting to own, as the cost of obtaining ownership is often at the center of many debates about the industry.

The 20-year debate regarding the value of the rent-to-own transaction, the value of the rent-to-own business, thus, the value of the rent-to-own industry, has incited critics to condemn the industry through court actions and legislative strategies to attempt to change or regulate the cost of renting to own.

As part of this academic study, the two UMASS professors plan to publish a series of articles in academic journals as well as for APRO distribution. The fact that rent-to-own has garnered unsolicited academic attention should help in legitimizing the transaction and the industry in the courts, the public, the media, legislatures and the financial community. We'll keep you posted!

NEWS BREAK

Ther-A-Pedic appoints new VP of national sales

Karen Greenwald is Ther-A-Pedic's new vice president of national sales, having been promoted from national RTO sales manager. In her new position, Greenwald's responsibilities will be expanded to include supervision of all aspects of national account maintenance and strategies. Green-

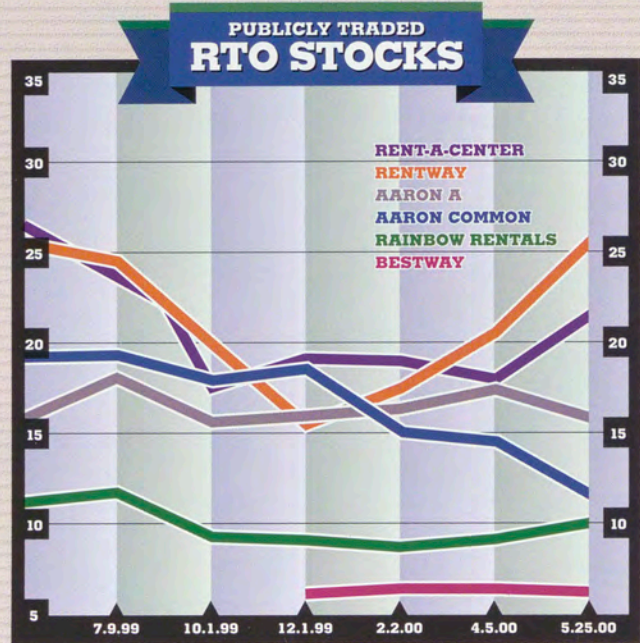


wald will also be responsible for securing new national account business for licensees.

Greenwald has worked with Ther-a-pedic International since 1995 where she coordinated day-to-day operations of order fulfillment and deliveries as manager of national RTO accounts.

Ohio possible target of negative legislation

Ohio State Senator Mark Mallory was



recently quoted in an article appearing April 3 in the *Cleveland Plain*

Dealer as saying he "has a problem with the way their [RTO] business is

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structured" and that rent-to-own is next on his list of legislative initiatives.

While Sen. Mallory said it "might take a while for any legislation...we can bring some awareness. People just don't realize what the rent-to-own industry is really doing. They should be subject to the same laws as other credit transactions," says Mallory.

In the lengthy exposé on the rental-purchase industry, reporter Teresa Dixon Murray explored both sides of the debate and included interviews with Ohio Rental Dealers Association President Amy Zeller, a representative from APRO and Mike Kilbane of Rent-A-Center. Interviews against the industry included comments from a consumer credit counseling service and the Better Business Bureau. The BBB acknowledged having few complaints from customers about the rental industry.

Murray also highlighted legislative action and lawsuits in New Jersey, Minnesota, Wisconsin and Michigan, warning readers that as more class-action lawsuits are filed, Ohio may initiate legislative action.

To view the full article on the Internet, visit www.cleveland.com/business/news/fm03renv.ssf/.



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The eighth annual Dave Egan Legislative Conference, held in May in Washington, D.C., was very successful. We had almost 70 participants who attended more than 100 meetings with congressional offices. We are now on the way to having almost 50 federal bill co-sponsors, including eight new co-sponsors who signed on by the end of the conference.

On the Senate side, where we don't have a bill, we are encouraging senators to write letters of support to the Chairman of the Banking Committee, Phil Gramm. APRO lobbyist Mark Schn-

representatives in your home districts during this election year. We need to have more co-sponsors of HR 1634.

The Association's annual convention, APRO 2000 "New Frontiers," is fast approaching. Scheduled for August 2-5 in Nashville, this year's event marks the 20th anniversary of

"We are now on the way to having almost 50 federal bill co-sponsors, including eight new co-sponsors who signed on by the end of the Dave Egan Legislative Conference held in May."

APRO. You can register for the convention on-line at www.apro-rto.com or fill out the registration forms on page 37 in this issue of *Progressive Rentals*. We have an excellent line-up of speakers as well as great entertainment. The new Oprymills Mall is now open and features excellent shopping, entertainment, family fun and great food. Check it out at www.oprymills.com/.

My wife Mary and I look forward to seeing you in our home state in August during the convention. This should be one that you will not forget. The social events and the history of Nashville will be fun for all. See you there! ■

Gary McDougal is owner of American Rentals in Hixson, TN.

Success in Washington

abel reports that these efforts are making an impact and hopes to see results by September.

My special thanks to APRO board member Al Zagorniak from Sears for his efforts and attendance during his first legislative conference. He helped to solicit co-sponsors and explained to his representatives how important the RTO industry is to his business.

APRO board member and political action committee chairperson Mamie Harper came through with her hard efforts to reach a new high in contributions. We missed her in Washington, as she was busy having a baby out on the West Coast.

The APRO board meeting held during the conference met with many challenges that have been occurring in our industry from the federal front and in certain states. We continue to have to educate the powers that be in certain states (mainly New York and Wisconsin) of the type of business that we are in and what and who are our customers.



By GARY McDOUGAL
APRO's President

This time in Washington, D.C., we had the newly released Federal Trade Commission report on our industry (see article on page 44), which helped to negate the issues raised by consumer groups in the past. This was very helpful in making some much-needed headway with several members of Congress.

Please continue to follow up with your elected



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APR Associate Member since 1981

A few farsighted rental dealers created a national trade association in 1980 to promote the rent-to-own industry. I guess it was just a coincidence, but I prefer to think that it was planned. I believe deep in my soul that these fathers of the RTO industry chose to start APRO in that year so we could celebrate its twentieth anniversary in the year 2000. There must have been a history buff or a graphic artist among these founders. Twenty in 2000 is just too catchy not to have been planned.

In the life of this Association, we have wit-

Marking 20 in 2000

nessed many marvels of the nature of the business world. As association and corporate anthropologists, we now have a modest historical perspective to analyze from whence we came and to where we might travel in the future.

During the Precambrian age of RTO, many product manufacturers wouldn't sell brand-name products to rental dealers to rent to RTO customers. But out of the murky waters of rental confusion came those manufacturers of today, who happily sell and promote their brands to both rental dealers and rental customers. The rental landscape is littered with fossils of those manufacturers who didn't evolve into the rental world.



By BILL KEESE
APRO's Executive Director

Brave were the isolated islands of legislative worlds that first adopted the RTO laws so that rent-to-own could prosper and multiply. Our archeological survey tells us that year after year, these isolated islands merged together in thought and in spirit to create the vast continent of RTO North America. Although we still have some isolated patches of earth to add to the landscape, our rental concept has been almost universally received.

Upon examining the fossil record of our RTO world, we soon discover that there must have been a few cataclysmic events that altered the rent-to-own landscape, setting an evolutionary course that defines RTO today. The world as we

knew it in 1990 was forever changed when the triple financial comet of Transamerica, McDonnell Douglas and Chrysler first exploded into our business life and wiped out most of the industry's financing opportunities almost overnight. Just as dinosaurs were once wiped out in a similar event, those rental dealers who were not nimble on their feet quickly became extinct.

Rent-to-own's judgment day came in 1993 and lasted about four years. There we stood, RTO brother and sister, shoulder to shoulder at the pearly gates of the federal government and Congress and the IRS were sitting there to pass judgment on us all. When Gabriel finally blew his horn, we advanced forward, not falling into the fiery pit of business oblivion.

Then came the period of RTO enlightenment.

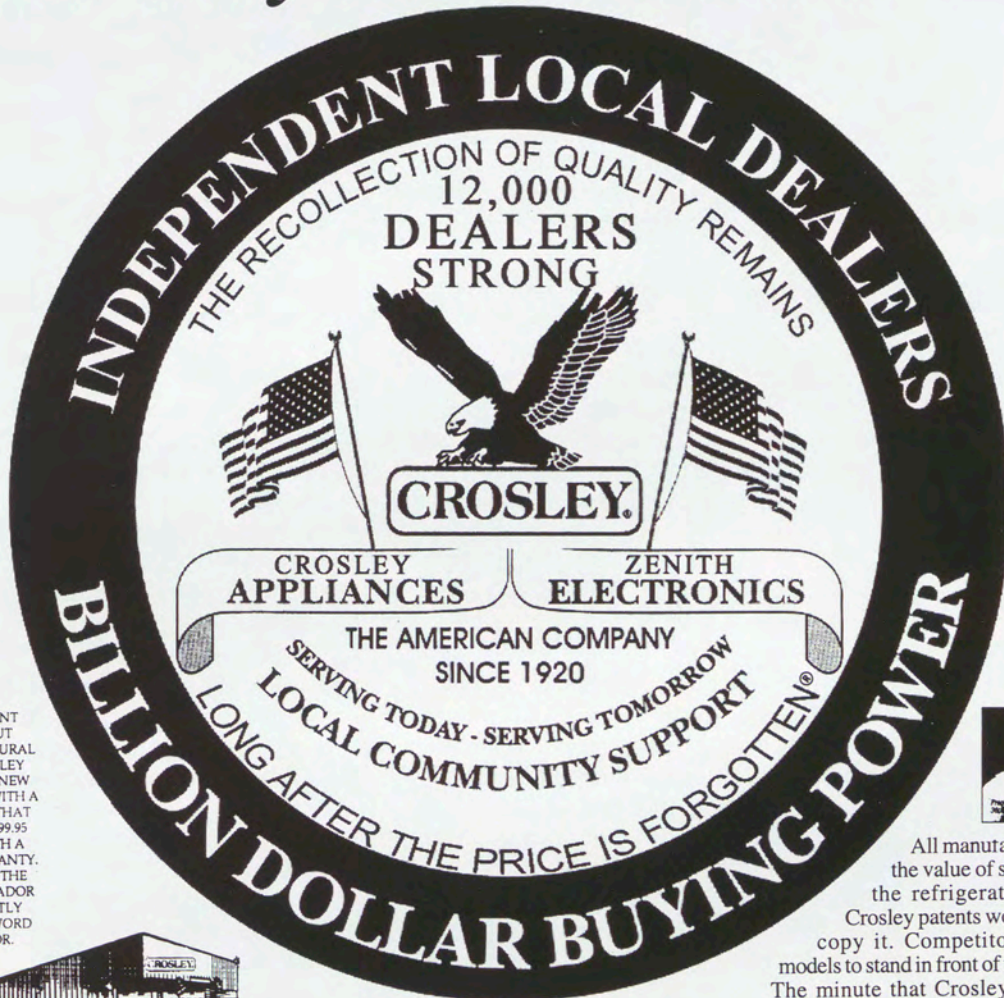
Many manufacturers, both old and new, are clamoring to market to rental dealers and rental customers. Every day, new species of products are evolving into RTO stores and customer's homes. Both public and private sources of financing are establishing themselves to be open and even anxious for RTO business. Since judgment day, opposition to renting by the gods of policy decisions has generally just waived us on as we continue to travel toward our industry's destination.

Where do we go from here? This is the universal question to life, both personal and corporate. The answer is obvious: *Attend the APRO Convention and Trade Show in Nashville!* ■

Bill Keese's e-mail address is bkeese@apro-rto.com.

.....
 "Since judgment day,
 opposition to renting
 by the gods of policy
 decisions has
 generally just
 waived us on as
 we continue to travel
 toward our industry's
 destination. Where
 do we go from
 here?"

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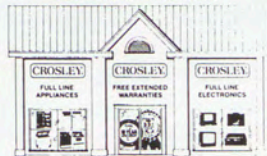
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All manufacturers knocked the value of shelves built into the refrigerator door. Well, Crosley patents would not let them copy it. Competitors used pretty models to stand in front of their plain doors. The minute that Crosley patents rights expired, all brands had their own models ready to capitalize on the great features. Today every refrigerator looks like a Crosley Shelvdor.

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Crosley believes that it is not necessary for independent dealers to be forced to join a buying group to get a manufacturer's best price and best programs.

Most Crosley dealers can get a better program from the manufacturers without the extra expense of a buying group that does not perform any economic function whatsoever.

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It was long after midnight. The two dealers sat nursing their drinks waiting for the bar to close. It was a matter of pride to wait until the last call as they had done together on and off over the years.

As always, the conversation turned back to business. "So, how many voice messages do you leave on a customer's machine during a 24-hour period?" It was a dealer-to-dealer question. Neither had called any customers in a long time. They both had employees who did that now, but both had made their fair share of calls coming up in the business. The dealer who asked the question wasn't sure what the answer should be and

the meat of the matter, of what is right, sometimes when it was just the two of them, late at night.

Of course, even the profit-driven dealers wanted to stay within the law. Even they understood that breaking the law might cost them. But that was the only line they were interested in drawing.

That wasn't the question on the table tonight. They weren't worrying over the law. They wanted to know what was right. The answering machine question led to others. How many door hangers can you/should you leave on a door in one day? How long can you knock on the front door when nobody answers and you know that the customer is sitting inside? When you are through knocking, how long can you hang around on the porch waiting for that peek through the blinds or other signs of life inside? How long can you sit in the truck in front of the house when the customer won't come to the door? Can you park your truck around the corner on a tough collection call to increase the odds you will get someone to come to the door?

For a brief moment, the questions kept coming, as each dealer used the other as a sounding board to probe the details of how they wanted their employees to interact with customers on the back side of the deal. While the questions were many, precise answers were few. The dealers agreed that some of the answers depended on whether there was still some hope of getting money and keeping the customer on the books or whether it was just a pick-up. Time of day was an issue. Neighborhood came into play. Motive loomed large. Why would an employee do one thing or another? Was the effort genuinely aimed to get some communication with the customer or was there also an element of intimidation in the conduct?

They talked these kinds of issues over because the very essence of the business bonded them together even though their lives were very different and they lived many states apart. They both cared a lot about their companies, their employees, their customers. They cared about the public image of the business. And because they could get together every now and again and connect on these kinds of common questions, they cared about each other.

"Last call," said the bartender. ■

.....
They wanted to know what was right. While the questions were many, precise answers were few.

Does legal = proper?

the other dealer didn't know what the answer really was in his company. It wasn't covered in the manual that he could remember. A lawyer, or someone, had told them not be unreasonable when contacting customers, whatever that meant.

The questioning then began in greater earnest because these two dealers felt that they should know both what the rule was in their companies and also whether the rule was being followed and how closely. They were both responsible, "progressive" dealers interested in more than daily cash deposits and Saturday night card close percentages. They wanted juicy cash deposits and low card closes, to be sure, but they also wanted to own and run companies that they could be proud of, companies with integrity. To them, that meant

a company where the rules meant something, where what people said and what they did were as close as human nature allows. They both knew that not all dealers were especially interested in the character of their companies and, indeed, some only wanted profits to the exclusion of most other considerations. That's why they often waited until they were alone together to probe some of

the profundities of the business. In a crowd with this kind of question, they were more likely to hear how far some dealers had pushed the envelope. Rental tales could make them cringe or laugh. They remembered and repeated the really good ones, but sometimes they wanted to get to



By ED WINN III
APRO's General Counsel

Are you ready for the new frontier?



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August 2 - 5, 2000
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[HERE ARE APRO'S OTHER COMMERCIALS]



Sisters

The *Sisters* radio spot is a national award-winning, entertaining 55-second radio spot with a 5-second tagline to add your information.



Couple

The *Couple* film-produced television spot is, by far, APRO's most popular commercial production to date. A 25-second TV spot with a 5-second tag.



Image

The *Image* spot is an elegant film-produced commercial portraying the quality, name-brand products you get with rental-purchase. A 25-second TV spot with a 5-second tag.



Gus

The national award-winning, film-produced, stop-motion animated commercial helps your company stand out from the rest. *Gus* is a 25-second TV ad with 5-second tag.

Order your copies today at 800.204.2776 or rmay@apro-rto.com

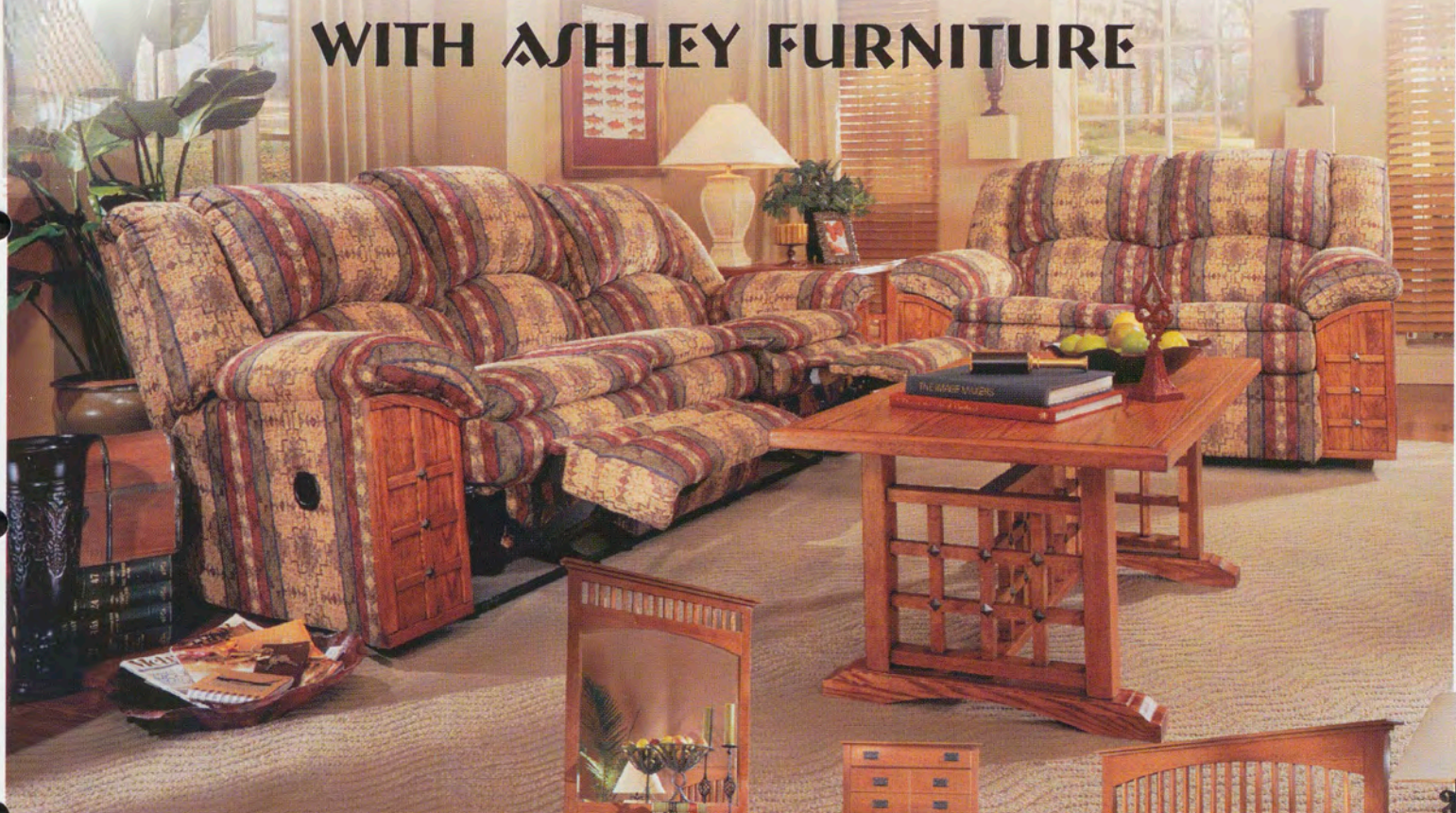


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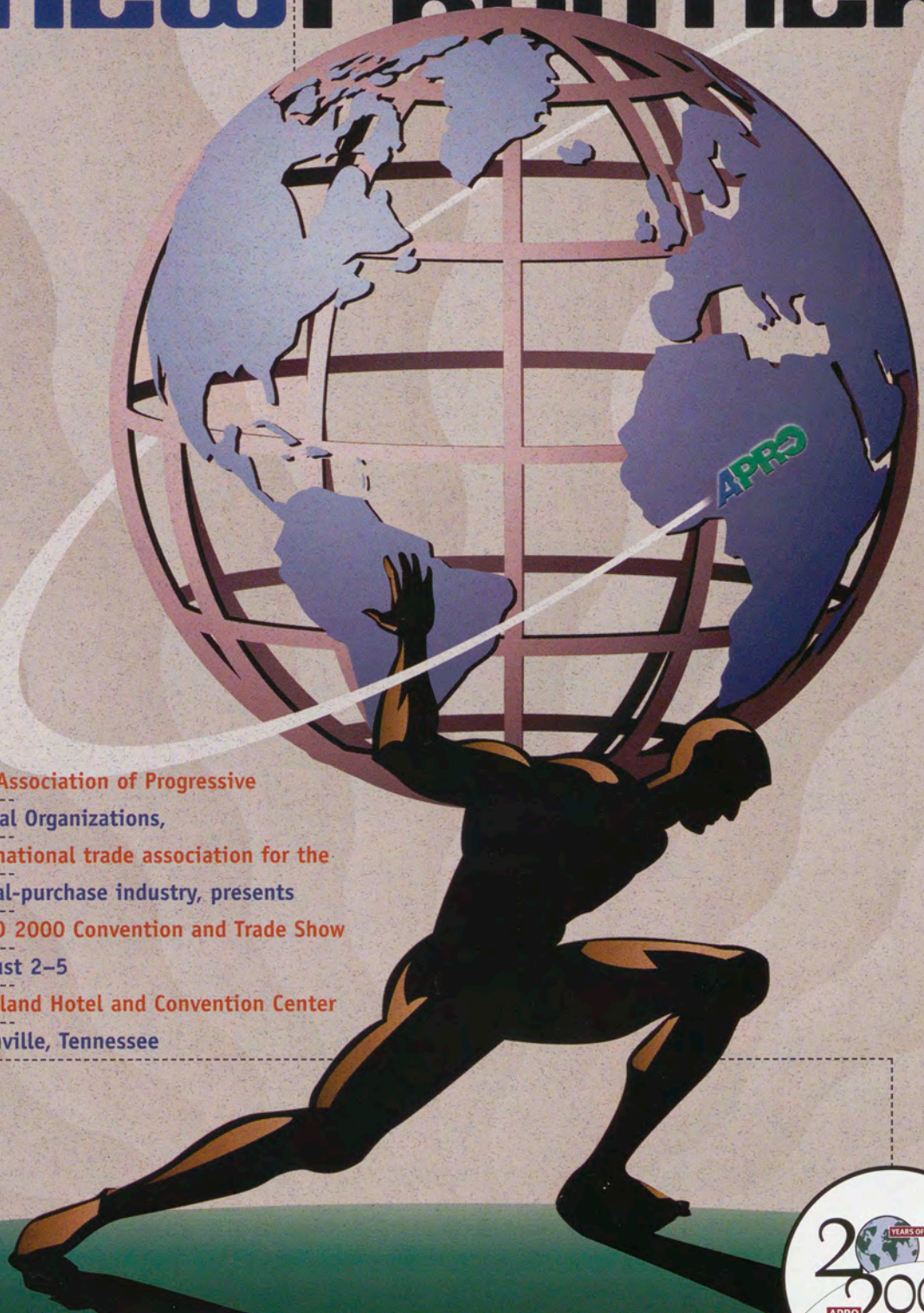


Your invitation to attend

APRO2000

NEW FRONTIERS

The Association of Progressive
Rental Organizations,
the national trade association for the
rental-purchase industry, presents
APRO 2000 Convention and Trade Show
August 2-5
Opryland Hotel and Convention Center
Nashville, Tennessee





ASSOCIATION OF PROGRESSIVE RENTAL ORGANIZATIONS CONVENTION AND TRADE SHOW
AUGUST 2-5, OPRYLAND HOTEL AND CONVENTION CENTER, NASHVILLE
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new

20

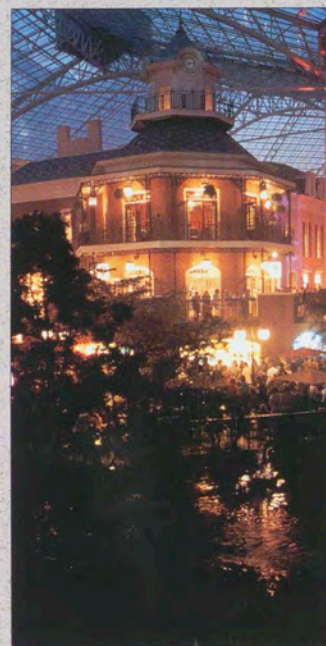
years ago, the landscape of the rental-purchase industry was significantly less sophisticated than it is today. Instead of today's 8,000 stores, there were 400. The largest company had 50 stores compared to the 2,200 stores run by just one of several large, publicly traded chains. There were no rental-purchase laws on the books in any state. A store's primary inventory item was the television. The industry was very much misunderstood and highly at risk.

Twenty years ago, a few rental dealers got together to form APRO, the industry's national association. Since then, milestones have been reached, the industry has grown exponentially and with this growth has come a wealth of change. It is time to celebrate the industry's success. Come join in APRO's 20th Anniversary convention and trade show. Here are some of the new events to kick-off the "New Frontiers" celebration:

- ▶ Employee Day
- ▶ Customer of the Year contest
- ▶ Employee of the Year contest
- ▶ History of APRO presentation
- ▶ Honoring of Past Presidents

APRO HEADS FOR MUSIC CITY AND THE OPRYLAND HOTEL

APRO's 2000 host hotel, Opryland Hotel, is where attendees will experience all the charm and elegance of the South. Explore nine acres of lush indoor gardens, winding pathways and sparkling waterfalls. There is even a tranquil waterway with flatboats. Preserved under a brilliant 15-story glass dome, the Opryland Hotel offers 15 food and beverage outlets and 30 unique shops. Plan to take a day or two before or after the APRO show to make some side trips while in Nashville. Visit the famous Grand Ole Opry, schedule a ride on the Music City Queen or General Jackson riverboats. For more information on Nashville sights and sounds, visit www.opryhotel.com, www.grandoleopry.com or www.nashvillecvb.com or call 615/259-4700.



FRONTIERS

What you can expect at the 2000 APRO Convention:

- ▶ Industry updates
- ▶ Educational seminars
- ▶ Networking opportunities
- ▶ Social events with great entertainment
- ▶ First-class accommodations
- ▶ Free trade show

Who attends the convention and trade show?

Large and small rental-purchase companies and their owners, managers and employees will be represented. More than 1,000 people attended the 1999 APRO convention and trade show, including:

- ▶ Chief executives
- ▶ Chief financial officers
- ▶ Chief operating officers
- ▶ Corporate buyers
- ▶ Rental store owners
- ▶ Rental store senior-level executives
- ▶ Rental store managers
- ▶ Rental store management trainees
- ▶ Department executives
- ▶ Rental store employees

Who exhibits at the trade show?

At the 1999 APRO annual convention and trade show, more than 100 companies exhibited products and services in more than 200 booths. The following are a few of the product and service categories already registered for the 2000 convention:

- ▶ Advertising/promotional
- ▶ Appliances
- ▶ Communications
- ▶ Computers/software
- ▶ Electronics
- ▶ Financial and special services
- ▶ Furniture and furniture accessories
- ▶ Jewelry
- ▶ Trucks

NUMBER OF RENTAL-PURCHASE STORES BY GEOGRAPHIC AREA



What is APRO?

The rental-purchase industry is composed of dealers who rent furniture, electronics, major appliances, computers, jewelry and other home products to consumers and businesses with an option of ownership. Also known as rent-to-own, this is a \$4.7 billion-a-year industry serving approximately 3.3 million customers a year in the United States.

Rental Industry Trade Show

Thursday–Saturday,
August 2–5
Ryman C2 Exhibit Hall

The APRO exhibit hall is the only national trade show dedicated specifically to the rent-to-own industry. And the Opryland Hotel offers some of the finest exhibit space in the nation. Attendees will be able to view hundreds of booths displaying products targeted to the industry, everything from appliances, electronics, furniture, jewelry to special services and more. Admission to the trade show is complimentary for those involved in the rental-

purchase industry. Proper business identification is required to receive an entrance badge.

Welcome cocktail reception

Rednecks, White Socks and Blue Ribbon Beer
6–8 p.m., Wednesday, August 2
Sewanee Ballroom
Co-sponsored by Ther-A-Pedic International, Finova Capital, England-Corsair, McNamara Isuzu

Welcome to Redneck Heaven, a place where trailers and trash take on a new meaning. Where old appliances never die, they just rust. A place where hunting involves night time and head-



lights. Join the fun and get in the spirit with your “trashiest outfit.” James Rogers, an

award-winning singer, songwriter and instrumentalist who has thrilled crowds at his Celebrity Theater in “Dollywood,” will perform.

Complimentary hors d'ouvres and open bar. Trashy casual attire.

SPOUSE/GUEST PROGRAMS

Southern Cooking Demonstration

PRESENTED BY PHILA HACH
2–4 p.m., Thursday, August 3, Canal A

Tennessee's well-known television personality and author of numerous cookbooks, such as *The Official Tennessee Bicentennial Cookbook*, will demonstrate a number of down-home Southern cooking specialties to tempt a variety of tastes. Learn to cook such favorites as country ham and biscuits, fried pies, corn-cob pinwheels in herb butter, corn fritters, sawmill gravy, assorted sweets and more. Hach's presentations are lively, entertaining and chock full of Southern hospitality.

A Tour of the Grand Ole Opry—Then and Now

10 a.m.–3 p.m., Friday, August 4; buses depart 10 a.m. from Delta Motor Lobby

Experience the history of the “Carnegie Hall of the South” at the Ryman Auditorium Museum. Of all of Nashville's modern and historic structures, the one that best exemplifies the spirit of Music City, USA, is the Ryman. As the original home of the Grand Ole Opry, the Ryman Auditorium is one of the city's most revered landmarks. Lunch will be included at the Merchant's Restaurant. After lunch, attendees will visit the current Grand Ole Opry. Get a special behind-the-scenes glimpse of the dressing rooms of the stars and the Opry Green Room. Learn interesting facts and trivia that have made the Green Room a legend. Give your musical career a jump start as you belt out a few notes on stage — optional, of course!

Important! You must be pre-registered for these events to attend. No exceptions! The cost of these events are included in spouse/guest registration fee. If you would like to purchase individual tickets for this tour, the cost is \$40 per person for the

Southern Cooking Demonstration and \$45 per person for the Grand Ole Opry Tour. Please check the appropriate box on your registration form to reserve your spot. Space is limited and assigned on a first-come, first-served basis.

2000 General Session and Business Meeting

10 a.m.–12 p.m.,
Thursday, August 3
Sewanee Ballroom
Keynote speaker sponsored
by G.E. Appliances
Pick up ballots for APRO
board election 9–10 a.m.

At APRO, we think that a 20-year anniversary is quite a milestone. APRO has had the honor of serving the rental-purchase industry since 1980 and continues to serve as the voice of the industry. An overview of Association activities and the election of board members will be included in the 2000 business meeting and winners of the Rental Customer and Employee of the Year will be announced.

Larry Csonka, former NFL fullback for the Miami Dolphins, will be this year's keynote speaker. After leading the Dolphins to back-to-back Super Bowl wins in the 1970s, including their



remarkable undefeated season in 1972, Csonka was inducted into the Pro Football Hall of Fame in 1987. He has gone on to become a popular sports announcer for the ESPN sports network and has traveled the country as a motivational speaker, using sports humor and anecdotes to emphasize teamwork and winning.

Following the keynote address, APRO will open the 2000 trade show with a ribbon-cutting ceremony and complimentary champagne courtesy of RSSS.

Gala Cocktail Reception

APRO at the Wildhorse Saloon
6-10 p.m., Thursday, August 3
Wildhorse Saloon
Sponsored by Foresight

Scout your boots to the Wildhorse Saloon for a down-home country dinner and dancing at the best country music dance hall in the world. Live music, dancing and video performances by various country artists will make this a night to remember. You may even find yourself on television on the Nashville Network's (TNN) popular *Wildhorse Saloon Dance Show* or perhaps rub elbows with a rising country star.

Complimentary buffet dinner. Cash bar. Western or casual attire.

Annual Awards Reception and Banquet

Tennessee Travelin'
Saturday, August 5
Reception 6-7 p.m., sponsored by Thomson Consumer Electronics
Banquet 7-10 p.m., Sewanee Ballroom, sponsored by High Touch, entertainment sponsored by Audiofile

Join APRO in celebrating its 20-year anniversary with an evening tribute to the rent-to-own industry. Enjoy a walk down memory lane as APRO revisits the past 20 years of the rental industry and presents awards to rent-to-own's finest.

During the course of the evening, you'll enjoy the sights and sounds of the great state of Tennessee theme for the evening, offering not only the big-city, big-music atmosphere of Nashville, but also the "down home" Southern hospitality of the many small towns and country farms. A special musical guest will bring back memories of the early days of Memphis' Sun Records, when performers such as Elvis Presley and Carl Perkins brought the sound of Southern rock to the world. If you love your piano playing hot and heavy, the night's entertainment will leave you "Breathless."

Complimentary cocktails during reception. Cash bar during dinner. Semi-formal attire.

SCHEDULE OF EVENTS

TUESDAY, AUGUST 1

- 2-6 p.m. Early registration
- 4-5 p.m. Opryland welcome orientation (compliments of APRO)

WEDNESDAY, AUGUST 2

- 6:30 a.m. Buses depart for golf tournament
- 8 a.m. Golf tournament, Springhouse Golf Club
Sponsored by Whirlpool
- 9-11 a.m. Optional "Nash Trash" Tour
- 9 a.m.-5 p.m. Registration
- 9 a.m.-10 p.m. Exhibitor set-up
- 1-5:30 p.m. Employee Day
Free workshops for store-level employees
- 3-4 p.m. State association workshop
- 4-5:30 p.m. State Presidents/Congressional Leadership reception
Sponsored by Nationwide Club Administrators
- 6-8 p.m. Welcome reception: *Rednecks, White Socks and Blue Ribbon Beer*
Co-sponsored by Ther-A-Pedic International, Finova Capital, England-Corsair and McNamara Isuzu

THURSDAY, AUGUST 3

- 9 a.m.-5 p.m. Registration
- 9-10 a.m. Exhibitor set-up
- 9-10 a.m. Pick up ballots for board election
- 10 a.m.-12 p.m. General Session and Business Meeting
Keynote speaker sponsored by G.E. Appliances
- 12 p.m. Exhibit hall ribbon-cutting ceremony/champagne welcome
Sponsored by RSSS
- 12-5 p.m. Exhibit hall open
Ice cream break sponsored by Ashley Furniture
- 2-4 p.m. Spouse/guest program: *Southern Cooking Demonstration*
- 6-10 p.m. Gala cocktail reception: *APRO at the Wildhorse Saloon*
Sponsored by Foresight

FRIDAY, AUGUST 4

- 8 a.m.-5 p.m. Registration
- 8 a.m.-12 p.m. Educational seminars
Break sponsored by Pilliod
- 9-11 a.m. Exhibitor breakfast/training session/business meeting
- 10 a.m.-3 p.m. Spouse/guest program: *A Tour of the Grand Ole Opry—Then and Now*, with lunch
- 12-5 p.m. Exhibit hall open
Ice cream break sponsored by ROC Software
- 5-6:30 p.m. APRO president's hospitality/PAC reception

SATURDAY, AUGUST 5

- 9-10 a.m. APRO full board meeting/election of officers
- 9 a.m.-1 p.m. Registration
- 9 a.m.-1 p.m. Exhibit hall open
- 1-5 p.m. Educational seminars
- 1-6 p.m. Exhibitor tear-down
- 6-7 p.m. Awards reception
Sponsored by Thomson Consumer Electronics
- 7-10 p.m. Awards banquet: *Tennessee Travelin'*
Dinner sponsored by High Touch; entertainment sponsored by Audiofile

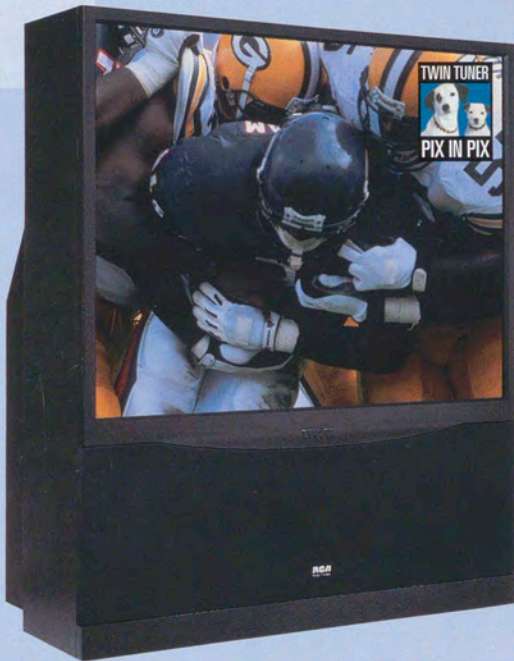
Additional sponsors

Relaxation Station in exhibit hall: TRIB Group; *Convention Daily News*; Sears; badge lanyards: Sears; registration computers: Alliance Computing Technologies; tote bags: Nationwide Club Administrators and Inform Business Systems

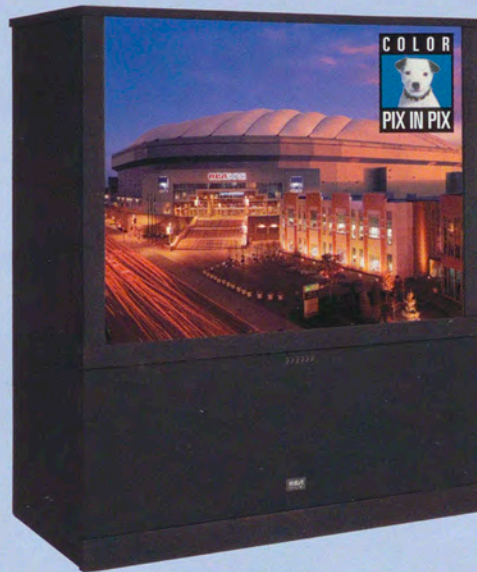


Let Your Thomson Rental Team Take Care of You

56" diagonal Home Theatre™ Premier Projection Video System



46" diagonal Home Theatre™ Video System



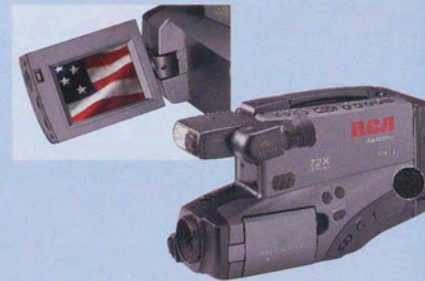
25" diagonal TV/VCR Combination



20" diagonal TV/VCR Combination



13" diagonal TV/VCR Combination



Full-Size VHS Camcorder



5-Disc Drawer-Load CD Changer Audio System



200-Watt¹ Dolby² Pro Logic Surround Receiver with 3-Disc Changer and 5-Speaker Package



5-Disc CD Changer

Thomson has been a longtime supplier of RCA Consumer Electronics to the Rental Purchase Industry. We offer exceptional service, fast and reliable distribution and a full-line of RCA Electronics products including: VCR's, Camcorders, DVD Players, Home Entertainment Audio Systems with up to 200 Watts¹ featuring CD and Dolby² Pro Logic Surround System, Televisions TV/VCR Combos, Audio and Accessories as well as a complete

THOMSON CONSUMER ELECTRONICS

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¹50 watts/channel, both channels driven into 8 ohms at frequencies from 40Hz to 20kHz with no more than 0.9% Total Harmonic Distortion (THD). ²Dolby and the double-D symbol are registered trademarks of Dolby Laboratories Licensing Corporation. ³Bush is a registered trademark of Bush Industries, Inc. VCR or second video source required for Color P-I-P. Packers/Bears photo © Mitchell Reibel/NFL Photos. Vikings/Giants photo © Tom Croke/NFL Photos. Colts/Redskins photo © Greg Crisp/NFL Photos. NFL and the NFL shield are registered trademarks of the National Football League. Team name(s), logo(s) and uniform design(s) are the registered trademarks of the team(s) indicated. Specifications are subject to change without notice. Simulated Pictures.

Take You Into The Next Millennium!



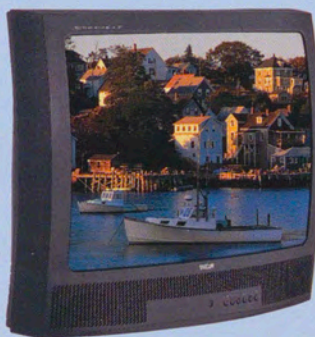
27" diagonal High-Performance Video System



32" diagonal High-Performance Video System



19" diagonal XS® Stereo Video System



25" diagonal High-Performance Video System



36" diagonal High-Performance Video System



27" diagonal High-Performance Video System



Digital Video Disc Player



4-Head Hi-Fi Stereo VCR



4-Head VCR

line of Bush³ Furniture. Making us, Your One-Stop Rental Source. Our experienced Thomson Rental Specialists make ordering easy and are ready to answer any questions you may have.

Best of all, a 6-piece electronics order will be delivered directly to your store freight prepaid. For more information contact:

Tim Shannon Manager-Rental at voice 800.217.3935, fax 800.688.1115 or email shannont@tce.com.



Bush³ Universal Television Bases Accommodate 27"-36" Televisions



RCA is the Official Consumer Electronics Provider of the National Football League

www.rca.com

APRS Charter Associate Member

RCA

Changing Entertainment. Again.



EMPLOYEE DAY WEDNESDAY, AUGUST 2

In honor of all the loyal rental-purchase employees out there "in the trenches," APRO is holding a complimentary afternoon of educational seminar sessions designed specifically for store-level employees. Don't miss this chance to give your employees education, camaraderie and fun. Store-level employees are also invited to attend Wednesday's Welcome Reception, as well as tour the exhibit hall on Thursday and sit in on the APRO General Session and Business Meeting.

These events are open to all store-level employees free of charge as long as there is at least one paid full registrant from the company. If you choose to have your employees attend the remainder of the convention, please indicate this on the Employee Day registration form below. Individual functions can also be purchased a la carte.

Here are the free events for APRO members' store-level employees:

WEDNESDAY, AUGUST 2

(All workshops held in Opryland's Canal A room)

- 1-1:15 p.m. Employee Day welcome by the APRO president and executive director
- 1:15-2:30 p.m. Seminar: *How To Read Your Customers' Minds*, Kerry Johnson, Ph.D.
- 2:45-4 p.m. Seminar: *What Your Boss Wants You To Know*, Larry Helms, Ph.D.
- 4:15-5:15 p.m. Seminar: *Putting Your Best Foot Forward*, Richard May, APRO
- 5:15-5:30 p.m. Question-and-answer session, APRO staff
- 6-8 p.m. Welcome reception: *Rednecks, White Socks and Blue Ribbon Beer* (Sewanee Ballroom)

THURSDAY, AUGUST 3

- 10 a.m.-12 p.m. 2000 APRO General Session and Business Meeting
Keynote address by Larry Csonka (Sewanee Ballroom)
- 12-5 p.m. Exhibit hall grand opening (Ryman)

EMPLOYEE DAY REGISTRATION

(AVAILABLE TO STORE-LEVEL EMPLOYEES ONLY WHOSE COMPANY HAS AT LEAST ONE FULL-PAID REGISTRATION TO THE APRO 2000 CONVENTION)

Name _____

Company _____

Address _____

Telephone (_____) _____ Fax (_____) _____

Special needs _____

Name of full-paid registrant from your company _____

OPTIONAL EVENTS

Check additional events you will attend and enclose payment information:

- Gala Reception at Wild Horse Saloon, August 3: \$75
- Regular seminar sessions, August 4 and 5: \$200
- Reception and Awards Banquet, August 5: \$95
- Employee full registration (includes all paid events listed above): \$295

PAYMENT METHOD (FOR OPTIONAL EVENTS ONLY)

My check is enclosed and made payable to APRO

Charge my credit card: American Express MasterCard Visa

Credit card number _____ Expiration date _____

Signature _____ Name on card _____

Please mail this form to:

Association of Progressive Rental Organizations, P.O. Box 2483, Houston, TX 77210

Rental Customer and Employee of the Year

APRO conducted a nationwide search among all members for the "Customer of the Year" and the "Employee of the Year." These special people will be announced at the APRO General Session on Thursday, August 3, and honored at the Awards Banquet on Saturday, August 5. Come hear the stories of how our industry has had a positive effect on so many.

The History of APRO presentation

A look back over the past 20 years in the rental-purchase industry will surely bring back pleasant memories for many and promises to be a real education for newcomers. The highlights of APRO and the rent-to-own industry will be presented as well as honoring past APRO presidents at the Awards Banquet on Saturday, August 5.

Rental Advertising Excellence Awards

Winners of the prestigious RAE awards will be on display during the APRO convention. For information on how to enter your company's advertising, contact Laurie Hill at the APRO office at 800/204-2776 or 512/794-0095. The entry deadline is May 26.

Nash Trash Tour

9-11 a.m., Wednesday, August 2
Bus will pick up APRO registrants at Opryland Hotel
\$25 per person

Get the inside scoop on Nashville as the Jugg Sisters take you on a hilarious journey through Music City, USA. Dig up the dirt on some of the cleanest, polyestered, double-knitted, sequined country stars. Tour

highlights include actual celebrity stalkings, county jail stop, make-up and styling tips and more. Space is limited and will be given on a first-come, first-served basis.

This is an optional tour; not included in registration fees.

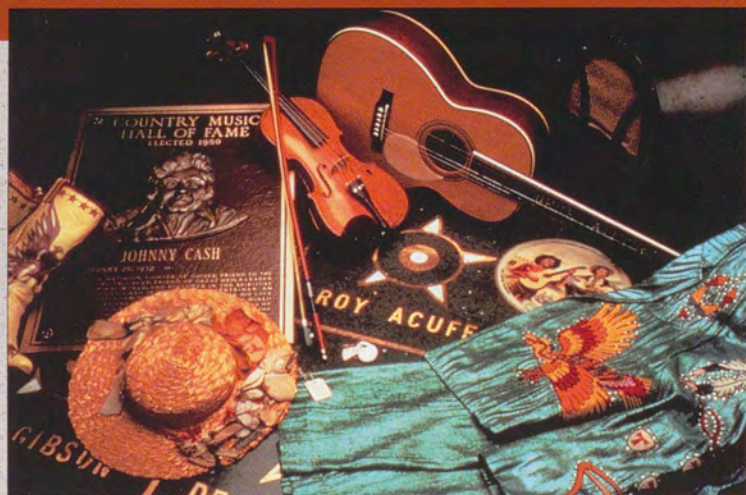
The Grand Ole Opry radio show

7-9:45 p.m., Friday, August 4
 APRO group rate: \$26.25 per person (includes transportation)

Take country music's greatest legends, mix in today's biggest

stars, add the hottest new voices on the charts and you have the world-famous Grand Ole Opry — the undisputed home of country music. As the world's longest-running radio show (on the airwaves since 1925), the Grand Ole Opry's live performances offer everything from Western swing, gospel, bluegrass, Cajun, traditional rock and, of course, country. There's lots of fun and comedy in the air, too.

The Opry's distinguished roster reads like a Who's Who in Country Music: old favorites like Bill Anderson, Jeanne Pruett, Porter Wagoner and Loretta



Lynn, as well as today's biggest names like Vince Gill, Garth Brooks, Patty Loveless and Allison Krauss.

This performance is not included in the basic APRO convention attendee price, but APRO convention attendees are

being offered a special group rate. Please complete the Opryland registration form on page 10 and mail to the address on the form — *not to APRO*. Registration deadline is July 4.

This is an optional tour; not included in registration fees.

SEMINARS

| OPRYLAND | BAYOU A | BAYOU B | BAYOU C | BAYOU D | BAYOU E |
|---------------------------------------|---|---|---|---|---|
| Friday, August 4 8-9:15 a.m. | Leadership, Franklin Covey style Gary Ferriman Showplace Rentals | Motivate Employees With Pay Plans Harry Weisbrod Weisbrod and Associates | To Hire or Not to Hire? The \$100,000 Question Keith Carrico Innovative Insights | How to Conduct a Meeting Vilis Ozols Ozols Business Group | 2000 Legal and Accounting Updates Ed Winn III Overstreet, Winn and Edwards |
| Friday, August 4 9:20-10:35 a.m. | A Happy Employee is a Productive Employee Terrill Fischer Humor University | Trends in Appliances Terry Abell Sears | To Hire or Not to Hire? The \$100,000 Question Keith Carrico Innovative Insights | How to Conduct a Meeting Vilis Ozols Ozols Business Group | Advertising 101 GSD&M Advertising Eris Webber |
| Friday August 4 10:40 a.m.-12 p.m. | A Happy Employee is a Productive Employee Terrill Fischer Humor University | Trends in Appliances Terry Abell Sears | 2000 Statistical Survey Thomas Noon Industry Insights | Motivate Employees With Pay Plans Harry Weisbrod Weisbrod and Associates | Advertising 101 GSD&M Advertising Eric Webber |

| OPRYLAND | BAYOU A | BAYOU B | BAYOU C | BAYOU D | BAYOU E |
|--------------------------------------|--|--|--|---|---|
| Saturday, August 5 1-2:15 p.m. | New Profits Through New Looks Ray Anderson Anderson Unlimited | Keeping Good Employees Panel discussion | Bring 'Em Back: Keeping Customers Mark Mayfield, CSP | Financial Freedom for the Final Frontier: Wealth for Retirement Michael Allen CMAllenCom | Thinking Outside the Box Larry Helms, PhD |
| Saturday, August 5 2:20-3:35 p.m. | New Profits Through New Looks Ray Anderson Anderson Unlimited | Competing to Win Vilis Ozols Ozols Business Group | Bring 'Em Back: Keeping Customers Mark Mayfield, CSP | Financial Freedom for the Final Frontier: Wealth for Retirement Michael Allen CMAllenCom | Thinking Outside the Box Larry Helms, PhD |
| Saturday, August 5 3:45-5:30 p.m. | Friday's seminar breaks sponsored by Pilliod | | Rental Round-Table Session 1-2 stores | Rental Round-Table Session 3-12 stores | Rental Round-Table Session 12-plus stores |

MAKE PLANS NOW!

Hotel reservations

The APRO convention rate at the Opryland Hotel is \$145 single/double traditional room or \$185 for a Garden Terrace room and can be made by calling 615/883-2211 and mentioning the APRO meeting before the deadline of June 26. Note: You must call the hotel to get APRO rate. You cannot get the discounted rate online.

Travel discounts

Call APRO's official travel agency, Conventions in America,

at 800/929-4242 to receive the lowest available fares to Nashville on any airline, plus free flight insurance and discounted auto rates. You will automatically be entered in Conventions in America's monthly drawing and may win complimentary airline tickets. Be sure to mention the APRO convention, group #680, when you call.

Remember to book your flights early, as each airline offers a limited number of discounted seats. Once those are taken, you may have to book at a higher price.

Solicitations

No soliciting will be allowed at any APRO social function or on the trade show floor by non-exhibiting companies. For information on exhibiting, contact Cindy Benavidez (cbenavidez@apro-rto.com) or Carolyn May (cmay@apro-rto.com) at APRO at 800/204-2776 or 512/794-0095.

For more information...

Call Shelley Martinek (smartinek@apro-rto.com) at 800/204-2776 or 512/794-0095. Fax registration forms to 512/794-0097. Or register on-line at www.apro-rto.com/.



SPECIAL APRO MEMBERSHIP OFFER

Try APRO for 90 days free! Non-members may register for a full convention registration, take the member discount and receive a free trial membership for 90 days. Simply check the "Trial Membership" box on registration form.

Trial membership in APRO includes:

- ▶ Member discount for convention full registration
- ▶ 2000 Statistical Survey
- ▶ APRO press kit
- ▶ Progressive Rentals magazine
- ▶ View, APRO's employee newsletter
- ▶ Industry representation

A full APRO membership, in addition to the benefits listed above, also includes:

- ▶ Customer marketing research
- ▶ Initial legal consultation
- ▶ Commercial production footage — create your own television commercials
- ▶ Broadcast ready TV and radio commercials
- ▶ Rent It, an employee introduction video to RTO
- ▶ Customer marketing pamphlets
- ▶ Employee breakroom poster
- ▶ Media consultation and representation
- ▶ Who's Who in Rental-Purchase annual directory
- ▶ Insurance programs: group health, commercial
- ▶ Mediation/arbitration services
- ▶ Wage-and-hour consultation
- ▶ Member discounts: Airborne Express and Qwest
- ▶ And much more!

Call Carolyn May (cmay@apro-rto.com) at 800/204-2776 or 512/794-0095 for more information.

APRO CONVENTION REGISTRATION IN THREE EASY STEPS

- 1 HOTEL RESERVATIONS.** Deadline is June 26 to guarantee the special APRO rate of \$145 single/double or \$185 for a Garden Terrace at the Opryland Hotel. Call 615/883-2211 and ask for the APRO convention room rate.
- 2 AIRLINE/CAR RENTAL RESERVATIONS.** APRO is offering discounted travel rates through Conventions in America. Call 800/929-4242 and mention APRO (group #680). By making your airline reservations through Conventions in America, you will be entered in a free airfare drawing. Take advantage of lower airfares by making your reservations early.
- 3 APRO CONVENTION REGISTRATION.** Send in your APRO registration form by June 26 for discounted registration rates. Final pre-registration deadline is July 10. After that, registrations will be taken on-site. Call 800/204-2776 for additional registration forms or visit www.apro-rto.com to register on APRO's secure Web site.



Important Dates

- JUNE 26 Hotel reservations deadline, 615/883-2211.
APRO room block will be released after this date.

- JUNE 26 Last day for APRO full registration discount

- JULY 10 Final deadline for APRO convention pre-registration
(On-site registrations will be taken at the convention)

- JULY 10 Final day APRO will accept convention registration cancellations

APRO'S 2000 TRADE SHOW EXHIBITORS

A.B.S. Artistic Jewelry
 Addison Industries
 Aleco Furniture Mfg.
 Alan Schreck & Associates
 Alliance Computing Technologies
 Ashley Furniture Industries
 Audiofile Home Theater
 Avanti International
 BDI Distributors
 Bell Furniture Industries
 Benchcraft
 The Berkline Corp.
 Bernards
 Jerry Bogo Co.
 Bonnie The Flyer Specialist/
 America On Hold
 Brooks Furniture Mfg.
 Central File
 Classic Brass Collection.
 Coaster Co. of America
 Colby Furniture Co.
 ColorTyme
 Comfort Furniture Mfg.
 Comm South Companies
 Compaq Computer Corp.
 Continental Jewelry Express
 Crosley Corp.
 DM Merchandising
 DMC/Prime Source
 DPI Teleconnect
 Douglas Furniture of
 California
 Dover Furniture Mfg.
 FLX-Industries.
 Fashion Craft Jewelry
 Florida State Games
 Foresight

Fouts Brothers Isuzu-GM
 Trucks
 Fraenkel Co.
 Futureware Enterprises
 G&G Graphics and Promotions
 GE Appliances
 GE Thomson Consumer
 Electronics
 High Touch
 Home Line Industries
 Howard Miller Clock Co.
 IRIS Software
 Ideal Software Systems.
 Imagery Marketing
 Inform Business Services
 Innovations.
 JVC Corp.
 Jondy Chemicals
 Kenwood USA
 Klaussner Furniture
 Distributors
 Maytag Appliances
 McKeehan Chair Co.
 McNamara Isuzu Trucks
 Midwest Tropical
 Mirror Dynamics Ltd.
 Nationwide Club
 Administrators
 New Directions Mfg.
 Next Dimension/Laurel Arts
 Owen-Benton Furniture
 Philips/Magnavox
 Pilliod Furniture.
 Pomeroy Computer Resources
 Premier Asset Protection
 Progressive Furniture
 Promobiz.com
 RCA Thomson Consumer
 Electronics

RES Marketing
 ROC Software
 Rental & Sales Software
 Systems
 Rental Corner.com
 Rental Information Systems
 River Oaks Furniture
 Rose Hill Co.
 Sanyo Fisher Co.
 Sealy Mattress Co.
 Sears Contract Sales
 Shoppers View
 Sold on Hold
 Southern Rings
 Spring Air
 Standard Furniture
 Steve Silver Co.
 Sylvania
 TRIB Group
 Tele-Track
 The Relax-R Corp.
 Ther.A.Pedic International
 United Distributors
 Welton Sound Systems
 USA Ltd.
 Whirlpool Corporation
 Williamsburg House Dist.
 Xanatron Technologies Ltd.
 Zenith Electronics Corp.



2000 APRO TOM KITCHENS/JOE EASON GOLF TOURNAMENT

8 A.M., WEDNESDAY, AUGUST 2, SPRINGHOUSE GOLF CLUB (BUSES DEPART FROM DELTA MOTOR LOBBY AT 6:30 A.M.)

REGISTRATION DEADLINE: JUNE 26

Just minutes away from the Opryland Hotel is the beautiful Springhouse Golf Club. This 18-hole championship golf course is home of the annual BellSouth Senior Classic at Opryland, a stop on the Senior PGA Tour. Designed by former U.S. Open and two-time PGA Champion Larry Nelson, the layout was sculptured amid limestone bluffs and native wetlands indigenous to the area.

The 11th annual APRO Golf Tournament will follow tradition with a shotgun start at 8 a.m. This tournament is always an early sell-out, so be sure to register right away, as space is available on a first-come, first-served basis. Space in the tournament cannot be reserved until payment is received by APRO. The registration deadline is June 26, or when all tournament slots are filled, whichever comes first. The cost is \$100 per person.

Please submit this form with the convention registration form included in this brochure. A separate form is required for each player. This form may be photocopied.

Name _____ Handicap or average score _____

Requested team pairing (if possible) _____

Note: If a specific team is desired, please make sure that every member of the team completes the line above, indicating the same participants.

Convention attendee affiliation: vendor rental dealer guest/spouse

Shirt size: S M L XL XXL

Rental clubs and shoes will be the responsibility of the golfer and will be paid directly to the golf course on the day of tournament. Please check box(es) below if you would like to reserve:

Rental clubs—Callaway X-12: \$30 Rental shoes—Soft Spike: \$10 (waived if clubs are rented)

SPONSORED BY WHIRLPOOL CORP.

(GROUP PRE-REGISTRATION FORM)

ASSOCIATION OF PROGRESSIVE RENTAL ORGANIZATIONS GRAND OLE OPRY SHOW

(ALL PRE-REGISTRATION FORMS MUST BE RECEIVED BY THE OPRYLAND SPECIAL EVENTS OFFICE BY JULY 4, 2000)

After the July 4 pre-registration date, there is no guarantee for event availability. A confirmation will be mailed to you and should be considered your receipt. Your tickets can be picked up upon your arrival at the Opryland Hotel. All prices are inclusive of tax and gratuities. There will be no refunds or ticket exchanges. Opryland Special Events or APRO are not responsible for any tickets not picked up.

| EVENT NAME | DATE/TIME | COST | QUANTITY | TOTAL COST |
|--|---|--|----------|-----------------------|
| Grand Ole Opry Show (with transportation) | Friday, August 4, 2000 7-9:45 p.m. (7:30 p.m. show) | \$26.25 per person (includes tax and gratuities) | | \$ _____ enclosed* |

Name _____

Street address _____

City _____ State _____ Zip code _____

Home telephone (_____) _____ Business telephone (_____) _____

Special needs/disabilities _____

* Make checks payable to Opryland Hotel (in U.S. dollars) and mail to:
Opryland Special Events, attention: Kim Cheek, 2800 Opryland Dr., Nashville, TN 37214. For more information, call 615/871-6885.

Attendee Registration

ASSOCIATION OF PROGRESSIVE RENTAL ORGANIZATIONS' 2000 CONVENTION AND TRADE SHOW, AUGUST 2-5, NASHVILLE

PLEASE USE THE SEPARATE "EMPLOYEE DAY" REGISTRATION FORM ON PAGE 32 FOR STORE-LEVEL EMPLOYEES.

EXHIBITORS SHOULD NOT USE THIS FORM AS THEY WILL RECEIVE A SPECIAL BADGE FORM WITH EXHIBITOR INFORMATION.

Please print or type, one form per registrant and spouse/guest. (Personal guest is defined as "significant other" or immediate family member.) A written confirmation will be sent to you from the APRO office one week prior to the convention. If your registration is received in our office after July 10, it will be treated as an on-site registration and no confirmation will be sent.

Last name _____ First name (FOR BADGE) _____

Company name _____

Company mailing address _____

City _____ State _____ Zip code _____

Business phone (_____) _____ Fax (_____) _____

Any special needs? _____

Is this the first APRO Convention you will have attended? Yes No

Attendee type: Rental dealer Non-exhibiting vendor Other _____

Job title: Owner Executive officer District manager Store manager Account manager Other _____

What is the size of your company? 1 to 2 stores 3 to 12 stores 13 to 25 stores 26 to 100 stores 101 + stores

Spouse/guest last name _____ First name (FOR BADGE) _____

Child (12 and under) last name _____ First name (FOR BADGE) _____

FULL REGISTRATION INCLUDES:

- ▶ Opryland orientation (8/1)
- ▶ Welcome Reception (8/2)
- ▶ Gala Cocktail Reception, Wildhorse Saloon (8/3)
- ▶ Awards Reception and Banquet (8/5)
- ▶ All educational seminars (8/4 and 8/5)
- ▶ APRO General Session (8/3)
- ▶ Entrance to the Exhibit Hall

FULL REGISTRATION DOES NOT INCLUDE:

- ▶ APRO Golf Tournament (8/2)
- ▶ Nash Trash Tour (8/2)
- ▶ Grand Ole Opry Show (8/4)
- ▶ Spouse/Guest programs are included in Spouse/Guest registration only

SPECIAL SAVINGS

APRO is again offering discounts for multiple attendees from the same company. To qualify for discounts, multiple registrations must be sent to the address on this form, along with full payment. If registrations are not sent together, they will be charged at the higher rate. Please—no exceptions!

| CONVENTION ATTENDEE | FULL REGISTRATION (AFTER JUNE 26) | DISCOUNT RATE FOR REGISTERING BEFORE JUNE 26 |
|--|-----------------------------------|--|
| <input type="checkbox"/> First through third APRO member from same company | \$395 | \$365 |
| <input type="checkbox"/> Fourth APRO member and over from same company | \$365 | \$345 |
| <input type="checkbox"/> Non-member* | \$495 | \$465 |
| <input type="checkbox"/> Spouse/guest. Includes spouse/guest programs, August 3 and 4. Space is limited. You must indicate in advance if you plan to attend spouse/guest programs: <input type="checkbox"/> Will attend <input type="checkbox"/> Will not attend | \$295 | \$275 |
| <input type="checkbox"/> Child (12 and under only) | \$95 | \$75 |

A LA CARTE (for those who do not purchase full registration)

A la carte prices allow entrance only to individual functions as listed:

| | APRO member | Non-member |
|--|-------------|------------|
| <input type="checkbox"/> Exhibit hall only (will not allow entrance to seminars or social functions) | FREE | FREE |
| <input type="checkbox"/> Seminars, Friday and Saturday, August 4 and 5 | \$200 | \$300 |
| <input type="checkbox"/> Welcome Reception: "Red Necks, White Socks and Blue Ribbon Beer," Wednesday, August 2 | \$65 | \$65 |
| <input type="checkbox"/> Gala Cocktail Reception: "APRO at the Wildhorse Saloon," Thursday, August 3 | \$75 | \$75 |
| <input type="checkbox"/> Reception and Annual Awards Banquet: "Tennessee Travelin'," Saturday, August 5 | \$95 | \$95 |
| <input type="checkbox"/> Spouse/guest Program: Southern Cooking Demonstration, Thursday, August 3 | \$40 | \$40 |
| <input type="checkbox"/> Spouse/Guest Program: Grande Ole Opry—Then and Now, Friday, August 4 | \$45 | \$45 |

OPTIONAL EVENTS

GOLF TOURNAMENT: I will be attending the 2000 APRO Tom Kitchens/Joe Eason Golf Tournament.

(Complete the separate Golf Tournament registration form at left and include it when mailing this registration form. Cost is \$100 per player.) \$ _____

NASH TRASH TOUR: I will be attending the Nash Trash Tour on August 2. There will be _____ in my party attending X \$25 per person = \$ _____

***APRO's 90-DAY TRIAL MEMBERSHIP:** I am a non-member and want to take advantage of APRO's 90-day trial-membership (see details in this brochure).

ADD ALL FEES DUE AND ENTER TOTAL HERE

TOTAL \$ _____

My check is enclosed and made payable to APRO. Charge my credit card: American Express MasterCard Visa

Credit card number _____ Expiration date _____

Signature _____ Name as it appears on card _____

PLEASE MAIL OR FAX THIS FORM, WITH PAYMENT INFORMATION, TO:



P.O. Box 2483, Houston, Texas 77210
800/204-2776; 512/794-0095; fax 512/794-0097; www.apro-rto.com

THIS FORM MAY BE PHOTOCOPIED

RTOPRODU SHOWCASE

THESE FEATURED
PRODUCTS AND
SERVICES WERE
SUBMITTED BY
COMPANIES
EXHIBITING AT THE
2000 APRO
CONVENTION AND
TRADE SHOW AND
WILL BE ON
DISPLAY IN THE
EXHIBIT HALL
AT THE OPRYLAND
HOTEL IN NASHVILLE,
AUGUST 2-5.

BELL PUTS IT ALL ON THE TABLE

Bell Furniture Industries has worked over the years to build partnerships with skilled designers and craftsmen to bring the latest designs and highest quality merchandise at

the best prices to its customers. Bell's Desert Palm collection features a unique butterfly table, recessed for easy storage and weaveback chairs that match bedroom and occasional tables in this collection. The construction is of solid hardwood and Vermont white oak veneers. One of the

nation's top suppliers of fine furniture, Bell is dedicated to achieving its goal of making every house a home.

For more information, visit **booth 524** or contact Dick Klein, Bell Furniture Industries, 118 Northeast Dr., Loveland, OH 45140-7144, 800/837-0102.



A ROOM WITH A VIEW

Ashley Furniture now features a truly multifaceted bedroom set, Meadow View, available to rental dealers everywhere. Being at once sturdy and massive with the beauty and integrity of real wood and veneers, brass finish hardware, ample storage and solid wood moldings, this bedroom suite gives a bedroom an appearance of strength and durability. A rich, dark pine finish is a final touch that enriches Meadow View to an ageless room that stands alone in a class of its own.

For more information, visit **booth 606** or contact Bill Meadors, Ashley Furniture, 16401 Chenal Valley Dr., #6108, Little Rock, AR 72223, 501/821-1400 or visit www.ashleyfurniture.com/.

ET



ENTERTAINING WITH FLAIR

Pilliod Furniture Inc. will be showcasing its Lesley-Black 779-65 Entertainment Center, which has been a best-seller for rental customers. This ultra-contemporary double pedestal design holds a 27-inch television, has large dual speakers, a center channel speaker and a storage compartment for a compact shelf system. The softly rounded moldings and durable high-gloss black finish make Lesley a handsome and functional addition to a variety of decors. The OA dimensions are 57 inches wide by 19 inches deep by 54 inches high.

For more information, visit **booth 506** or contact Jackie Willingham, Pilliod Furniture Inc., P.O. Box 26777, 4620 Grandover Parkway, Greensboro, NC 27417-6777, 336/294-5233.

JEWELRY THAT KEEPS ON SHINING

Continental Jewelry Express is proud to

announce the addition of a line of sterling silver to its jewelry product mix called Sterling Shield. Sterling Shield is unsurpassed for its combination of craftsmanship, beauty, value and brilliance. To ensure many years of enjoyment and to maintain the lustrous white reflective appearance of sterling silver, Sterling Shield jewelry undergoes a process

designed to be tarnish resistant. Check out Continental's selection of silver chains at the 2000 APRO trade show. Continental offers in-store detailing and training for multi-store rental-purchase dealers.

For more information, visit **booth 201** or contact Thomas Murphy, Continental Jewelry Express, 4427 W. Kennedy Blvd., Suite 300, Tampa, FL 33609, 800/282-5182 ext. 242.

RELAX WITH COMFORT

The Comfort Furniture division of United Furniture Industries manufactures a wide variety of living room furniture, ranging from modern contemporary to transitional. Fabric





HEWLETT-PACKARD PCs HIT RTO MARKET

Alliance Computing Technologies and Hewlett-Packard Corp. have teamed up to offer the rent-to-own industry both brand name and quality solutions for its computer rental needs. ACT now provides various HP products that will satisfy the requirements of rental-purchase customers.



Hewlett-Packard's reputation for quality products with excellent service combined with ACT's computer rental knowledge and programs are a winning combination.

For more information, visit **booth 205** or contact John Foster, Alliance Computing Technologies Inc., 3105 W. Waters Ave., Suite 215, Tampa, FL 33614, 813/936-0165.

selection comes in a variety of styles and textures, including matched plaids and stripes, chenille, velvet, faux suede, bright European colors and the new breathable vinyl. With a selection of styles in multi-pil-

able living room furniture on the market today.

For more information, visit **booth 240** or contact Jim Tackett, Comfort Furniture, P.O. Box 308, Okolona, MS 38860, 800/458-7212.



low backs with contrasting or matched fringe or braid or European styles or camel back or plush pillow top cushions and backs, we can reach a more diversified market. Comfort creates some of the most comfort-

GENERATE PROFITS WITH FORESIGHT

The Foresight Preferred Customer Club is a revenue-generating benefit program

developed specifically for rent-to-own customers. The Club centers around several valuable insurance benefits from which the individual store or chain can select including Leased Property Insurance, Two-Year Extended Service Contract, Involuntary Unemployment and Accidental Death and Dismemberment Coverage. The Club also includes money-saving discounts on healthcare, automotive services, entertainment, groceries and much more. Stores may choose the standard design with accompanying point-of-sale materials or cus-



FORESIGHT
PREFERRED CUSTOMER CLUBS

tomize the program using their company name, logo and corporate identity.

For more information, visit **booth 319** or contact Cliff Stoner at Foresight at 2500 S. McGee, Suite 100, Norman, OK, 73072, 800/733-0811.

YOU GET MORE WITH KENMORE

Sears Contract Sales is a complete rental-purchase resource for Kenmore, America's No. 1 best-selling appliance brand. Sears is committed to the success of its business partners and with the right people and right programs in place, Sears knows how to handle the unique needs of the rental-purchase industry.

The latest Kenmore products will be on display at the APRO trade show. For example, Kenmore's latest in innovation and quality appliances will be showcased, like Kenmore's super capacity-plus and extra large capacity-plus washers and dryers, side-by-side and top freezer refrigerators, easy-to-clean electric radiant cooktop range, convenient portable dishwasher and more.

Each Kenmore product is backed by the famous Sears promise of "Satisfaction Guaranteed or Your Money Back." Sears Contract Sales is the one





GLIDE INTO HIGHER BOR

Brooks Furniture Manufacturing Inc., "The Glider Rocker People," specializes in bar stools and wooden glider rockers. The company also offers three-function metal gliders, which glide, recline and swivel for the ultimate in comfort and styling. These gliders are available in four styles, two finishes and more than 125 fabrics. The fabrics are all the same price. At the 2000 APRO trade show, Brooks Furniture will offer special promotions for new and existing accounts.

For more information, visit **booth 533** or contact Gene Gathagan, Brooks Furniture Manufacturing Inc., P.O. Box 199, Tazewell, TN 37879, 423/626-1111.

source that offers more solutions to help you be successful, like its Commercial One credit program and Sears PartsDirect.

For more information, visit **booth 600** or contact Al Zagoraniak, Sears Contract Sales, 5600 Bannister Rd., Kansas City, MO 64137, 800/359-2000

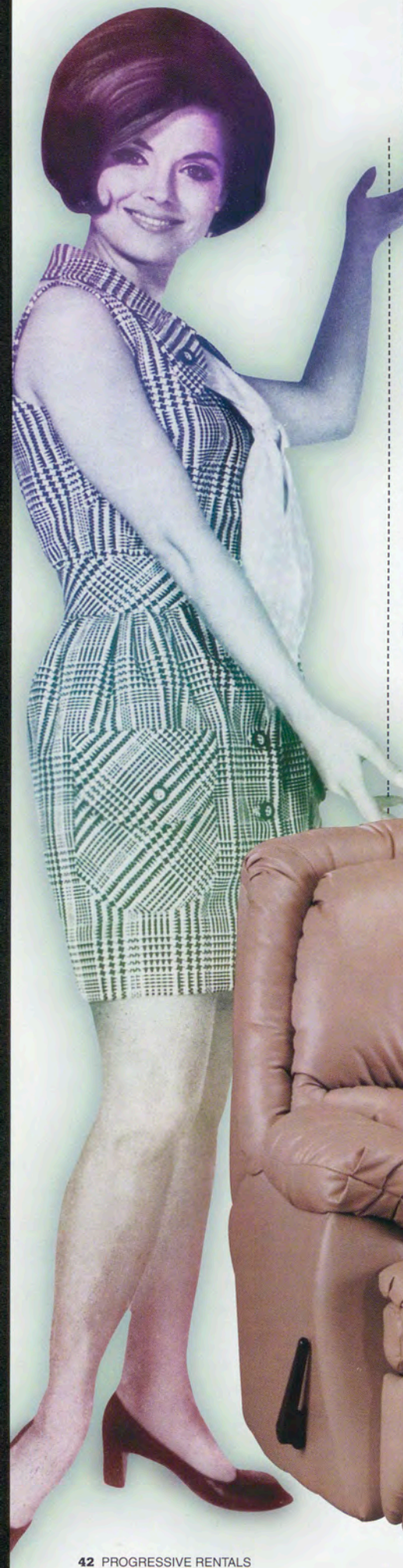
ext.2199 or visit www.Contract-Sales.Sears.com/.

AFFORDABLE QUALITY

Fraenkel Co. is offering a breath of fresh air to fur-

niture upholstery to dealers requiring promotional price points. With sofas priced from \$189.95 to \$244.95, with quality construction and tailoring not normally found at these prices made this Glenfield line stand out. Fraenkel is also showing an extensive line of





BUNKING IN STYLE

Dover Furniture Manufacturing Inc. will showcase its 3-inch tube rainbow twin bunkbed at the 2000 APRO trade show. The bed converts to twin beds and a matching rainbow bookcase and desk are also available.

For more information, visit **booth 434** or contact James Sargent, Dover Furniture Manufacturing Inc., P.O. Box 167, Arley, AL 35541, 800/433-3485 or 205/384-3251.

promotional bedroom pieces, lamps, metal bunk beds and futons that meet all the latest government regulations, as well as Rest Assured Bedding, a mattress recovery system that

provides a clean, safe, affordable mattress for rental customers.

For more information, visit **booth 218** or contact Mary Bernatsky, Fraenkel Co., 8300 Industrial Dr., Olive Branch, MS, 38654, 800/489-9994 or 601/895-3800.

RECLINING IN COMFORT

McKeehan Chair Co. offers three heavenly recliners for rental dealers to add to their

product mix. With more than 30 years in the business of manufacturing recliners, McKeehan has the three-way Proximity Recliner, the three-way Rocker Recliner and the three-way Swivel Rocker Recliner available for RTO, all starting at \$9 a week rental rates.

For more information, visit **booth 829** or contact C. Heath McKeehan, McKeehan Chair Co. Inc., P.O. Box 528, Athens, TN 37371-0528, 423/745-8843.

THE GOLDEN ROAD TO CUSTOMER LOYALTY

D.M. Merchandising's 60 years of experience in traffic building and motivational promotions can assist you in generating greater customer interest in your products and services and help to increase current customer loyalty.

D.M. Merchandising develops, designs and procures all of its programs, products and point-of-purchase materials. Jewelry is one of the company's key product lines and has a high perceived value by consumers. This allows dealers to



run extremely cost-effective traffic building and loyalty programs. Take the gamble out of giveaway programs!

For more information, visit **booth 818** or contact Marty Mages, D.M. Merchandising Inc., 4210 N. Transworld Rd., Schiller Park, IL 60176, 800/548-6784 or 847/671-5850 ext. 239.

SOFTWARE SOLUTION FOR RTO

RT0 Pro is the affordable solution for rent-to-own, rental, cash advance, retail and pager stores. RTO Pro is a complete Windows 95/98/2000/NT software solution, with prices starting at only \$899! Free demonstration CDs will be available at the 2000 APRO trade show.

For more information, visit **booth 124** or contact Ron Ganus, FutureWare Enterprises Inc., 5026 Gall Blvd., Zephyrhills, FL 33541, 813/782-6299 or visit www.RTOPro.com/.



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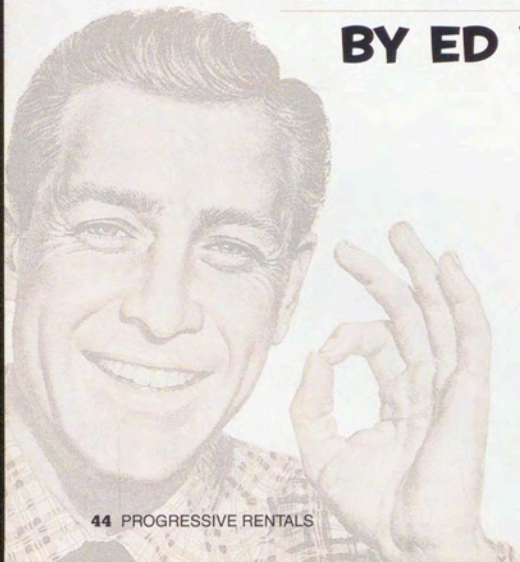
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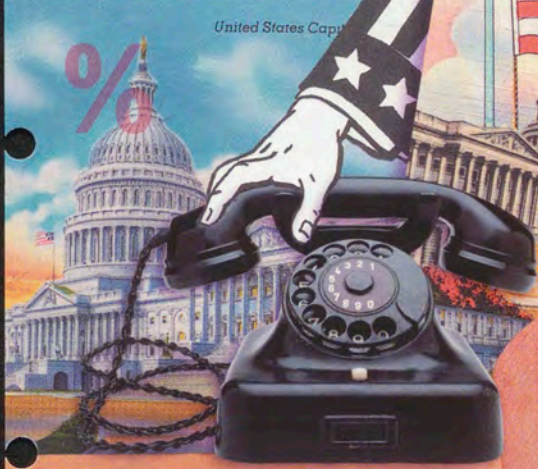
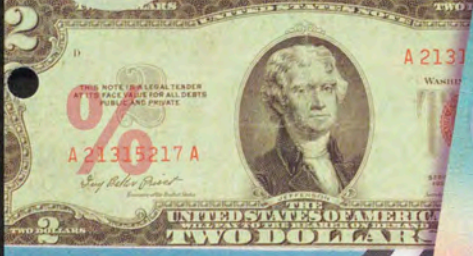
the **FTC** looks at **RTO**

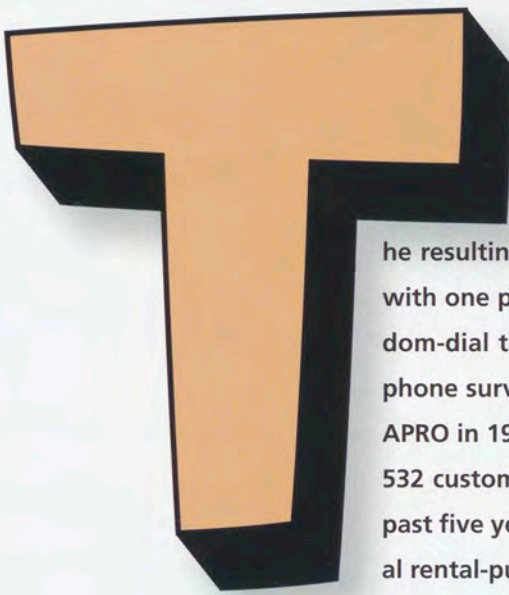
In April, the Federal Trade Commission released its long-awaited *Survey of Rent-To-Own Customers*. The industry had been aware of the pending study since last May when the White House announced a consumer protection initiative broadly labeled "Expand the Consumer's Right to Know," which included an examination of and possible regulatory recommendations for the rental-purchase industry.

**A REPORT
ON THE REPORT
BY ED WINN III**

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he resulting FTC report shows unusual insight into how the industry works and, overall, with one possible exception, is balanced, objective and fair. The FTC commissioned a random-dial telephone survey of actual rental-purchase customers similar to the two telephone surveys conducted by America's Research Group and Britt Beemer at the behest of APRO in 1994 and 1999. The FTC surveyors called over 12,000 homes in order to interview 532 customers who had entered into at least one rental-purchase transaction during the past five years. The America's Research Group surveys polled a similar-sized group of actual rental-purchase customers, 600, in its 1999 survey.

The FTC study had three goals: (1) to distinguish the characteristics of rental-purchase customers from those who do not use the transaction; (2) to determine how often rental-purchase transactions go to term; and (3) to determine whether abusive collection practices are widespread in the industry, as charged by consumer advocates.

The FTC goals differ sharply from the industry-commissioned surveys, whose goals were to measure the rental-purchase customer satisfaction levels about various aspects of the transaction. The FTC report, other than offering the results of its survey, is generally reticent either to praise or condemn industry practices, although a few of its findings do fly in the face of traditional industry criticism and can be fairly interpreted by industry supporters as official approval. The Beemer report, by contrast, offers a number of specific marketing recommendations based on its findings.

Based on the results of its survey, the FTC describes rental-purchase customers as "more likely to be African-American, younger, less educated, have lower incomes, have children in the household, rent their residences, live in the South and live in non-suburban areas."

The demographic profile derived from the FTC study differs from that found in the Beemer surveys. For example, the FTC study found that 73 percent of rental-purchase customers had a high school education or less. The Beemer studies found the percentage to be 60 percent. In the FTC study, 62 percent of rental-purchase customers rented their homes; in the Beemer study the percentage was 50

percent. The FTC study found 60 percent of rental-purchase customers had household incomes of less than \$25,000; in Beemer, 30 percent of households earned \$24,000 or less. Thirty-one percent of rental-purchase customers in the FTC survey were African Americans; in the Beemer studies, the percentage was 25 percent.

The studies also differed sharply over the kinds of merchandise rented by rental-purchase customers. The chart below shows the divergence between the studies relating to the kinds of products rented.

These differences go beyond mere statistical anomalies. The two groups sampled are simply different, as are the products they rented.

The differences, while material, do not render any of the studies invalid. These studies profile a diverse population base—rental-purchase customers. The industry has had difficulty defining its own customer base because of this diversity. The variance in these studies points up the lack of homogeneity among rental customers. It varies company by company, store by store, and now statistical survey by statistical survey. It would be equally difficult to derive precise conclusions

about people who drive cars or people who eat cheeseburgers.

The FTC study, as did the Beemer surveys, offers new insights into rental-purchase customers' attitudes and opinions about the transaction. No such study is intended to be definitive and the results of all such studies in the future will likely change as the industry continues to evolve with its products, services and methods of operation.

THE FTC AND RENT-TO-OWN

The rental-purchase industry has had relations with the FTC dating back to the late '70s, at least. Before APRO was formed, several rental companies had meetings with FTC staff to explain how the business worked and to see if the FTC could offer some protection from suits being brought against rental companies for allegedly violating federal Truth-In-Lending laws.

In 1983, the FTC submitted testimony to the U.S. Senate on proposed rental-purchase legislation. At that time, the FTC did not have "specific data on the frequency of rental-purchase agreements in the marketplace or of abuses of lessors in rental-pur-

FTC vs. Beemer: Apples to oranges?

| Product | FTC report [2000] | Beemer Study [1999] |
|----------------|-------------------|---------------------|
| Televisions | 18.6 percent | 38.5 percent |
| Washers/dryers | 15 percent | 25 percent |
| Stereos | 7 percent | 14 percent |
| Refrigerators | 5 percent | 11.5 percent |

chase transactions..." Ten years later, the FTC appeared before Representative Gonzalez' House Banking Committee and said much the same thing: "The Commission, however, has no independent information regarding RTO issues, and thus takes no view as to whether new federal legislation is necessary." The FTC also noted that it rarely receives complaints regarding RTO matters.

Chairman Gonzalez at the time publicly chastised the FTC for not coming down on the industry using the FTC Act, which gives the commission authority to regulate "unfair or deceptive acts and practices." The FTC representative noted for the committee that the commission received 41,000 consumer complaints in 1992, 82 of which dealt with leasing of any kind and perhaps one or two of which dealt with rental-purchase transactions. The implication was that the FTC was not persuaded, unlike Chairman Gonzalez, that the industry was necessarily doing anything wrong.

The FTC representative went on to note that much of the rental-purchase industry was made up of mom-and-pop operations. According to the FTC, "Expansive changes in the legal environment for this industry could impose compliance obligations that many such businesses could not easily meet. As a result, many such businesses could be forced to leave the market. These departures ultimately might harm rent-to-own consumers who rely on these small businesses in their neighborhoods and would be left with a less competitive industry."

The FTC is not a knee-jerk consumer protection organization and, indeed, it cannot be, because the FTC wears a lot of regulatory hats. The FTC has regulatory authority under 46 separate federal laws, which fall into two main categories: protecting consumers and insuring economic competition. The FTC has a lot of economists on staff to analyze the complicated business situations that call U.S. antitrust laws into play. Most of that analysis requires application of the "rule of rea-



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BY INDUSTRY SUPPORTERS
AS OFFICIAL APPROVAL.**

son," which means that they, as regulators first and, finally, the courts, if need be, must assess the costs and benefits of various decisions instead of instinctively leaping to a "pro-consumer," "liberal," "pro-business" or "conservative" conclusion. This vigorous economic analysis on the antitrust side appears in the consumer protection side of the FTC and is evident all through the findings in the rent-to-own survey.

**RENTAL-PURCHASE
CUSTOMER SATISFACTION**

The biggest finding in the FTC study from the industry's point of view is that 75 percent of rental-purchase customers are satisfied with their experi-

ence with rental-purchase transactions. In the Beemer survey, this percentage was just over 80 percent. According to the FTC, here is what customers like: "the ability to obtain merchandise they otherwise could not; the low payments; the lack of a credit check; the convenience and flexibility of the transaction; the quality of the merchandise; the quality of the maintenance, delivery and other services; the friendliness and flexibility of the store employees; and the lack of any problems or hassles."

Most customers who are dissatisfied are unhappy with rental-purchase pricing. The Beemer survey found similar reasons for satisfaction and dissatisfaction.

KEEP RATE

The most puzzling finding in the FTC study was that rental-purchase customers ended up owning 70 percent of the units they rented. The industry's own analysis of keep rate derived by dividing units delivered that went to ownership over a period of time by total units delivered over the same period of time have consistently yielded "keep rates" less than half of the FTC number. When rental-purchase customers in the Beemer surveys responded with a 50 percent keep rate percentage, the industry assumed that customers had forgotten units they had rented briefly and returned.

The industry's internal analyses were subjected to strict scrutiny because of the circumstances that gave rise to the analyses in the first place. It was during the industry's negotiations with the IRS over how to characterize rental-purchase transactions for tax purposes and, if the transaction was going to be deemed a lease, how to depreciate rental merchandise. The industry was prepared to go to court over the lease-versus-sale issue. In fact, there were two tax court cases pending when the Congress clarified the tax code in 1997 making rental-purchase transaction leases for tax purposes. Against the tracking data available in most companies which shows the keep

rate for new merchandise to be under 25 percent and the keep rate for all merchandise to be under 35 percent, one can only assume again the imperfect memory of rental-purchase customers polled in the FTC survey.

The bright side of this finding is that the FTC found no evidence that customers were renting units for a long time and then "losing" them back to rental companies when they missed a payment. Critics are fond of accusing the industry of lying in wait for customers in the 77th week to fall a day behind so that the company can grab the unit back. The FTC study found that 90 percent of customers who rented for six months or more obtained ownership.

NO COLLECTION ABUSE

The FTC answered its third inquiry (to determine whether abusive collection practices exist in the industry) emphatically in favor of the industry. "Abusive collection practices are not widespread and do not represent the typical experience of most rent-to-own customers who are late making a payment." And nearly half of rental-purchase customers surveyed were late at least once. This finding is a tribute to the patience and restraint that the industry consistently demonstrates in the collection end of the business and should do much to portray the occasional horror story that makes its way into the media as what it is, an aberration, and in no way an indication of industry business practices.

FTC POLICY RECOMMENDATIONS

The FTC did have some recommendations about how to regulate the industry. The clearest suggestion was for all rental stores to have price tags that include the total rental-purchase cost, the rental rate and other basic terms on products in the store. Rental-purchase statutes in 18 states require price tag disclosures and it is not known how widespread the practice is voluntarily among dealers in the other



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states. The FTC argues persuasively that consumers need this information while shopping and not after a decision to rent has been made. The FTC found the burden of complying with such a requirement to be minimal for dealers. As it happens, price tag disclosures is one of the provisions in the Jones bill currently pending in the U.S. House of Representatives and is a provision that the industry supports.

Because of the high keep rate found in its survey, the FTC acknowledges that some may want to regulate the transaction as a sale. However, the FTC urged caution about requiring an annual percentage rate disclosure in rental-purchase transactions. An interest rate disclosure has already proven difficult to regulate in automobile leases where there is a debt accrued. It would be no less difficult to require an interest rate disclosure in rental-purchase transactions where there is no debt. Problems include cash price variances and the valuation of the various services that make up the typical rental-purchase program. These are

problems that the industry has understood for some time and that the FTC acknowledges in its report.

The FTC writes deftly of the difficulty of mandating a uniform cash price disclosure methodology for the industry. The study decimates the notion that dealers be required to disclose cash prices in their stores equal to "prevailing market prices," which has been a recent push from some consumer groups at the federal level and in a few states as well. The FTC discusses the operational difficulties dealers would have in conducting the needed surveys of other stores and concluded that these kinds of surveys "could be prohibitively expensive."

RENTAL-PURCHASE PROFITS

Another finding by the FTC, albeit an indirect one, was that rental dealers are not enjoying exorbitant profits as has been suggested by critics. The FTC was discussing the feasibility of imposing price restrictions on the industry, perhaps by requiring an APR disclosure and then limiting the amount of interest. The FTC noted that it was not charged with studying the industry's prices and profits. It did note, however, that there are few barriers to entering the rental-purchase business. "A new entrant would need little more than a storefront, a delivery truck and an inventory of household merchandise."

The FTC properly notes that excessive profits in an industry can only be maintained if there are significant barriers to entry, collusion or some type of anti-competitive behavior. The FTC did not discuss anti-competitive behavior, but rental dealers in most markets know how competitive the business is. Dealers know, finally, that rental rates are what they are because of the costs associated with running the business. The FTC implied as much.

CUSTOMERS' TRANSPORTATION AND FINANCES

An important finding in the FTC study is that 84 percent of rental-purchase

customers have a car or truck. The FTC acknowledges that this finding refutes the argument that the industry is somehow preying upon the poorest of the poor who have no choice but to visit rental-purchase stores. "Most rent-to-own customers are not constrained to a neighborhood rent-to-own store by a lack of transportation and are able to comparison shop at traditional retail stores if they choose to do so."

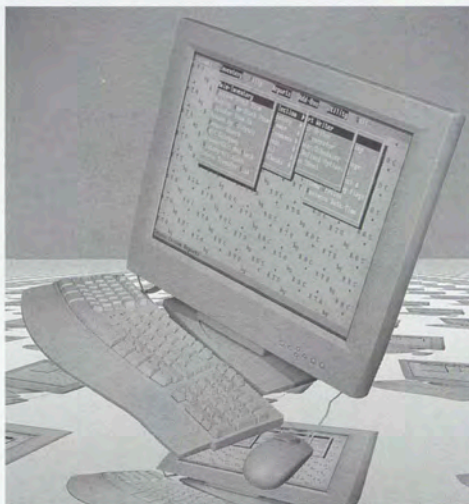
Also important is the finding that 77 percent of rental-purchase customers have at least one type of credit card or a bank account. They are not part of the "unbanked" population in this country and this finding may help the industry separate itself from the alternate financial services sector that is so much criticized by consumer groups these days.

Initial reactions to the FTC report have been favorable both inside the industry and out. Rental dealers had copies with them during the most recent legislative conference in Washington last month and members of Congress and their aides seemed favorably impressed with the FTC's conclusions about the industry. In Florida, a rental dealer had been negotiating for lease space for a new store in a shopping center owned by Fannie Mae. The bureaucrats in charge of the property had insisted that they didn't want to lease to any rental-purchase tenants. When they were shown a copy of the FTC report, this objection went away and the dealer got the lease signed.

The industry does not realistically expect the White House, which commissioned the study, to promote the findings, but the industry can count on its friends in Congress to do so. The industry itself, through the national and state associations, has a rare public relations opportunity to spread good news about rental-purchase from an unbiased third party. APRO members can obtain copies of the FTC report from the APRO office or from the FTC Web site at www.FTC.gov/.

Ed Winn III is APRO's general counsel. His e-mail address is edwinn@ibm.net.

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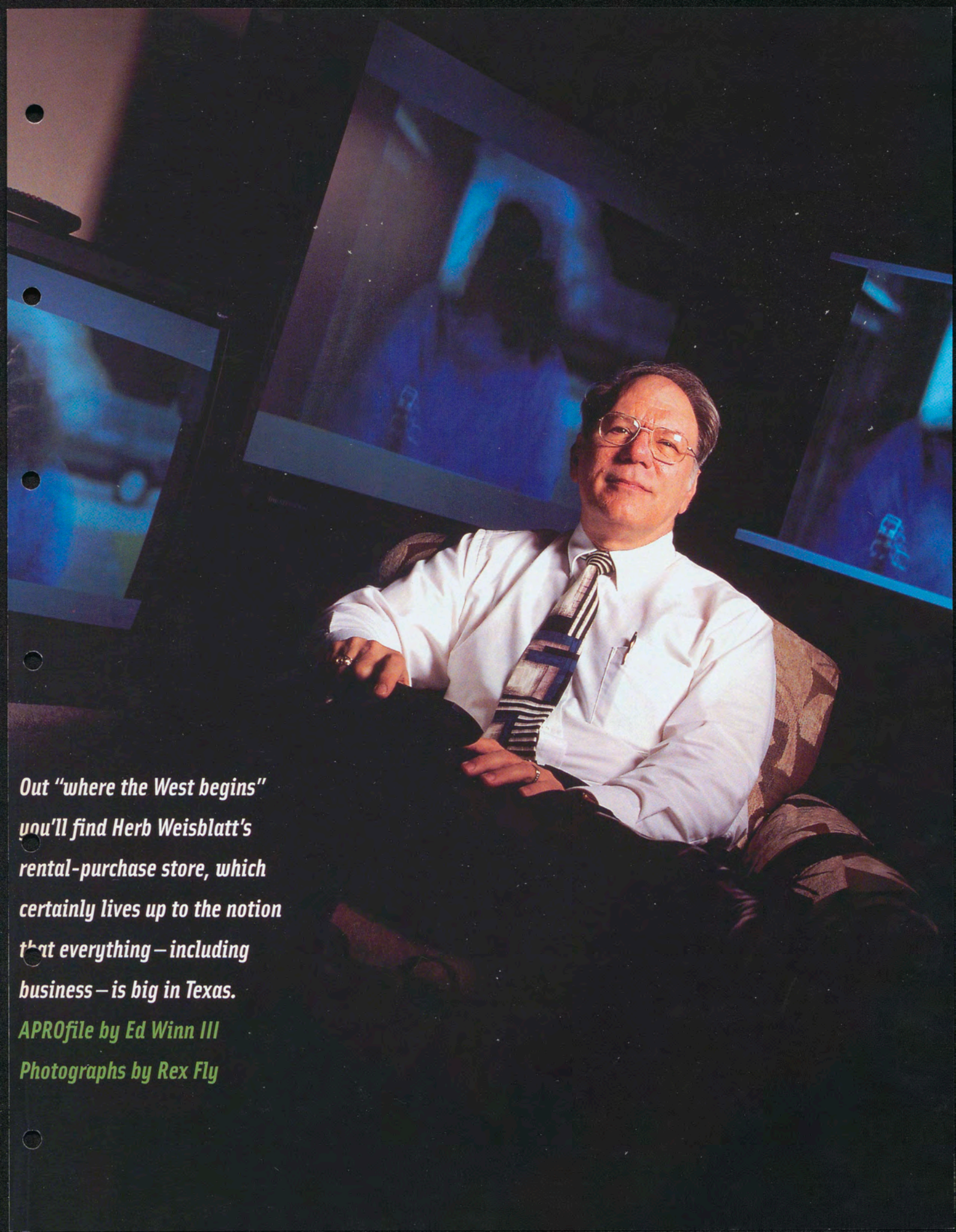
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THE BIGGEST BOOR IN THE BUSINESS



n the north side of East Belknap, in the northeast section of Fort Worth, Texas, Sam's Furniture and Appliance has stood quietly and unobtrusively since 1959. Inside, however, is a different story. The store boasts rental revenues of nearly \$500,000 and another \$200,000 in sales each month. The store has more than 3,000 lease customers on the books with over 11,000 units out on rent. The quiet exterior belies the hum of activity inside with store personnel hustling to service all types of accounts in what must be the largest rental store in the country. There are retail shops selling more, but no other rental store delivers as much product month in and month out as Sam's. Owner Herb Weisblatt is justifiably proud of his family's accomplishments as the story of Sam's success began more than 50 years ago.


Fort Worth is "where the West begins," no more improbable a place for America's largest rental store than any other medium size city. Dallas-Fort Worth is called the Metroplex, but the two cities are separate and distinctly different. Dallas is a modern metropolis; Fort Worth still resembles a town and continues to carry with it traditional values of two generations ago.



*Out “where the West begins”
you’ll find Herb Weisblatt’s
rental-purchase store, which
certainly lives up to the notion
that everything – including
business – is big in Texas.*

APROfile by Ed Winn III

Photographs by Rex Fly



Sam Weisblatt, Herb Weisblatt's father and company namesake, was born and raised in Fort Worth. He raised his family there. He started out working in an airplane factory during World War II. In February 1946, he and his wife, Florence, with \$500 in savings and \$500 borrowed from the bank, opened Sam's Stop and Shop on East Rosedale. One month later, Florence gave birth to their second son, Herb, the boy who would ultimately transform their fledgling store into the behemoth rental store that is Sam's today. Those were hardly father Weisblatt's ambitions at the time. He wanted to be his own boss and provide for his family and so he opened a grocery store. From the beginning, Weisblatt managed the floor and did the selling; Florence kept the books for the operation and raised the boys. But even then, Sam's was a concept on the move.

Setting the stage for success

In the late '40s, because of wartime rationing, appliances were on allocation in that part of the world. Televisions hadn't become a household item yet. Sam Weisblatt managed to get a few stoves and refrigerators allocated to him and started selling them out of the small grocery. A few years later, when TVs did begin appearing, he got some shipped and started selling them, too. The first televisions came from the manufacturer in three boxes — one for the cabinet, one for the picture tube and one for the chassis. In those early days of TV, there were no technicians — not in Fort Worth, at least — and Weisblatt had to assemble his televisions before he could sell them and had to teach himself how to fix them when they broke.

Herb Weisblatt and his older brother, Paul, grew up in this "mom-and-pop" business. As soon as they were old enough, they both had jobs in the store sweeping and cleaning, riding shotgun in the delivery truck and learning to make themselves useful, all the while absorbing their parents' entrepreneurial spirit and drive.

The business grew steadily along with the boys. TVs and appliances drove the groceries out after a time. Weisblatt added furniture when the boys were in high school. Herb Weisblatt remembers that his father, in the 1950s, in that first store, saw a lot of soldiers coming home from the Korean War with lots of needs, little credit and less cash. Sam Weisblatt started refurbishing traded-in televisions and appliances and selling them to the soldiers "by the week." His son, Herb, wonders if this early memory contributed to his own love of leasing later on.

Texas was thriving in the 1950s. Military bases had sprung up during World War II and after the war; Texas was the country's second largest defense contractor. The petrochemical industry exploded. Fort Worth dominated the cattle trade. Sam's and Florence's ambitions kept pace with the growth of the region and the city and, in 1959,

they bought out a competitor, Frank Carrie Furniture on East Belknap and turned it into the second Sam's. "Two sons, two stores," Weisblatt reasoned. Paul Weisblatt, the older brother, found the furniture business to his liking and Herb Weisblatt drifted toward electronics.

After high school, both boys enrolled in Texas Christian University in Fort Worth to stay close to home and to the business that was now dependent on their efforts. Herb managed the original store — which by the mid-1960s was a full-fledged TV and appliance store — all the way through TCU. Paul ran the East Belknap store, which carried mostly furniture and a few appliances.

One of the smartest decisions the Weisblatt clan made was to get involved with the creation of a furniture buying group, "SafBi," in the mid-1960s. Sam's is still a member today. Twice a week, Sam's fills a 52-foot truck from the SafBi Warehouse 80 miles away to keep Sam's showroom well stocked.

Change in leadership

In the early 1970s, the power retailers in both electronics and furniture came to Fort Worth and threatened all the mom-and-pop shops in town, even the well-established ones, like Sam's. The Weisblatt response, once again, was to join an electronics buying group called MARTA. It proved to be a well-timed, fortuitous move. Between 1976 and 1986, Sam's saw 90 percent of the local furniture and appliance independents in Fort Worth go out of business. It was also in 1976, the beginning of this turbulent period, that Sam Weisblatt, the founding father, died.

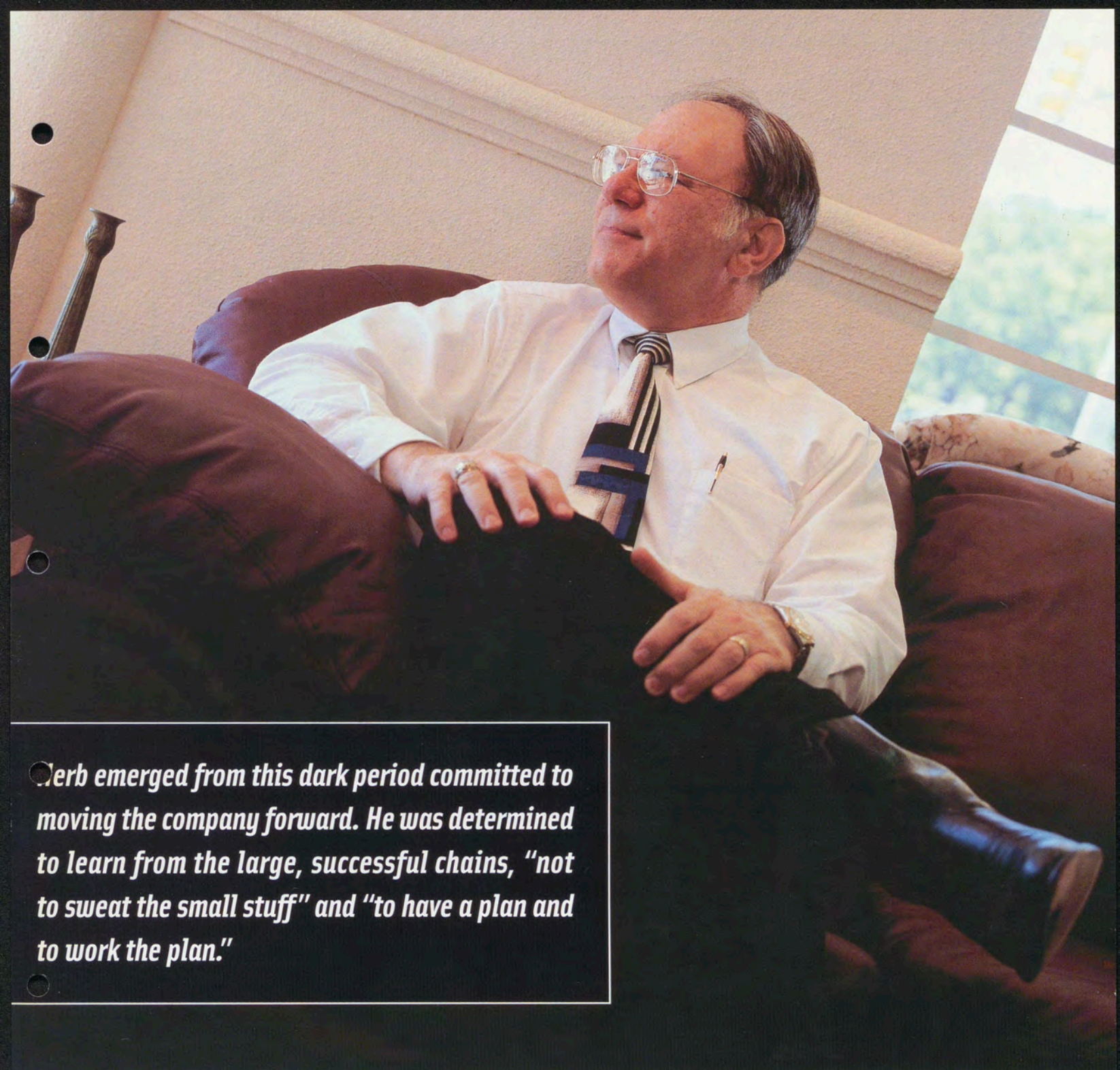
Faced with a changing market and the loss of the head of the clan and the company's driving force and inspiration, the late '70s were a time of soul searching for Weisblatt's widow and sons. The business and the family had relied on the patriarch's vision for 30 years. Herb emerged from this dark period committed to moving the company forward. He was determined to learn from the large, successful chains, "not to sweat the small stuff" and "to have a plan and to work the plan."

Changing course

It was at one of the MARTA meetings during this period (Herb made a point of attending them all), that he first heard about the new concept of TV rental. The notion instantly intrigued him and he began investigating it about the same time APRO was forming. Sam's became one of the first APRO members and Weisblatt went to all the APRO meetings. Weisblatt says that listening to rental dealers talk at those early meetings gave him the confidence to jump into the rental business. Ironically, one of the more heated issues at those early APRO meetings was



CHANGE



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whether retailers like Weisblatt should be allowed to participate in APRO functions at all lest the trade association be used as a springboard for retailers to jump to rental. APRO attracted a few retailers like Weisblatt, but never in the numbers feared by some of the APRO founders.

In the early 1980s, Weisblatt opened three rental-purchase stores in Fort Worth in quick succession, Sam's TV and Appliance Rental, while continuing to supervise the two retail stores.

Paul Weisblatt took a different path and began opening Sam's Video Stores. The Sam's empire prospered in all aspects — retail, rental-purchase and video — until 1986.

That was the year of the Texas oil and real estate bust and almost overnight the Sam's stores saw volume decline by 40 percent. Historically, when the retail business got soft, Weisblatt had been able to trim margins or increase advertising and solve the problem. This time, though, Sam's did both and nothing worked.

Sam's had been a fixture in Fort Worth for 40 years by now and, for the very first time, the company began losing money. It became apparent that the company could no longer support both brothers as well as Florence, so Weisblatt and his brother flipped a coin for the business. History does not record Weisblatt's call or how the coin



fell, but Herb says he lost the toss and had to stay in the business and buy his brother out.

Weisblatt needed cash for his brother and for the business, and one of his first decisions was whether to sell the ailing retail chain or the more stable and successful fledgling rental chain. Perhaps out of a sense of tradition, perhaps in memory of his father, perhaps out of a sense that the rental-purchase business as it existed then was not perfectly to his liking, Weisblatt decided to sell the rental stores and keep the retail. He sold his three stores to a competitor, Bill White's Action chain, in 1987. At the

same time, he closed the original retail store to consolidate his energies into the larger store on East Belknap.

The rental bug bites

Despite the sale of the rental stores, Weisblatt soon realized that the rental bug had bitten him. He felt as if he understood the rental business and its customers and pondered variations on the rental theme as they might apply to retail. He knew the demand for rental was strong; he saw it every day in his retail store. Customers

He is very successful in converting former weekly rental customers into monthly leasing customers at Sam's. Herb estimates that store activity is only one-fifth or one-sixth of what it would be if he carried weekly accounts.

came in wanting the products he carried, but they were without the cash or credit to buy them. They were leaving Sam's Furniture and Appliance store with nothing and presumably finding their way to a rental store or doing without. Weisblatt determined to change all that in his corner of the world.

He began studying the rental concept in earnest, its strengths and weaknesses, and determined that the leasing concept had fewer negatives and more positives than traditional rental-purchase. He decided to launch furniture and appliance leasing in order to "satisfy the wants and needs of our customers, whether they had credit or not." His program as it evolved was to lease only new products, to lease them only on a monthly basis, to collect two month's lease payments in advance, to have an initial lease term of six months and to give ownership in 17 months. Having run three traditional rental-purchase stores for a time, he knew how labor intensive the weekly business was and figured that he could not adequately service the weekly business out of his retail store.

A part of that decision also involved another customer service angle. Many lease customers had bad or no credit and wanted to repair their credit histories. They wanted Sam's to report their payment histories to the credit reporting agencies; those agencies would only accept monthly payment reports. Weisblatt worked on a transaction that took into account all of the objections to traditional rental-purchase from both the owner's and the customer's point of view. For example, he refused to rent used products. When units came back, Weisblatt refurbished them and sold them off the retail floor to his "cash-paying, bargain-hunting customers."

The plan, once implemented, began working immediately. Sam's started pulling in the "cream of the crop" from traditional rental-purchase stores in the market and also attracted a lot of "leasing" customers who had never considered rental-purchase as an option. With a tweak here and there, Sam's lease program continues today.

The WalMart of leasing

Weisblatt says that he has tried to position Sam's as both the Neiman Marcus and the WalMart of consumer furniture and appliance leasing in Fort Worth. Being so many

different things to customers out of a 15,000-square-foot showroom is no mean feat. Sam's is high end because the store offers new merchandise, great selection and truly lavish service. It also offers lease rates 30 percent to 50 percent lower than his rental competitors and the best early-purchase option in the business, according to Weisblatt. He maintains that the cash prices in Sam's are as low as anyone's in town, thanks in part to the company's continued active involvement with the two buying groups.

Weisblatt remembers that the biggest internal change to Sam's came four years ago when he assembled the troops and gave what his wife calls his Nikita Kruschev speech, complete with shoe pounding on the table. Weisblatt understood the value and growth potential of his leasing concept, but his employees didn't. They still thought they were in retail. Weisblatt says that speech, all about his passion for and the potential of leasing, converted 90 percent of the employees to his way of thinking and the other 10 percent quit. Since then, leasing revenues have grown at over 20 percent a year.

Four years ago, there were 30 employees; today the store runs with about 45. Weisblatt predicts another 20 percent growth in 2000.

Pleasing the customer

When asked how he does it, Weisblatt responds that Sam's offers its customers what they want at prices they are willing to pay. He says that he is very successful in converting former weekly rental customers into monthly leasing customers at Sam's. He estimates that store activity is only one-fifth or one-sixth of what it would be if he carried weekly accounts. The rule is inviolate. Customers who insist on paying weekly must go somewhere else.

Nearly half of the business is "take-with" as opposed to requiring delivery, even the furniture business, and roughly half of lease revenues are from mailed-in payments. That means the showroom must stay full and the company is purchasing more than \$2 million in inventory a year.

Thanks to the SafBi warehouse, Weisblatt says he can get name brand furniture twice a week at about what he would pay if he bought directly from the manufacturers and waited 13 weeks.

Weisblatt says his lease customer demographic is nearly two-thirds female with a high percentage of single women. He also targeted the Hispanic market, which is large and growing and is under served in Fort Worth. Weisblatt thinks his leasing customers may be a little older than traditional rental-purchase customers, with the 35-50 age group being the largest. A lot of customers did rental-purchase when they were younger and now prefer to lease. Weisblatt describes the Sam's customers as being unusually loyal.

"Our customers often pay us first. We are giving them a better deal and they know it," says Weisblatt. In his rental-purchase stores, it was not unusual for customers to come in and rent several units just before declaring bankruptcy. In Sam's, as often as not, customers who are going to file will come in and pay off their units before filing.

"They know they are going to need us after the bankruptcy and that we are going to be there for them," says Weisblatt.

On keeping employees

Weisblatt is quick to credit his employees with Sam's successes. His key staff members have been with the company more than 10 years. There is very little turnover after an employee has been with the company for two years. Weisblatt attributes employee tenure to the work atmosphere, the benefits package and the fact that his employees are genuinely appreciated by Weisblatt and Sam's customers. Weisblatt's mother, Florence, is the employee of longest standing. Fifty-four years later, she still writes the checks and counts the money for the company. Behind the scenes, her nickname is "Cash Flo."

In keeping with its Fort Worth heritage, Weisblatt says Sam's has retained a small-town look and feel to it. "We pull proudly from our roots in the '50s and combine that

with modern service and high-tech systems," he says.

Plans for the future include computer leasing, which Weisblatt has moved toward slowly. There is incredible demand and, therefore, great potential. Weisblatt continues to consider taking his concept multi-store. "I think this concept would work in every major city in America," he says. Whether he decides to go big or bigger, the future looks promising. He is confident Sam's will grow to a \$10-\$12 million business in the one location, not counting what he can do with computers.

Weisblatt and his wife, Rosemary, spend as much time as possible on their ranch west of Fort Worth, although he is still in the store four days a week. They have three children. Jon is an executive at Dell in Austin, Shari is an oncology nurse in Dallas and Seth is a computer guru in Washington, D.C. Weisblatt describes himself as a "gentleman rancher." He just doesn't know yet whether to open stores and continue with the "gentleman" moniker or whether he wants to get serious about his cattle and donkeys. Either way, the drive and insight that have propelled this West Texan for the past 40 years should keep him at the top of whatever game he chooses well into the future. ■

Ed Winn III is APRO's general counsel. His e-mail address is edwinn@ibm.net.

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How are you upgrading the look of your stores?



David Bandy
HOUSEHOLD SALES
SAINT CLAIR, MO

Over the past two years, we have completely upgraded our stores. In fact, we have five stores and just finished remodeling the fifth. We added carpeting, paint, remodeling and static kitchens. You name it, we've done it. We took a field trip and shopped other RTO stores and some major retail stores in order to compare and contrast the differences. What we saw was that although the retail stores were jammed with product, they were still user-friendly. Now, we have changed from the typical warehouse layout to a retail-like setting. There is background music playing all the time, continuous air fresheners and the lighting and paintings on the wall are just terrific. Customers tell us that our store makes them feel very much at home.

Tracy Blevins
JETSON RENTS
FORT PIERCE, FL

Lately, our focus has been to accessorize the stores. We've added plants, pictures and extra fixtures to our bedrooms and living rooms. It dresses up the look of our stores so that they don't look like a used furniture store. In the past, we have installed new carpet and painted all of the stores in softer colors instead of white. There has been a tremendous difference in the look of the stores and it is a much more pleasant place to shop for our

customers. The perception of the used furniture store is gone. Customers are more satisfied with their product because it is presented in a better way in a better environment.

Daniel Cole
NATIONAL RENT TO OWN
BRIDGETON, MO

One of the main things we do is color coordinate all of our stores. We use bright colors, like two-tone reds, to brighten the stores. Also, we use flowers, plants and other accessories throughout our stores. In addition to that, we use professionally done signage rather than handwritten signs. We're constantly trying to keep wear and tear to a minimum, so our fixtures and countertops are consistently upgraded. It's expensive, but it has always been our policy because the real key is to be comparable to what retail stores are doing.

Jet Griffin
GRIFFIN ACCEPTANCE CORP.
DBA GRIFFIN RENT TO OWN
YAZOO CITY, MS

Actually, we just went to the APRO conference in Biloxi and learned how we could do better, like adding some false walls. One of the things we have done on the outside is add new, lighted, nice-looking, neon signs. As for the inside, we're always trying to do a little bit better. We try to keep a good-looking, clean floor, with accessories and that kind of thing

and give every store a display diagram to follow. We remodeled our counters and in the past few years, we have painted and put carpet down. The whole nine yards. In fact, we have done this for years. Before entering the RTO business, we had a retail furniture store, so that helped keep us ahead of the game for a little while. Upgrading our furniture was also important. We used to think that people would never even consider the more expensive items, but now we have started renting higher end furniture. That's exciting to me.

Dale Tanner
TANNER VENTURES, INC.
DBA CURTIS MATHES
SAVANNAH, GA

Cleanliness is what I fuss about. That's nothing new, but it is the most important thing I do. I haven't done much to the look of my store and don't have any plans to do any remodeling. Actually, my most successful store is my worst looking store. I think the look of the store can be important to attract new customers, but for long-term growth, you need to keep current customers. You can have all the new paint jobs, risers and what not, but none of that matters if you don't have good people and good products. ■

Stephen Schenck is a student intern attending the University of Texas at Austin.

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