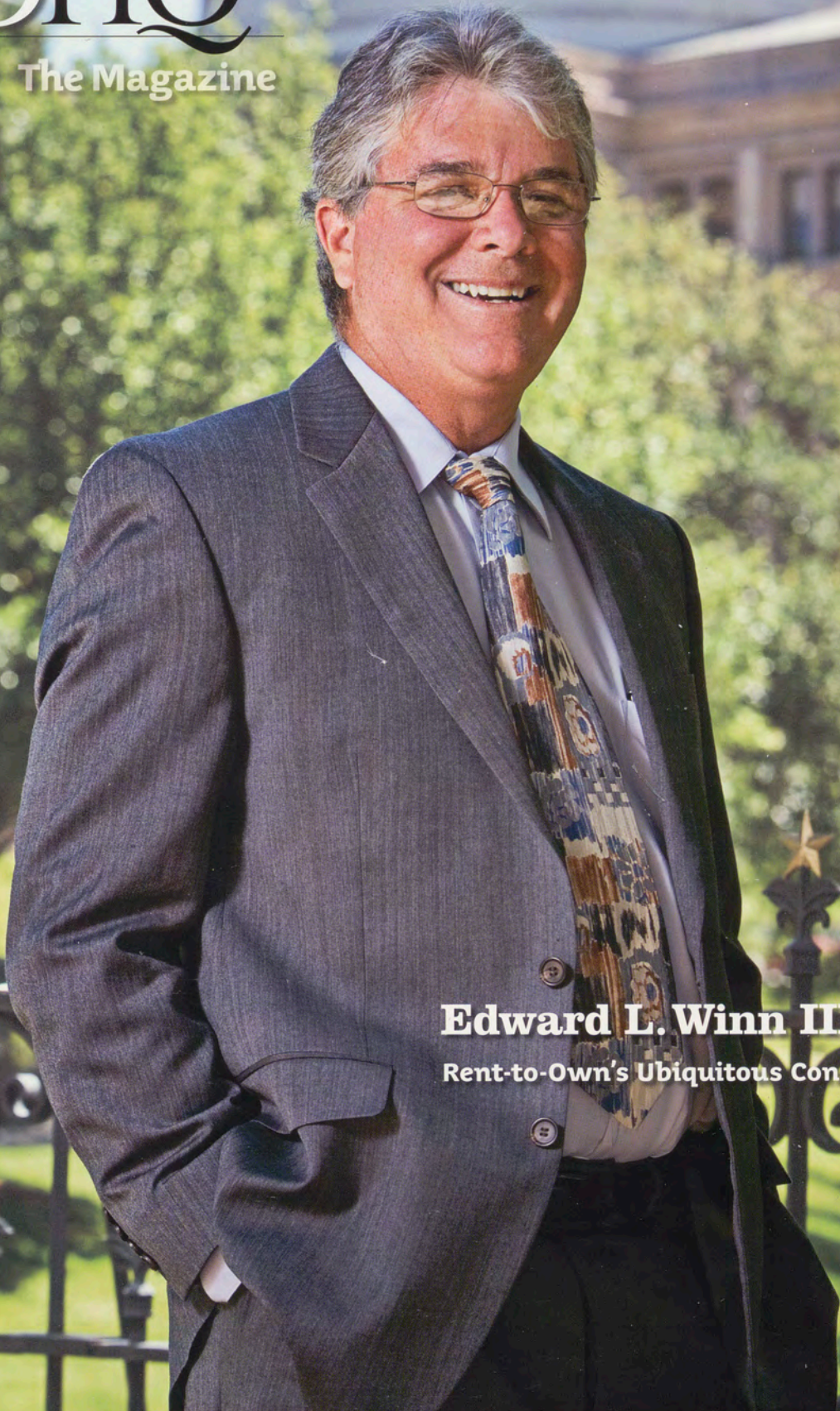


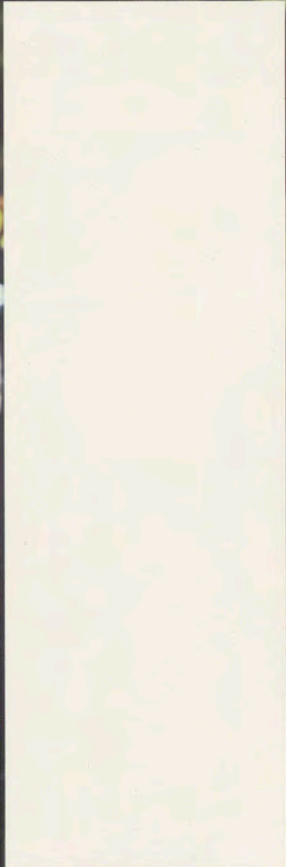
RTOHQ

The Magazine



Edward L. Winn III

Rent-to-Own's Ubiquitous Conscience



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RTO's ubiquitous conscience

As we gather in Louisville to celebrate 30 years of association history, we should recognize that there has been one constant since the beginning of APRO: Ed Winn III. Ed wrote the original bylaws, incorporated the Association of Progressive Rental Organizations, served as its first executive director, serves the industry as APRO's legal counsel, befriended countless rental dealers, has written hundreds of articles and briefs about the rent-to-own transaction, saved most rental dealers lots of money with his no-nonsense legal advice and has been a loyal advisor to every APRO president.

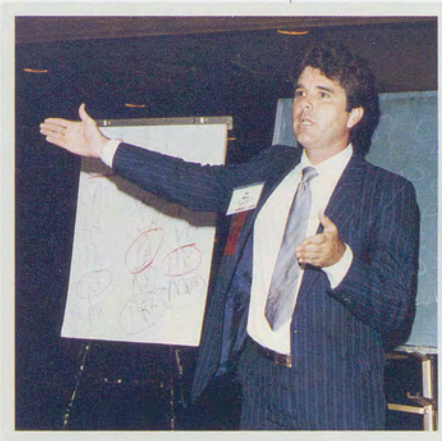
As a teenager tooling around in his father's Citroën—which he loved—Ed never imagined that he would spend half of his life helping build an industry and protecting it from all detractors. He is the only son (Ed has two sisters) of a college professor father and a Southern belle mother. He taught tennis at a girls summer camp in his youth, attended college in France for a year and taught business law at The University of Texas immediately after graduating from law school.

I met Ed on the day of my interview for the job as APRO's executive director in July 1989. I was waiting in the reception area of the APRO office when Ed walked in and said—looking over his half glasses—“You Bill Keese? Follow me.” It was the beginning of a friendship that has lasted 21 years.

During my first six months at APRO, Ed, his wife Elizabeth and I would meet every Wednesday evening after work, which was to become my education in the world of rent-to-own. Sometimes we would just go to dinner, sometimes we would go bowling and other times go shopping, but always we talked about APRO and the industry's history, the current state of affairs and what might happen to rent-to-own in the future. No one could have had a finer mentor. By my calculations, we have talked about rent-to-own at least once a day for nearly 7,000 days since I was hired. I learn something new from Ed every day. Rent-to-own has been fortunate to have latched on to such an attorney and friend for the past 30 years. Every owner, every co-worker and every customer has benefited in some important way from this man, whether you know it or not.

We chose to highlight Ed in this issue so that all of you could get to know him better. There is a misconception among some that Ed is arrogant; let me dispel that now. Far from it—Ed actually is a very shy person. It took many of us a lot of coaxing to get his approval to put his mug on the cover of our magazine. Ed doesn't like the limelight, but after 30 years, he will just have to suffer through it.

This issue also features our outgoing president, Tiger John Cleek, highlighting some of the most important events of the past two years. Tiger is not running for another term as president, nor is he running for another term on the APRO board of directors, but we will continue to benefit from his experience for another year as he will serve on the board as immediate past president.



APRO's executive director
bkeese@rtohq.org

RTOHQ

The Magazine



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Cover photograph by George Brainard

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The opportunity to serve

As his term draws to a close, APRO President Tiger John Cleek reflects upon two years of achievements, challenges and ceaseless legislative pursuits

As we commemorate the association's 30th anniversary during APRO's Convention and Trade Show in Louisville this July, I'll be completing my second term as your president. I have been an APRO member for 25 years and it has been an honor, privilege and challenge to lead our association in these harsh economic and political times. Since I'm winding up my term, I wanted to take a moment and share with you a few of the highlights—and challenges—of my time at the top.

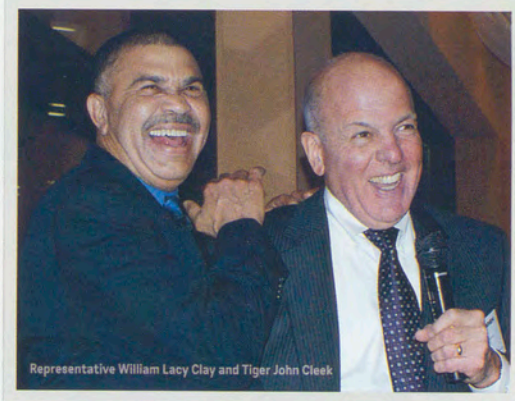
Years ago, former APRO president Kevin Quinn told me, "Tiger, you will know when you are needed, and you will step up." Due to the strong relationship I developed with Congressman William Lacy Clay—whom Dan Cole, Larry Carrico and I persuaded to be our lead House sponsor in 2007—that time was August 2008 when I was elected president during our St. Louis Convention. Two weeks later, my wife Ann and I attended the BrandSource/AVB show in Las Vegas. In May 2008, the APRO board had voted to co-locate with BrandSource/AVB for our 2009 Convention and I wanted to meet the principals and show APRO's support. The decision to co-locate was made strictly for financial reasons, but it was a very divisive issue for our association during the first several months of my presidency.

In September, Dan Cole and I had dinner with Congressman Clay at an annual fundraiser held in his father's honor in St. Louis. With Congressman Clay, it's always been: "Tiger, what can I do to help your industry?"

That same month, my son John Jr. and I went to the Midwest Training Expo. Ohio Rental Dealers Association President Mike Tissot had a packed house and a first-class event. We were impressed that, instead of paying for speakers, they sold sponsorships to vendors who conducted training seminars during the show. At this event, I also persuaded Bob Bloom, president of ColorTyme, to serve on the APRO government relations and public relations committees. Getting members who were not on the APRO board involved in committees has been one of my goals and Bob was a great addition. Also, Mike Tissot, one of APRO's most popular speakers, agreed to conduct a seminar at our 2009 convention.

In October, I went to Dallas for the Texas Association of Rental Agencies' 25th-anniversary celebration. RentDirect Nationwide was TARA's main sponsor and had formed the Nationwide Rental Coalition (NRC) to give its members a voice in federal legislative efforts. As APRO president, I welcomed all NRC members and rental dealers to participate in the legislative process—but stressed that we must be united in our message or we would all fail!

That same month, I flew to Atlanta for TRIB Group's Meeting of the Minds and to help re-organize the Georgia Rental Dealers Association for the second time. Bill Keese and I had helped organize the group in 2003, but interest had waned and they needed a new spark. To help with that effort, Chris Bolin, president of the Kentucky Rental Dealers Association, attended, as did Sam Choate, an attorney and Georgia's lobbyist. The Georgia Rental Dealers Association was re-born again.



Representative William Lacy Clay and Tiger John Cleek

Later that October, I traveled to Springfield, Illinois, with Dan Cole for the Illinois Rental Dealers Association meeting. IRDA President Steve Braning had done a good job running the association, as was evident when that group was awarded Most-Improved State Association at APRO's 2008 Convention.

In November, we held APRO's board of directors meeting in Austin, Texas. I came in a day early to meet individually with APRO staff members. Bill Keese has assembled and maintains one of the most talented and devoted staffs I have seen in any business. While we were in Austin, Barack Obama won the presidency and the Democrats took control of both the House and Senate. How to deal with the NRC became a topic of heated discussions, as did APRO's 2010 Convention and whether or not we'd co-locate again. There were so many unresolved issues that the board agreed to meet again the following January.

In November 2008, we decided to partner our company, Cleek's, with Aaron's; the following month, we bought the Aaron's franchise rights for all of our markets and began the conversion process—which is no minor feat, as those of you who have ever changed company names will know.

In January 2009, I went to Washington, D.C., for a strategy session with APRO's Bill Keese and Richard May, Rent-A-Center's Dwight Dumler, Aaron's Beth Gibbs and members of the five lobbying groups that represent our industry. Among other meetings, I met with Senator Mary Landrieu, who agreed once again to be our lead sponsor in the Senate. I had a great meeting with my good friend Frank "Les" Davis, Congressman Clay's chief legislative assistant for financial services issues. Les laid out very aggressive goals for the upcoming session of Congress and I knew once again that we had the right lead sponsor!

Also that month, your APRO board met again, this time in Dallas, to hone our legislative strategy and work out the issues regarding APRO's 2010 Convention. John D. Raffalli, a lobbyist who has represented our industry for nearly 20 years, gave us a federal update and emphasized that any division in our legislative approach could be catastrophic. Emotions ran high, but in the end, we decided that APRO would not co-locate with any group in 2010.

In February, I attended the Missouri Rental Dealers Association meeting in my hometown of Columbia and gave them an industry update.

For months during this period, I talked to Les Davis daily. Congressman Clay decided that instead of merely introducing the RTO bill with a handful of original co-sponsors, he wanted to nurture bipartisan support for his bill and he needed numbers to do it. We arranged for a nationwide conference call in March that included state association presidents representing 45 states, APRO's board of directors and executive advisory board, as well as our government relations committee. For the

first time in APRO's history, a sitting U.S. congressman participated in our conference call and gave an impassioned call to action. It worked beyond our wildest dreams! APRO members contacted members of the House who had co-sponsored in the past and asked them to contact Clay's office and become co-sponsors on the latest bill. Richard May, Bill Keese and Jeannie Hutchison motivated our grassroots efforts with full force.

In March, I went to Dallas for the TRIB Group meeting and told them that Congressman Clay was going to introduce his bill that week and that Senator Landrieu would do likewise in the Senate the following week. On March 26, 2009, Congressman Clay introduced HR 1744, the *Consumer Rental Purchase Act of 2009*, with 41 original co-sponsors—a record number!

In April, Aaron's held its national general managers meeting in Washington, D.C. I was there both as APRO president and as a new Aaron's franchisee. During the meeting, more than 200 Aaron's managers spent a day on Capitol Hill meeting with Congressional staff members to lobby for the rent-to-own bills. APRO developed a special computer program to schedule those meetings and post the results online. Cynthia Baber-Strunk came to help and was invaluable in our efforts.

That same month, APRO held its annual Dave Egan Legislative Conference in Washington, D.C. The NRC members scheduled their conference for the same time and APRO's staff coordinated all of the meetings for both groups without a hitch. What had started as a confrontation became an act of cooperation and we had a record number—more than 200—rental dealers on Capitol Hill delivering a unified message: that our legislation was good for our customers and created thousands of jobs. Congressman Clay came to APRO's social event during the conference and continued to inspire and impress us with his commitment. After all the traveling I had been doing, I was missing time with my family, so I brought them with me to Washington. Ann, our daughter-in-law Heather and the world's best grand kids—Johnny, Mary and Thomas—had a great time sight-seeing while John Jr. and I lobbied the Congress.

After the Legislative Conference, telephone calls and e-mails replaced airline tickets for a few months until Ann and I went to Williamsburg, Virginia, in June for the Congressional Black Caucus Foundation's Golf and Tennis Classic, a first-class event to raise money for the scholarships provided to students all over the country. It was also an opportunity to hear Vice President Biden speak and to mingle with members of Congress in a relaxed setting. We were joined by Gary and Mary McDougal, Dwight Dumler and the incomparable "professional auctioneer" Jamie Slatton. APRO is the major sponsor

CONTINUED ON PAGE 46

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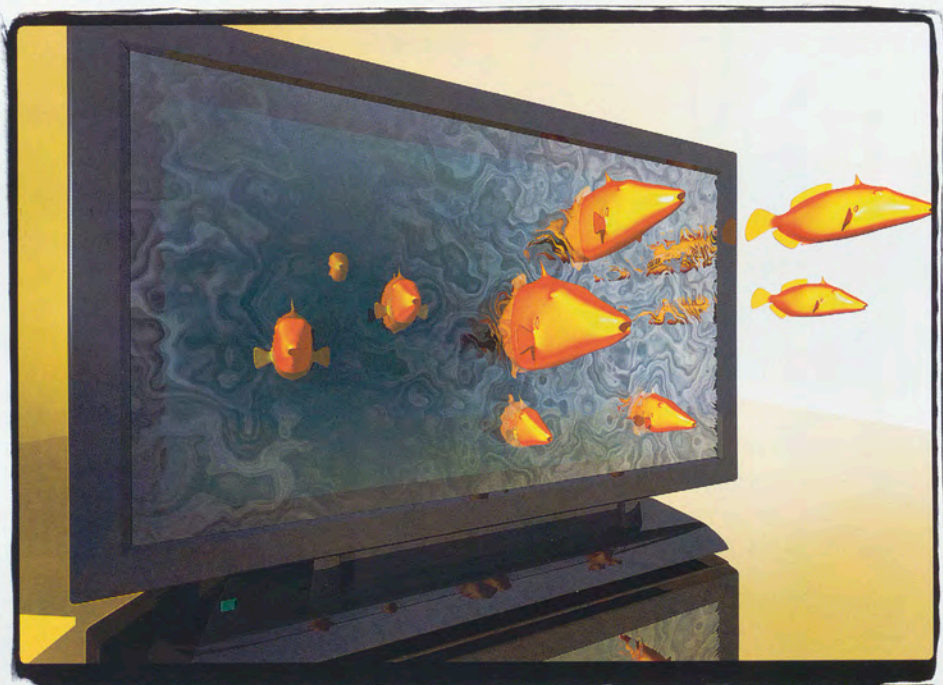
RTO Matters

Content is key to 3D-TV penetration, study finds

Increased availability of 3D content is vitally important to sales of 3D-enabled televisions in 2010 and beyond, according to consumer research published recently by the Consumer Electronics Association and the Entertainment and Technology Center at the University of Southern California.

Two-thirds of those planning to buy (or rent) a 3D-enabled television within the next three years say they will be more likely to do so if they can receive and watch 3D television programs through an antenna, cable, satellite or fiber-based network. Sixty-five percent say the primary reason to buy a

says Shawn DuBravac, CEA's chief economist and director of research. "3D-specific cable channels continue to be announced and more movies and



year, with 49 percent of those having seen more than one. Eighty-five percent of those surveyed were satisfied with their 3D experience.

Consumers prefer 3D technology over 2D. More than 40 percent of those surveyed who have seen a 3D movie or event in the past year say they would prefer to watch movies and television shows in 3D versus 2D across all content types. Nearly one-third say they would like to watch all their television programs in 3D.

"Consumers who have seen digital 3D know that the current state of the art is unlike any 3D they have seen in the past," says David Wertheimer, CEO and executive director of the

Entertainment and Technology Center at USC. "It's no surprise, given the choice, consumers want a high-definition 3D experience in their home."

The study—*3D in the Home: Who, What, When and Where*—was published in March, the result of 1,914 U.S. adults who participated in the online survey during two weeks in December 2009. It was designed and formulated by CEA Market Research—the most comprehensive source of sales data, forecasts, consumer research and historical trends for the consumer electronics industry—in conjunction with the Entertainment and Technology Center at the University of Southern California.

"Consumers who have seen digital 3D know that the current state of the art is unlike any 3D they have seen in the past. Given the choice, consumers want a high-definition 3D experience in their home."

3D-enabled set is to watch 3D movies at home; 36 percent want the advanced technology to play 3D video games.

"2010 will be an important year for 3D in the home, with 3D-enabled sets on store shelves today and content continuing to evolve and expand,"

sporting events are slated to be transmitted in 3D in the coming months."

The study also shows that interest in 3D grows when consumers experience the technology. Roughly 27 percent of survey participants have seen a 3D movie or event in the past

The complete study is available free to CEA-member companies at members.CE.org; non-members may purchase the study for \$999 at mycea.CE.org.
Founded in 1993 with the

help of George Lucas, The Entertainment Technology Center at USC brings together senior executives from the entertainment, consumer electronics and technology industries to collaborate

on issues related to the creation, distribution and consumption of entertainment content. The Consumer Electronics Association is the preeminent trade association promoting growth in the \$165-billion U.S. consumer electronics industry.

The forecast marks a turning point. A year ago, the world economy was contracting and the major concern was how to stabilize a system in which lending had all but stopped, consumer spending in the developed world had slowed and unemployment was rising.

According to Blanchard, massive government spending and stimulus programs helped avoid the worst in the short term, but cannot be continued. The long-term outlook “remains unusually uncertain,” he says. “Risks are generally to the downside,” particularly from government borrowing and still-weak levels of demand among households and businesses in developed countries.



Are you paying attention to the Millennials?

The 92 million Americans classified as Millennials are now the country’s largest generation. Millennials—also known as Generation Y or Generation Next—are defined as those born between 1981 and 2002; some sources broaden that range to include those born between the late-1970s and early-2000s.

Results of a *National Journal* telephone and online survey published in May reveal some of what’s on the minds of Millennials. These surveys can help businesses better adapt to, and communicate with, the burgeoning generation—as consumers, employees and/or employers.

Here are a few of the *National Journal* survey’s findings:

- Millennials would rather stay with one employer—one that provides stability—than job hop.
- They are more inclined than previous generations to volunteer for charitable causes and they prefer to do business with—and be employed by—companies that support charitable causes.
- Millennials are the generation most affected by the current recession and therefore are more prone to save money and pay off debts. They’re understandably distrustful of retirement plans.
- One in five Millennials say he/she would like to open his/her own business.
- More than 50 percent of them are unsure whether college helps guarantee a career or is worth the money.

IMF: Global economy on the rebound

The world economy is recovering from the recession better than expected and will expand by more than 4 percent this year, according to the International Monetary Fund’s top economist in a report published recently by the *Washington Post*.

China is projected to grow by a world-leading 10 percent, while major European nations are expected to grow by a combined 1 percent. The United States is projected to grow by 3.1 percent—better than the 2.3 percent average growth projected earlier by the IMF.

The generally optimistic report, however, includes a strong dose of caution: the rebound in growth has been supported largely by government programs and these need to be curtailed in coming months to help control government deficits that have grown so large they pose their own economic risks.

“A global depression has been averted. The world economy is recovering...better than we thought likely,” IMF economic counselor Olivier Blanchard told the *Washington Post*—but “the risk has shifted location,” Blanchard says, adding that the amount of money being borrowed by developed world governments “is threatening to lead to a debt explosion.”

Premier named one of fastest growing young franchisors

In March, The Premier Companies was ranked Number 10 on the “2009 Fast 55” list of fastest-growing young franchisors in America, published by *Franchise Times* from data compiled by FRANdata. This is Premier’s second year to be one of the top 10 on the list. Premier, based in Williamsburg, Virginia, is the only rent-to-own company ever to make the list.

The Premier Companies is comprised of five rental-purchase and related franchise divisions: Premier Rental-Purchase, Premier Home Furnishings, Premier Wheel Workz, Premier Auto by Rent and Premier UGetcha Cash Services.

Founded in 2004 by Trooper Earle, the company quickly expanded from the home-fur-

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nishings and appliance market to include other sectors serving the same clientele, growing its nationwide network of franchisees to 63 in under five years.

“The Premier Companies [averaged] 607.11 percent growth from 2004 to 2008,” says Jonathon Maze of *Franchise Times*. “The accomplishment is particularly notable given that the recession and sluggish credit markets have slowed franchise sales considerably in the past couple of years.”

“It is the result of a team effort to establish something unique in the franchising industry,” Earle says. “We strongly support the entrepreneurial spirit that triggers potential dealers to launch their businesses. We help them design an effective business plan and get the financing they need. We provide support in training, marketing, accounting, legal, human resources and vendor relations. This comprehensive program has made it possible for Premier’s dealers to realize their dream of self-employment.”

Heading to the APRO Convention? Please pack the right stuff

In years past, themes for APRO parties held during the annual Convention have run the gamut—from high-class soireés to “white trash” hoedowns, with fashions ranging from “white tie and tails” to “Daisy Duke” cut-offs. For this year’s 30th-anniversary celebration at the 2010 Rent-to-Own Convention and Trade



Show, here are a few fashion-related tips to consider when packing your bags for Louisville:

General attire for the APRO Convention and Trade Show is “business casual” in the exhibit hall, educational seminars and at most other events. For some of the special social events, you may choose to dress it up a bit.

During APRO’s Gala Cocktail Party held at Churchill Downs on July 20, a business casual dress code is strictly enforced by the venue. No jeans, shorts, T-shirts, gym shoes or midriffs are allowed at Churchill Downs. “Derby attire” is optional, but strongly encouraged—to be in the spirit of the occasion and follow the traditions of the locale. This means fabulous hats for the women, similar to the ones pictured above. Visit www.kentuckyderby.com/content/derby-attire for more information on “Derby attire.”

APRO’s 30th-anniversary Awards Banquet on July 21 is the most important social event of the year for the rent-to-own industry. This is your chance to dress up and look your best. Semi-formal attire is suggested.

We look forward to seeing you in Louisville and thank you in advance for dressing the part. Our hat’s off—er, on—to you!

RTOCalendar

July 14 and 15

Rent One’s Day on the Diamond, Rent One Park, Marion, Illinois. For more information, contact Larry Carrico at 618/242-8448, lcarrico@shoprentone.com; or visit www.shoprentone.com.

July 19–22

APRO’s 2010 Convention and Trade Show, Marriott Louisville Downtown and the Kentucky International Convention Center, Louisville, Kentucky. For more information, contact Shelley Martinek at 800/204-2776, ext. 109, smartinek@rtohq.org; or visit www.rtohq.org.

August 2–6

Las Vegas Furniture Market, Summer 2010. For more information, call 888/416-8600; or visit www.lasvegasmarket.com.

August 15–18

RentDirect Nationwide PrimeTime! Vendor Show, Gaylord National, Alexandria, Virginia. For more information, contact James MacAlpine at 336/714-8802, jamesm@nationwidegroup.org; or visit www.gorentdirect.com.

August 20–22

Tupelo Furniture Market, Tupelo, Mississippi. For more information, call 662/842-4442; or visit www.tupelofurnituremarket.com.

August 29–September 2

BrandSource 2010 Convention and Buy Fair, Paris and Bally’s, Las Vegas, Nevada. For more information, contact Wendy Johnson at wendy@tvplnrs.com; or visit www.brandsourceconvention.com.

September 8 and 9

The Premier Companies Financial Workshop, Williamsburg, Virginia. For more information, contact Trooper Earle at 800/2-Premier, troop@premierrents.com; or visit www.thepremiercompanies.net.

September 19–22

Bestway Rent-To-Own 2010 Annual Meeting, Hilton Ocean Front Resort, Hilton Head, South Carolina. For more information, contact Chris Reynolds at 972/387-7235, creynolds@bestwayrto.com.

September 21 and 22

Midwest RTO Training Expo, Concourse Hotel, Columbus, Ohio. For more information, contact Scott Kinnear at 937/287-3232, srkinnear@sbcglobal.net.

"Joining TRIB Group has allowed my company to buy more inventory for less money while developing valuable relationships at the same time. The bottom line is more money in my pocket."

—Troy Falgout, Rightway Home Furnishings, 1 store

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—Mark Peterson, H&H Furniture, Washington, 3 stores

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**Flashback:
The APROach, APRO's first magazine**

In commemoration of APRO's 30th anniversary, we're taking some trips down memory lane this year. Below are a few clippings from an early edition of the rent-to-own industry's first magazine of record, *The APROach*, which debuted in March 1981, just a few months after the formation of the Association of Progressive Rental Organizations. The magazine's name was changed to *Progressive Rentals* in 1984 and then to *RTOHQ: The Magazine* in 2008. Ed Winn III will present a seminar again at APRO's 2010 Convention in Louisville, but this year we won't present a session on the future of microwave rentals.

THE APROACH

CONVENTION '82

*** SEE BELOW FOR MORE INFORMATION ON SEMINARS**

APRO would also like to give special thanks to the rest of the sponsors:

Fisher Corporation—Thursday a.m. coffee break
South Central Marketing—Thursday p.m. coffee

break
General Electric—Friday a.m. coffee break
Universal Consumer Products—Friday p.m. coffee break
Gusdorf Corporation—Saturday a.m. coffee break
Philco—Souvenir briefcase
Magnavox—Registration portfolio

CONVENTION SEMINARS

DEAR DEALER AS YOU REQUESTED . . .

Repeatedly, we've heard that you want the opportunity to learn, through APRO and other members, how to improve your professionalism and your operating results. You told us last year on the convention survey. You told us on the phone. You were specific about what you wanted when we sent out the survey of training needs and you've proven you meant it by attending the planning seminars conducted so effectively by Chuck Sims.

So here it is folks! The Wave of Your Future: Increased professionalism and improved results. The APRO Training Committee and the Board of Directors reviewed the survey findings to bring you the following programs.

- Ed Winn, our hard-working APRO Legal Counsel will update you on the IMPORTANT things you MUST know to be in the rental business today, including the latest on pending legislation which affects our industry.
- Collections rated at the top of your list on the training survey, followed by **Media Effectiveness** and **Inventory Management**. We have chosen the IDEA EXCHANGE format so that you can have YOUR QUESTIONS answered with alternatives presented by a panel of leading authorities in each area. These will be like Talk Shows, but you will ask the questions. Ed Winn will be host and moderator. You'll have a chance to present your questions in advance; if all these are answered and we still have time, we will accept questions after you enter the session. Since most questions or problems have a variety of solutions, you will be able to choose the idea which best suits your market, your situation and your style.

As a SPECIAL BONUS, we will present small group sessions (limit 30 per session) on **MICROWAVE RENTALS: A MICROWAVE FOR YOUR FUTURE**. Microwave ovens present an excellent marketing opportunity for the rental industry, but

experience shows they require special marketing techniques and selling skills. These sessions will be scheduled at the same time as the Idea Exchanges, so be sure you assign someone from your organization to capitalize on this opportunity.

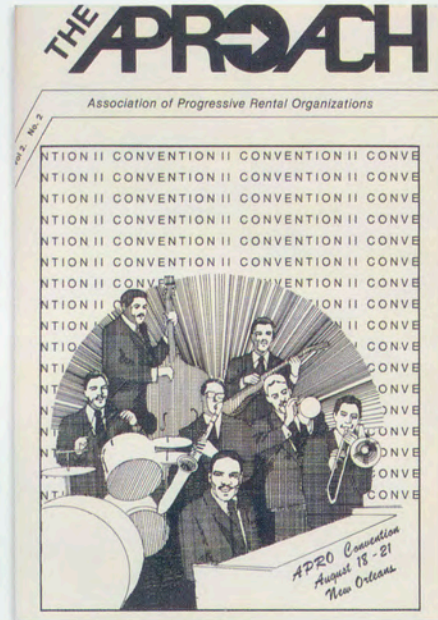
Thanks and thanks again to the fine sponsors whose support makes it possible to bring you this wide array of opportunities for improving.

An outline of the topics for each session is included in this pre-convention issue of your Newsletter. Be sure to look it over. And do give us your questions so we can respond to your needs. That's what APRO is all about. Your registration entitles you to attend all sessions.

See you in New Orleans.
Rozanne Kowalczyk, Chairman
APRO Training Committee

SEMINAR OUTLINE

- I. CURRENT LEGAL ISSUES: THEIR IMPACT ON RENTAL POLICY AND MANAGEMENT
Format: Lecture/Guest Speaker
Speaker: Edward L. Winn, III
APRO General Counsel
 - Collection practices — The industry's biggest headache
 - Advertising
 - Disclosure
 - Federal Trade Commission Regulations
 - Implications of the new tax laws
- II. IMPROVING COLLECTIONS
Format: Panel Discussion
Moderator: Edward L. Winn, III
Panelists: Joe Arnette, Colortymals, Houston
Robert Harris, Remco, Houston
Prises, Houston
Bob Parker, Leisure Time & Service, San Antonio
(continued)



Meet the APRO Staff

Since its formation in 1980 by a handful of dealers seeking to encourage professional standards of business and to promote the exchange of knowledge in the rent-to-own industry, the Association of Progressive Rental Organizations has grown to a membership of 261 dealers representing over 1000 stores nationwide. The APRO headquarters is located in downtown Austin, Texas, in the Austin National Bank Tower.

Edward L. Winn, III began serving as executive director and general counsel for APRO in November of 1980 and now heads a staff of two. Ed is licensed to practice law in North Carolina and Texas and is a partner in the law firm of Fowler, Fowler, Darron & Winn. Ed has also taught business and contract law in the Business School at the University of Texas for the past 7 years and is regarded as one of the most respected professors in the UT Business School.



Terry G. Carter, Director of Member Services, has been with APRO for six months and is responsible for keeping members informed of APRO programs, distributing APRO materials, organizing educational seminars, and maintaining office operations.



Elizabeth T. Johnston has been with APRO for just over one year and currently serves as Director of Communications and Editor-in-Chief of THE APROACH magazine. In addition to editing responsibilities, Elizabeth directs promotion, selling, and servicing of advertising in the association's principal publications and monitors media relations.



part·ner \ pärt'nar \ *n.* 1: friend, colleague 2: one that is united or associated with another or others in an activity or a sphere of common interest 3: one who plays on the same team as another 4: someone on which to rely 5: an equal

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**High Touch
Users Conference**

In May, rental dealers from across the country converged on Wichita, Kansas, for High Touch Technology Solution's two-day Users Conference, where they were introduced to Cynergi, a new "Best of Both" software that will combine features of the two largest rent-to-own software companies, High Touch and RSSS. The conference addressed system features, hardware expectations, conversion and installation processes and presented "first-look" prototype screens.

1: Jeff Lucas, High Touch's director of client services, gets the ol' pie in the face from Jay Doyle (Dial Household Rentals), as Brenda Flax, High Touch's support services manager, cheers him on. 2: ColorTyme's Mark Shealy, Albert Kohut and Ted Schlaack. 3: Dennis Shields (TRIB Group) and Mike Tissot (Countryside Rentals). 4: Dan Singh (Dial Rent 2 Own). 5: High Touch's Wayne Chambers, with Lacey Frazier and Brenda Flax in the background. 6: Robert Fales (U Can Rent), Ellison Crider (RSSS), Dennis Shields (TRIB Group), Chris Bolin (Bolin Rental Purchase), Bill Esenbock (Colorama), Mike Tissot (Countryside Rentals) and Wayne Chambers. 7: Uzma Powell, High Touch's director of marketing, and John Rogers, High Touch's sales group director.



**RSSS Users
Conference**

Meanwhile, down in Corpus Christi, Texas, RSSS also held its Users Conference in May, where attendees from two dozen rent-to-own companies learned about High Touch and RSSS's "Project Fusion" and the upcoming Cynergi program (see above). RSSS software is used by more than 1,000 stores and 150 different companies.

1. RSSS's Andrea Gutierrez, Fanci Cross, Crystal DeLeon and Crystal Mirabal. 2. Raof Bishay (American Rental), upon learning that Larry Carrico (Rent One), at right, just auctioned off Bishay's shirt to raise funds for APRO's Scholarship Foundation. 3. RSSS General Manager Ellison Crider. 4. Jan Miller (RSSS), Ellison Crider (RSSS), April Taylor (easyhome) and Wayne Chambers (High Touch). 5: "Cowboy Doug" and Wayne Chambers.



Photos and reporting by Murlin Evans. For more information, visit www.rtohq.org.

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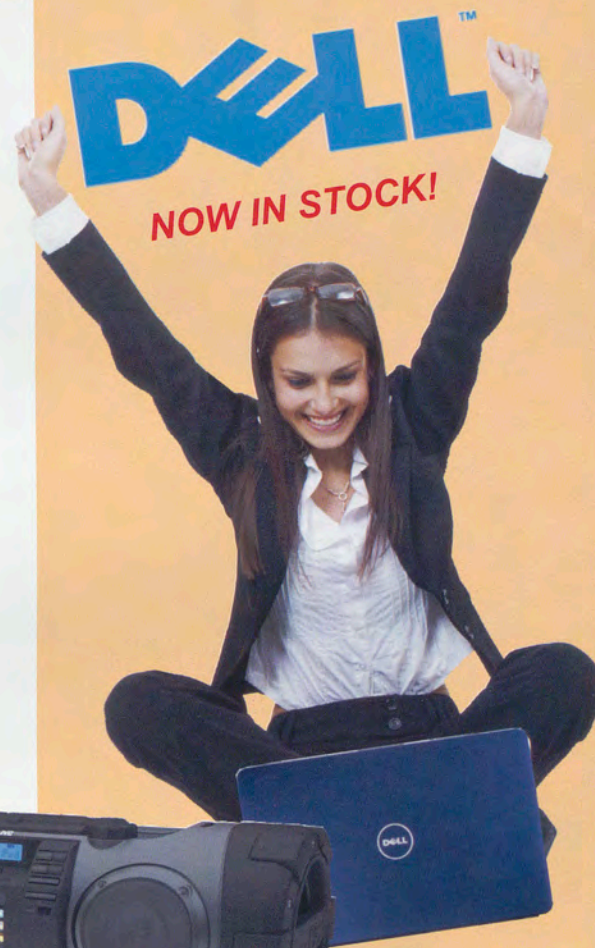


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TAKE A PEAK BEHIND THE CURTAIN AT THE MAN WHO,
FOR 30 YEARS, HAS BEEN RENT-TO-OWN'S VOICE OF REASON

BY KRISTEN CARD

The WIZARD of RTO

L

et's get one thing straight: Ed Winn would rather this article not exist. Yes, he's celebrating his 30th anniversary with the Association of Progressive Rental Organizations and the rent-to-own industry overall. Sure, he was one of the association's

founders and remains not only the organization's general counsel, but also the industry's conscience. And okay, he's sort of the walking, talking history of rent-to-own in America—and not a rose-colored retelling, either; Ed Winn III doesn't have a rose-colored bone in his body. What you get with Winn are the facts—good, bad, ugly or otherwise—typically laced with interesting insights and wry commentary.

Regardless, Winn doesn't like the idea of an article all about him. He much prefers to be the man behind the curtain, twisting knobs and pulling levers to make rent-to-own go. But the difference between Winn and L. Frank Baum's fictional Wizard of Oz is that Winn is the real thing—and what he does for the rent-to-own industry isn't just smoke, mirrors and distractingly giant fireballs. What Winn has done and continues to do isn't simply about making the industry look good; it's about making the industry be better.



Ed Winn III is a dichotomous dude. Growing up in the Southeast, he was reared a Southern gentleman and retains that air of gentility and elegance. Yet many colleagues demur from relating their most memorable moments with Winn, deeming them unfit to print. (Ahem.) Occasionally frugal to a fault, he has a knack for hunting down \$10 neckties, yet owns an absurdly extravagant home coffee maker. His vast vocabulary has APRO co-workers and members regularly referring to their dictionaries (“vituperous,” anyone?), yet he’s a master at telling it like it is.

One irrefutable consistency of Winn’s is his ability to succeed excessively. As a young man, Winn wanted to be a college professor like his father, who taught finance at Belmont University, Ole Miss and the University of South Carolina. Winn achieved that goal early on, becoming an award-winning law professor straight out of law school at The University of Texas at Austin. Feeling perhaps that he had peaked too early, Winn thought maybe he should test his mettle by becoming a practicing lawyer.

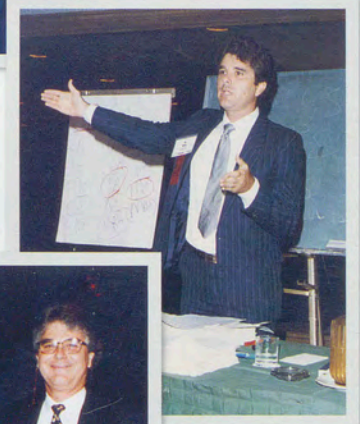
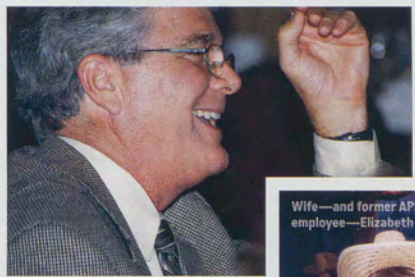
“I hung out a shingle to see whether I could hack it out in the real world,” Winn remembers. “The first year, I made \$3,000—not enough to live on, even in 1980 dollars. It got better, slowly.”

Winn’s entrée into rent-to-own began with a simple talk about government regulation to a group of rental dealers. Following Winn’s presentation, the dealers began to discuss the possibility of creating a trade association. Quickly realizing that an attorney was needed for such an undertaking, Winn was hired on the spot. It was a textbook case of right place, right time—from the industry’s viewpoint, anyway.

“My first encounters with the rent-to-own industry can be viewed as either a blessing or a curse,” Winn quips. “Most days, I see it as a blessing. The industry was a good client then and is one now. I doubt I would have made it without RTO.”

And vice versa. In APRO’s beginnings, Winn was involved in every element of the burgeoning new group—from drafting the association’s bylaws to acting as its *de*

WAY BACK WINN...



facto executive director for the first five years. Winn's clear-cut opinions and brass-tacks approach sometimes made for a bumpy ride.

"My style appealed to some, but definitely not to others," Winn recalls. "Especially others who deemed me too balanced and too ethical to be a truly effective rent-to-own lawyer. Most of those dealers are gone; I'm still here."

Winn has been there for the industry, both figuratively and literally—the number of association board or executive committee meetings he's missed over the past three decades can be counted on one hand. During the early years, he survived declaring a new "no drinking during the board meeting" rule ("I feared bloodshed might en-

to write and get paid for it. I may be the most grateful to rent-to-own for having let me develop my writing skills."

"Ed is an excellent writer," attests Neil Ferguson, APRO's publications editor and art director. "He loves words and has an eagle eye for split infinitives. Ed carefully reviews every issue of RTOHQ: *The Magazine* before it goes to press and calls me with copy corrections or changes. He can be brutally frank, grumbling, 'Second column, third paragraph, five lines down—that sentence makes no sense whatsoever, and we've got to fix it!' But I'm never bruised by his critiques—they're quite helpful!"

As for Winn's own material, he says his subject matter has shifted over the years, with the evolution of the industry—from basic and immediate legal issues to broader, deeper, finer themes related to sustaining success.

"Back in the day, rental dealers didn't think too long-

"MY STYLE APPEALED TO SOME, BUT DEFINITELY NOT TO OTHERS—ESPECIALLY OTHERS WHO DEEMED ME TOO BALANCED AND TOO ETHICAL TO BE A TRULY EFFECTIVE RENT-TO-OWN LAWYER. MOST OF THOSE DEALERS ARE GONE; I'M STILL HERE."

sue," Winn confides). Today, he still can be seen in-person at most APRO events and talks via telephone to at least one rental dealer a day.

"Members never call the lawyer to pass the time of day or share good news; it's always because something has gone wrong," Winn notes. "But I'm always eager to hear what issues they're facing, what's on their minds. I keep notes of what we talk about and those conversations build the basis for the seminars I present at conventions and meetings."

"Ed's unique perspective and witty delivery make even the most mundane topics fairly fascinating," says APRO's Education Director Shelley Martinek. "Thirty years later, his seminars are still the most popular and most praised at every convention—or anywhere rental dealers gather."

"I believe I've been speechless exactly one time in my life," Winn recollects. "A rental dealer gave me a Harley Davidson for my birthday one year; it came wrapped with a bow at my law office. I just didn't know what to say."

But where most APRO members know Winn best is from his byline. Winn has penned almost 350 articles for this and other industry publications, on subjects from collections to keep rates. "I always wanted to be a writer," Winn confesses. "I even have an extensive collection of fountain pens, which I use every day. I wish I had written the Great American Novel, but that's not likely to happen at this point. The rent-to-own industry has provided me the opportunity

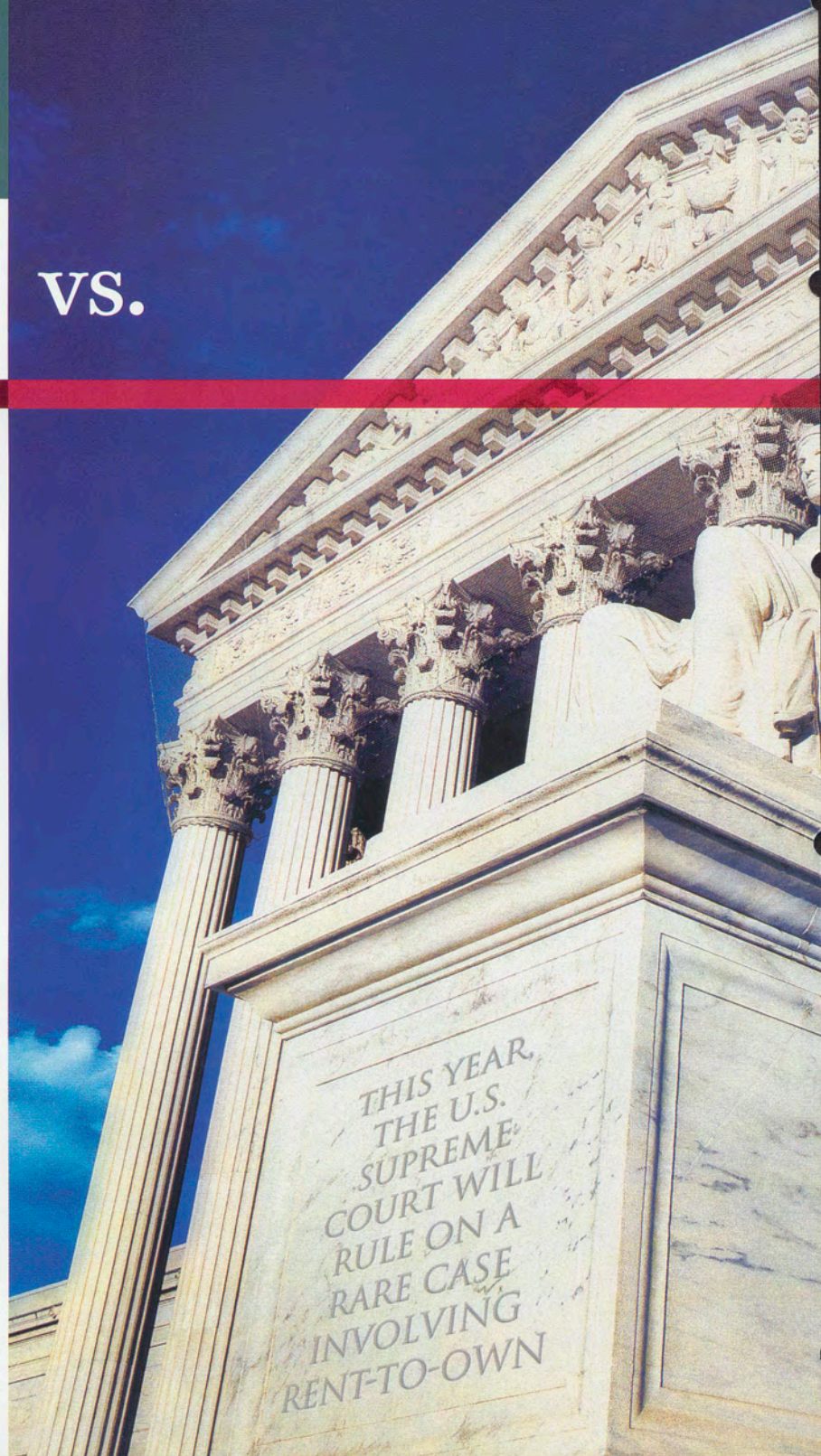
term," Winn says. "They saw an opportunity to make a quick buck and they were ready to make it and go, if need be. Today, the industry is inter-generational—rental dealers are literally building RTO empires that will last long after they're gone. There's an unprecedented stability in rent-to-own, and that is a good thing."

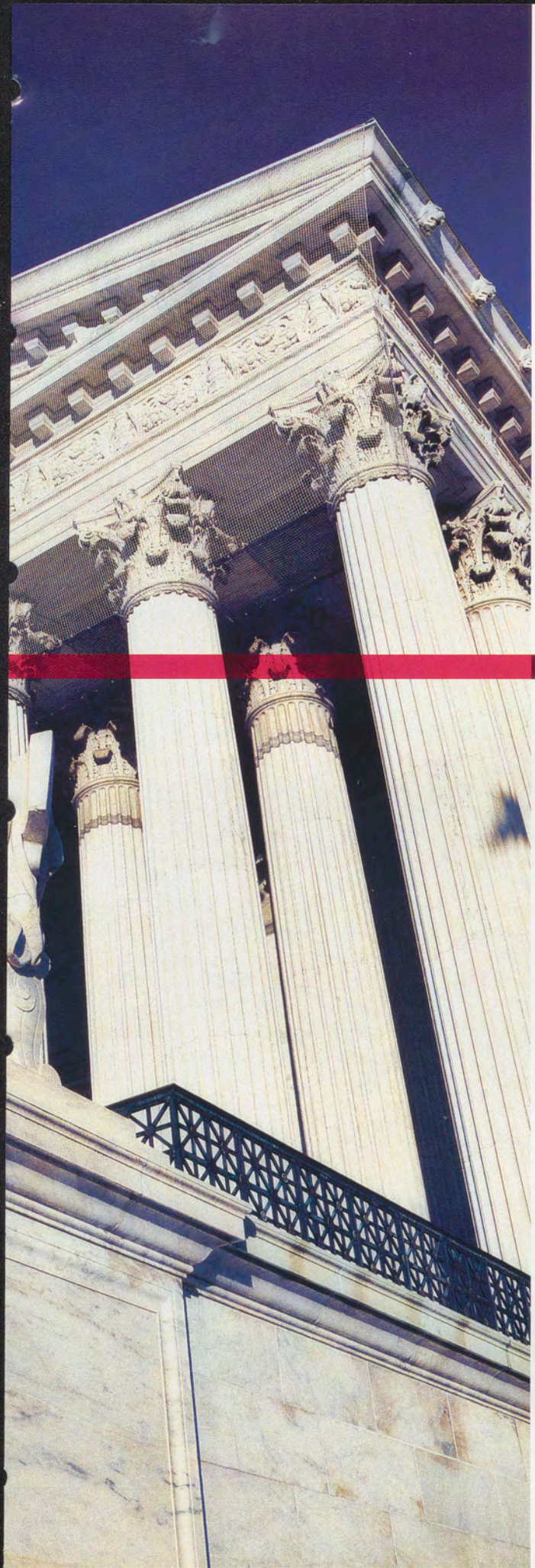
Raised with a professorial papa within the academic arena, Winn grew up thinking success was measured by test scores and diplomas. Today, he says he's been schooled by rental dealers to know better.

"An important life lesson rent-to-own dealers have taught me is that you can learn many, many things outside of a classroom," Winn says. "Success is a measure of what you do and how you do it. Some of the smartest and most accomplished people I've ever had the honor of knowing have diploma-free walls—they rent TVs for a living."

So, what do we know for sure about the somewhat enigmatic Ed Winn? He's an award-winning teacher. A prolific writer. A great strategic mind. He is brilliant. A little bawdy. Compelling. Candid. Droll. Loves a well-developed lexicon, but loathes a gasconade (got your dictionary?). He is revered by some as a rent-to-own god. CONTINUED ON PAGE 47

Rent-A-Center vs.





the Supreme Court

The court. It is not what you think. Over the years, the highest court in the land has been supremely uninterested in issues relating to the rent-to-own transaction itself. It has routinely “denied cert.” whenever Rent-A-Center or anyone else has petitioned the court to hear a rent-to-own case. That is how it works. The Supreme Court *has* to take certain kinds of cases—if one state sues another state, for example—but, for the most part, the court gets to decide which cases it wants to get in on and which ones it wants to ignore. Most often, the court takes cases that raise an issue of how the U.S. Constitution should be interpreted. The court will take cases where there is a split of opinion among the 11 U.S. Circuit Courts of Appeal—but not always. The court can decide disputes over how to interpret federal statutes, which is one of the issues in a Rent-A-Center case that the Supreme Court has chosen to hear this summer.

By ED WINN III

Litigants who lose in lower courts, usually federal courts of appeal, can ask the Supreme Court to consider the case. They do so with a petition for a *writ of certiorari*. The court does not have to accept the petition and, in fact, denies 99 percent of them, a good number from prisoners claiming that their constitutional rights have been violated in some grievous way—not enough books in the prison library or not enough food choices in the prison cafeteria, for example. When a petition is filed, it is circulated among all nine of the justices and their clerks. Then, the justices meet and vote on which cases to consider. If four of the nine want to consider a case, the court grants the petition, notifies the parties and sets the case for oral argument during one of the two official sessions per year when the court sits as a body. When the court denies a petition, it means that the ruling in the lower court stands—and that is the law. It does not necessarily mean that the Supreme Court agrees with that ruling; it means that the issue is not important enough for the Supreme Court to take up its time with it.

When the court takes up a case, presumably one with some issue of national importance, the litigants brief the issue and most often these days, other groups that are interested in the issue also submit briefs as a “friend of the court,” *amicus curiae*, trying to persuade the justices to rule one way or the other. After reading the briefs and listening to tightly timed oral arguments, the court issues a ruling, often with lengthy explanations from several of the justices in an effort to settle some area of the law, not only for the particular parties in the lawsuit, but also for everybody else who has—or who in the future might have—a similar issue. Supreme Court justices have lifetime appointments in order to remove them from political pressure. They never have to get re-elected or re-appointed. Occasionally, the court’s decisions are unanimous, but more often these days, the decisions are split along ideological lines.

Getting a case heard by the U.S. Supreme Court is heady stuff, for lawyers, at least. It is the top of the legal food chain—quite literally the court of last resort.

The Rent-A-Center facts. The Rent-A-Center case involves employment, arbitration and the doctrine of unconscionability. Rent-A-Center hired Antonio Jackson to work in a Nevada store. At the hiring, Jackson was presented with, and was required to sign, the usual panoply of employment documents, similar to those used by any big company. Among those documents was an agreement for both Rent-A-Center and Jackson to arbitrate any disputes, “past, present or future,” that might arise between

them, instead of going to court. Agreeing to arbitrate is no small matter, as it involves waiving one’s constitutional right to a trial by jury in all civil matters when the amount in controversy is \$20 or more. The Rent-A-Center arbitration agreement gave proper notice to Jackson that he was waiving this important right. The agreement went on to provide the following language, which is at the heart of the Supreme Court case:

The Arbitrator, and not any federal, state, or local court or agency shall have the exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement, including, but not limited to, any claim that all or any part of this Agreement is void or voidable.

The agreement also provided Jackson with the chance to consult with a lawyer before signing. Jackson did sign and went to work for Rent-A-Center. He was promoted within the company, but was terminated two months after his promotion. One might suppose that Rent-A-Center had good reasons to fire Jackson, since good rent-to-own employees always are in high demand; however, the circumstances surrounding Jackson’s termination are not at play in the case before the Supreme Court. Jackson—as is often the case these days among the class of employees who have been persuaded by the entitlement culture that the world owes them a living, and a good one at that—filed suit in a Nevada federal district court against Rent-A-Center, claiming that his termination was due to racial discrimination and retaliation and had nothing to do with any performance failures.

Rent-A-Center filed a motion to have the lawsuit dismissed and compel arbitration, arguing that the arbitration agreement both parties had signed controlled. Jackson countered that the arbitration agreement was unconscionable and, therefore, unenforceable. The initial question before the district court and the question that has made its way to the Supreme Court is: Who decides whether the arbitration agreement is enforceable or not—the court or the arbitrator?

The law and the lower court rulings. In 1925, Congress enacted the *Federal Arbitration Act*, intended to encourage the use of arbitration among disputing parties as a fair, economical and efficient means of resolving disputes that could assist in preventing overcrowded court dockets. That law, among other things, provides that arbitration agreements “shall be valid, irrevocable and enforceable, save upon such grounds as exist at law or equity for the revocation of

any contract.” Previous courts have ruled that this language means that courts retain the power to decide whether there ever was really an agreement formed between the parties. Courts retain the power to rule on defenses to contract formation such as fraud, duress, forgery, lack of capacity and the like. So, a party to an arbitration agreement can argue to a court that there never was an arbitration agreement to begin with because someone forged a name, or forced a signature at gunpoint, or that the party was too young, or mentally deranged when signing, etc. However, the courts have ruled in a couple of cases that the parties can agree to arbitrate even issues of contract formation and affirmative defenses to contracts as long as they do so “clearly and unmistakably” in the arbitration agreement. Time and again, courts have emphasized that arbitration is fundamentally a matter of contract. The rules and limits of arbitration are what the parties have agreed to, neither more nor less.

The federal district court took note of the *Federal Arbitration Act* and its many court interpretations and concluded that the language in the Rent-A-Center agreement cited above was, indeed, “clear and unmistakable” and that the parties had agreed to arbitrate the issue of arbitrability. The court dismissed Jackson’s lawsuit and ordered arbitration. Jackson appealed to the Ninth Circuit Court of Appeals.

The circuit court reversed and held that, when a party challenges an arbitration agreement as unconscionable and thus asserts that he could not meaningfully assent to the agreement, the threshold question of unconscionability is for the court to determine. The decision was 2 to 1, with a vigorous dissent. In essence, the Ninth Circuit Court of Appeals ruled that, when a party alleges that an arbitration agreement is unconscionable, a court must resolve that issue no matter what the agreement says.

The politics of arbitration. It is true that the business world often prefers arbitration to going to court. It is not so much because the fix is in and the business community expects to win more often with an arbitrator than with a judge or a jury. Rather, it is because arbitration is a cheaper, quicker and more private way to resolve disputes. It is quicker because discovery rules are often streamlined and there is never a jury to pick. The process is less formal and therefore more flexible. It is cheaper because it is quicker and attorneys bill by the hour. Finally, win or lose, the decision is not a matter of public record and will not be in the headlines

of tomorrow’s newspaper, which is the risk when in court. That is one of the chief criticisms of arbitration. One of the reasons courtrooms are open to the public and judicial decisions are a matter of public record is because the common law—i.e., the law that is made when judges in courts make

decisions—is part of what guides behavior. It is a part of the ever-evolving law of the land. People learn what is lawful and what is not by learning, among other things, how judges rule on issues. When arbitration rulings are private, then the public has less information about the rules that govern them. Such lack of information, the detractor’s contend, breeds uncertainty at best; chaos at worse.

In addition, consumer advocates have long keened that mandatory consumer arbitration is fundamentally unfair to consumers for many reasons, but mainly because arbitrators have a bias in favor of business and therefore consumers get a raw deal in arbitration. Arbitration itself is a business and arbitrators get paid to hear and decide cases. Consumer advocates argue that most of the

money that funds the arbitration industry comes from businesses and arbitrators know it. Since they want that flow to continue, they generally rule in favor of businesses over consumers lest they quit getting calls to arbitrate. Last summer the National Arbitration Forum (NAF), a major national firm involved in business-to-consumer arbitrations, was sued by the Minnesota attorney general for alleged bias in its rulings. NAF settled with the attorney general by agreeing to get out of the business of mandatory consumer arbitrations altogether. On the heels of the NAF settlement, the American Arbitration Association announced that it was getting out of the mandatory consumer arbitration business until the rules governing the process were revised to assure fairness. Shortly after that, the Bank of America announced that it was no longer going to enforce the mandatory consumer arbitration provisions in its customer contracts, since its customer polling information indicated that consumers did not like the process.

When the Supreme Court agreed to consider the Rent-A-Center appeal, immediately the case took on great importance in the world of mandatory arbitration for employees and consumers. The Equal Employment Advisory Council and the U.S. Chamber of Commerce submitted briefs in support of Rent-A-Center’s position. The following groups jumped in with briefs on the side of Jackson: The American Federation of Labor, Congress of Industrial Organization, Lawyers’ Committee for Civil Rights under Law, Alliance for Justice, Asian American Justice Center, Constitutional Ac-

The question that has made its way to the Supreme Court is: Who decides whether the arbitration agreement is enforceable or not—the court or the arbitrator?

countability Center, National Partnership for Women and Families, National Women's Law Center, National Association of Consumer Advocates, American Association for Justice, AARP, National Consumer Law Center, Consumer Action, Service Employees' International Union, Legal Aid Society, National Employment Lawyers' Association and National Employee Rights Advocacy Institute for Law and Policy. To read the *amicus curiae* briefs from these groups, one would think that the future of arbitration in America—nay, the sanctity of American jurisprudence and the future of American workers—was at stake in this case. It is not.

A word about unconscionability. Unconscionability is a legal doctrine that allows a court to nullify a contract if its terms are so one-sided as to “shock the conscience of the court.” An unconscionable contract is one “of such gross inequality as no man in his senses and not under delusion would make.” The standard is not much more specific than this. Unconscionability is, ultimately, what a judge says it is. In court, the issue of unconscionability must always be decided by the judge to avoid the possibility of a decision based on the passions of jurors. An unconscionability ruling must be based on evidence of both procedural and substantive unfairness. A very unfair, one-sided deal—one that is substantively unconscionable, struck between two competent and thoughtful parties, both possessed of all of the facts and neither under any compulsion to act—cannot legally be unconscionable. Only one prong of the test has been met. Procedural unconscionability involves some gross unfairness in getting the deal done. Often there will be evidence of physical infirmity, ignorance, illiteracy, other disability or dire necessitous circumstances to support a finding of procedural unconscionability. There must be a finding of both kinds of unconscionability before a court can undo a contract based on this doctrine.

Ordinarily, the law does not concern itself with the issue of the adequacy of consideration in a contract. The law is not concerned with whether one agrees to pay \$2,000 or \$5,000 for the thing, because the law has neither the time nor the resources to be in the business of deciding upon the value of all things and services. It would overwhelm the system to have to do that. Only if the price paid is so grossly unfair that it shocks the judge—maybe \$20,000 for the thing—will allow a court to step in and rule the contract unconscionable and, even then, only if there is also evidence of procedural wrongdoing, the aggrieved party having been tricked or duped or otherwise taken advantage of in order to have agreed to the grossly excessive term (price).

In the Rent-A-Center case, Jackson alleged both procedural and substantive unconscionability. The procedural

aspect was that the employment contract, including the arbitration agreement, was presented on a “take-it-or-leave-it” basis,” with Rent-A-Center refusing to negotiate any aspect of it. Jackson argued that the arbitration agreement was substantively unconscionable for three reasons: 1) the coverage was one-sided, because Rent-A-Center retained the right to go to court to protect its trade secrets and its non-compete; 2) discovery was limited in time and number of depositions—although the arbitrator had the ability to enlarge the discovery process if deemed necessary to a fair adjudication; and 3) the arbitration fee was to be split equally between the parties—unless the law required otherwise—which might cause an undue hardship for Jackson.

The trial court, after it had ruled that the arbitration forum was the proper avenue to resolve the issue of arbitrability, noted that it did not see any evidence of substantive unconscionability because the excessive cost argument was mere speculation. The Ninth Circuit Court of Appeals, in reversing, told the district court that it must examine the other two substantive allegations to see if either was met.

Rent-A-Center's argument is that the unconscionability issue must indeed be resolved, but that the parties, by clear and unmistakable language, had agreed for an arbitrator to decide the question. The arbitrator might well find the arbitration agreement to be unconscionable, thus ending his authority over the case, but there is nothing to suggest that an arbitrator is unwilling or unable to make such a decision. Interestingly, the dissenting judge in the Ninth Circuit case wrote: “This case concerns an arbitration agreement more favorable to the employee than most this court sees... [W]hat we have, then, is an arbitration agreement more favorable than most and unconscionability allegations that are thinner than most.”

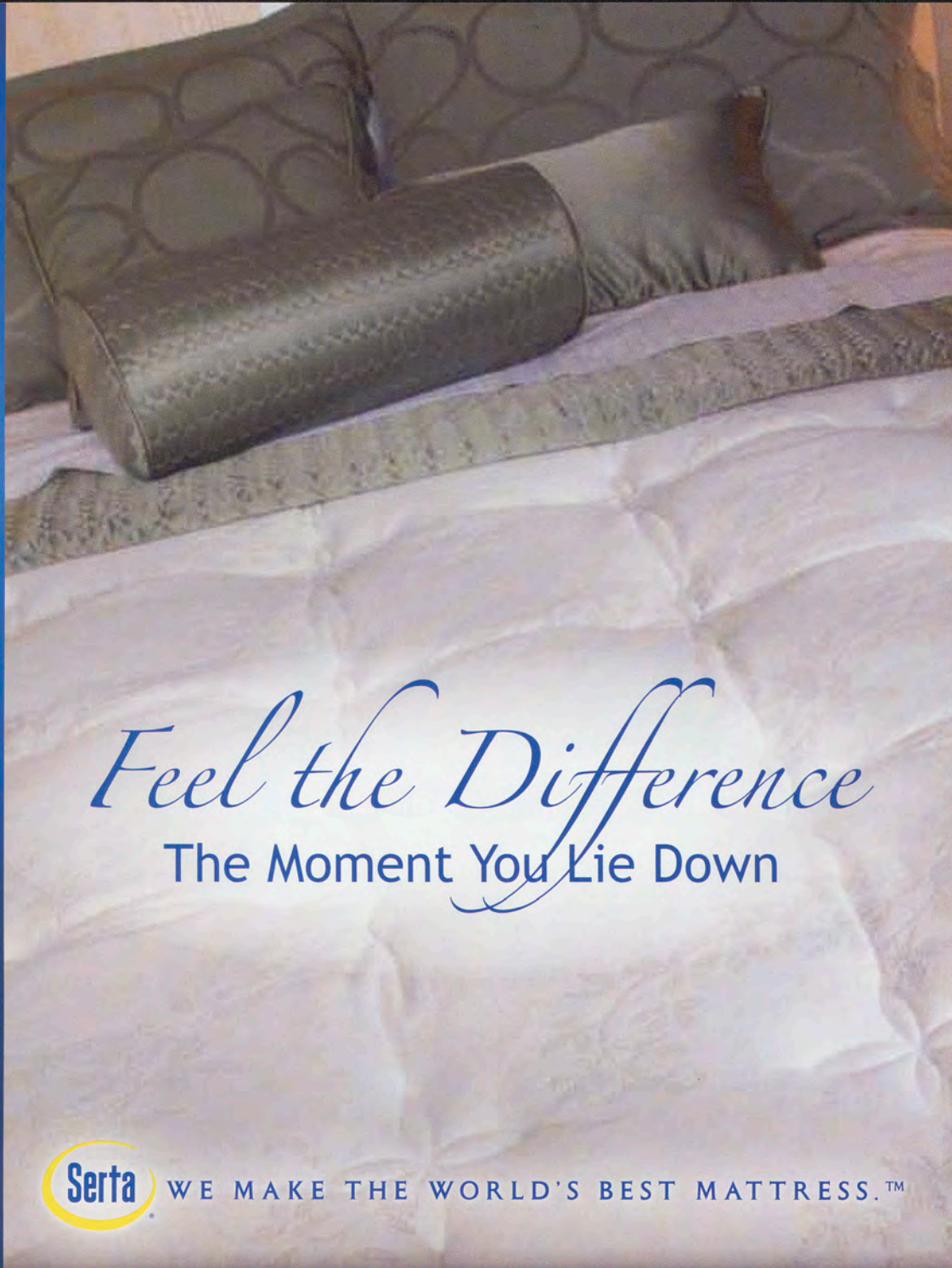
The real fight in the Rent-A-Center case is between the Supreme Court's consistent support of arbitration as a fair and reasonable means of resolving disputes, relying heavily on the *Federal Arbitration Act* and some lower courts that mistrust arbitration and are skeptical of its fairness. These courts, including California state courts that have ruled mandatory consumer or employee arbitration is always unconscionable, are ever on the lookout for ways to erode the use of consumer arbitration. In this country, the Supreme Court has the last word, which is why Rent-A-Center will win. Rent-A-Center expects a ruling this summer. ✧

Ed Winn III is APRO's general counsel. Contact him at 512/476-0750; or by e-mail at edwinn@mwwmlaw.com.



Serta Program Highlights

- ✓ Nationally Advertised Mattress Brand to Drive Incremental Traffic
- ✓ In-House Marketing & Design Team
- ✓ Quarterly National Advertising Dealer Kits (Turn-Key Program)
- ✓ Special Marketing Incentives
- ✓ Free In-Store Display Kit for Every Store Location
- ✓ Wide Selection of Promotional & Premium Mattress Products
- ✓ Quarterly Pricing Specials
- ✓ Access to Bed Bug & State Regulation Experts & Resources
- ✓ National RTO Trainers
- ✓ RTO Expert Customer Service Team



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EDUCATION 2010

APRO'S RENT-TO-OWN CONVENTION AND TRADE SHOW
JULY 19-22 IN LOUISVILLE

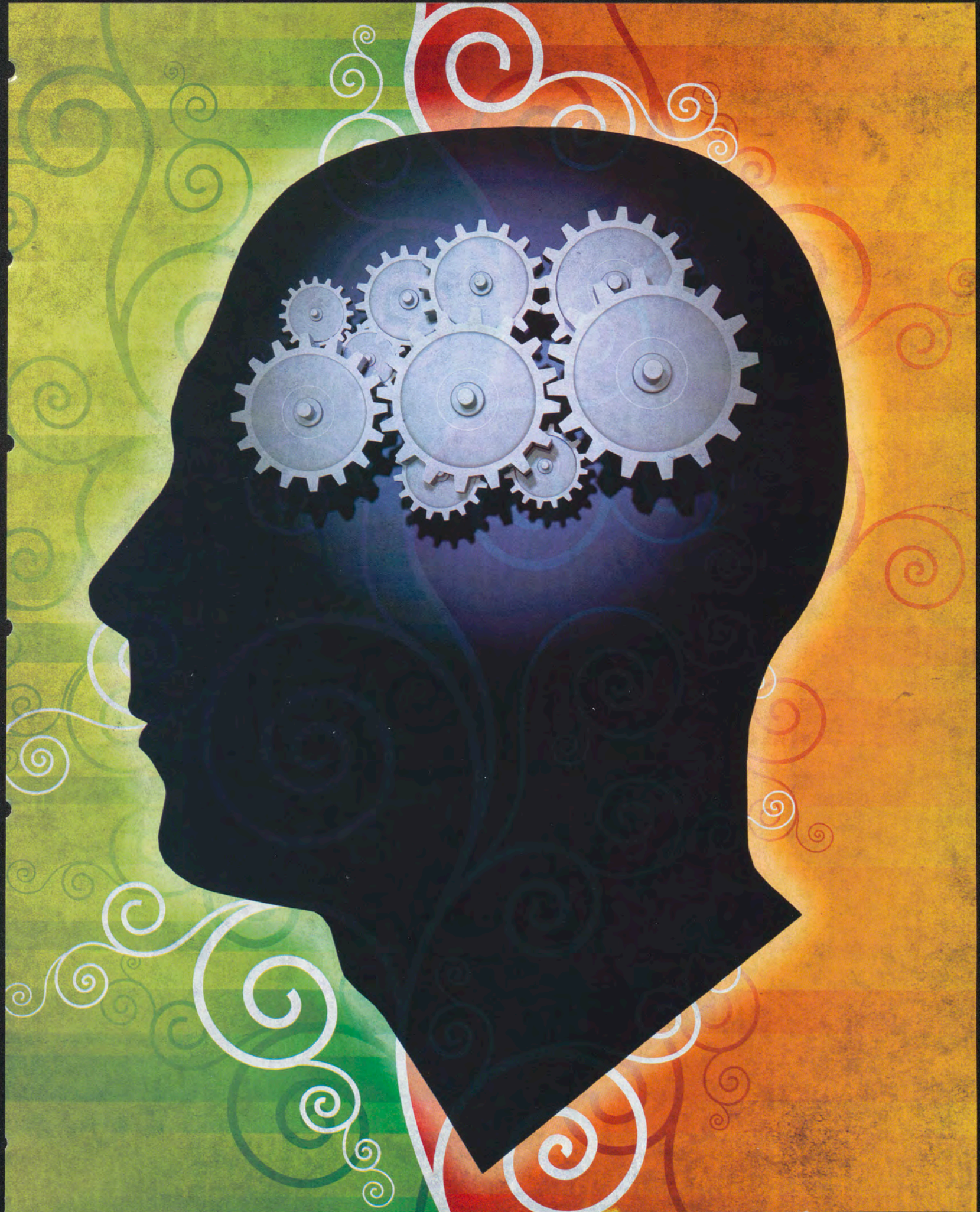
Learning in Louisville

Whether you're a store-level employee or the owner of a multi-store rent-to-own chain, the seminar program at APRO's 2010 Convention and Trade Show, July 19-22 in Louisville, Kentucky, will be filled to the brim with information you can use to make your business better. This year, we've designed three separate tracks to home in on a variety of business-enhancing needs based on attendees' management level and size of the company. Seminars specifically for store-level employees and one-store managers? Check. Another track for mid-level and multiple-store managers? Got 'em. And a third set of sessions for owners and top-level managers? Yep. Or feel free to mix and match to suit your brain's needs.

The morning of July 20 will kick off at the Marriott Louisville Downtown with APRO's popular Rental Roundtables. We'll divide attendees into the same three groups designated for the seminar tracks. Then, after an hour or so of discussion, the groups will merge for a wrap-up session moderated by rent-to-own industry pioneer and APRO co-founder Chuck Sims. He'll solicit attendees' responses to some of the industry's most pertinent issues and those responses will be displayed on-screen right away. Come prepared to share what you know and absorb from others some valuable tips that perhaps you hadn't considered.

The afternoon will be devoted to seminars presented by top business professionals with loads of information to share. Topics will range from toning up your business basics to exploring some of the newer business trends, such as the implementation of social media marketing and using recorded phone calls to better train employees. Take a look at the seminar descriptions that follow and plan on doing some Louisville learning this summer!

**GET YOUR HEAD
IN GEAR WHEN YOU
HEAD TO LOUISVILLE
FOR THIS YEAR'S
ROUNDTABLES AND
SEMINARS HELD
DURING APRO'S 2010
CONVENTION AND
TRADE SHOW**





Pick your track or mix and match. This year, we've designed APRO's seminar program to better suit your education needs—whether you're a store-level employee or a multi-store owner.

APRO Rental Roundtables

Featuring sessions specifically for store-level employees and one-store managers, another for mid-level and multiple-store managers and a third group comprised of owners and top-level managers

Moderated by Mike Tissot, Sam Lowe and Chuck Sims

8:30-11 a.m., Marriott Ballroom

This year we're breaking the popular APRO Rental Roundtables session into three groups: store-level employees/one-store managers, mid-level/multiple-store managers and an owners/top-level managers group. These sessions will offer one hour of open discussion with a facilitator, after which all three groups will merge for a Rental Roundtable wrap-up, facilitated by industry pioneer Chuck Sims. We'll solicit audience responses to industry hot topics with instant answers projected on-screen. The new Rental Roundtable format will give you more pertinent information to help you and your business grow. It's the perfect opportunity to share information with your peers and address some of the most pressing issues facing the rent-to-own industry today.

One of the industry's most popular and knowledgeable speakers, Mike Tissot, will facilitate the



store-level employees/one-store managers group during the Rental Roundtable session. He grew up in the rent-to-own business; his father is former APRO President Darrell Tissot. After receiving a BA in economics from Denison University, Tissot spent five years at one of the largest marketing agencies in the country. Currently, he owns and operates 24 Rent-2-Own

stores in Ohio and Kentucky. He is past president of the Ohio Rental Dealers Association and a current TRIB Group board member. Tissot is the recipient of APRO's 2008 President's Award of Excellence.

Sam Lowe will facilitate the mid-level/multiple-store managers group during the roundtable session.



He is a 20-year-plus veteran of the rent-to-own industry and currently is executive vice president of Furniture and Appliances Now Sales & Leasing, which operates 15 stores in Arkansas and one in Oklahoma. Lowe is responsible for all operation activities, including sales, marketing and human resources. He worked for 17 years at Rent-A-Center, starting with Remco in 1981 and continuing with Rent-A-Center after Remco was acquired in 1990. Lowe was vice president of operations for ColorTyme from 2002 to 2005, where he was responsible for franchise operations as well as providing support programs, training and consulting to improve franchise profitability.

Charles D. "Chuck" Sims will facilitate the owners/top-level managers group and the Rental Roundtable wrap-up. In 1968, Sims founded Remco America, a Houston-based chain of consumer electronic and appliance rental stores. As Remco's CEO, Sims developed a professional management team that expanded the company to more than 100 stores by 1990. In 1991, he sold Remco to pursue other interests. Sims is a graduate of the American Management Association's Management Course for Presidents and is a co-founder of the Association of Progressive Rental Organizations.



tion's Management Course for Presidents and is a co-founder of the Association of Progressive Rental Organizations.

**Seminar Track 1:
Store-Level Employees
and One-Store Managers**

**Training for Management:
Moving to the Next Level**

Lyn Leach, Ace Rent-To-Own
12:30-2 p.m., Ballroom I and II

Some of the simplest business mistakes can add up to big problems. This seminar will help you avoid those setbacks. If you are motivated to nurture your company by being a top producer, you can't afford to miss this session. Lyn Leach will offer tips on how to become the best in the business. Topics include collections, closing new rentals, achieving a higher down payment, motivating store personnel, customer relations and increasing your BOR.

Leach owns and operates 16 stores in Nebraska and Iowa. He is the current president of TRIB Group,



Nebraska State Rental Dealers Association president, former APRO president, recipient of APRO's Rental Dealer of the Year award and has 29 years of experience in the rent-to-own industry.

**Social Media and Marketing:
Low-Cost Ideas to Grow Your Business**

Kelly McDonald, McDonald Marketing
2:15-3:45 p.m., Ballroom I and II

Everyone has heard of Facebook, MySpace and/or Twitter, but there is a great deal of confusion about how

to use these tools for business marketing. Why mess with social marketing for business purposes at all? Who follows this stuff, anyway? This session will focus on how social media and marketing can benefit your business. With so much pressure to cut marketing budgets, social media marketing can be a dream come true—it costs little or nothing to execute—but you’ve got to learn how to use it *effectively*.

Participants will learn the key differences between the most popular social media resources; why and how social media posts need to differ from information that’s posted on a company’s Web site; how blogging can help business; and the best practices and strategies companies are using with these powerful tools to expand business and deepen relationships with customers.

Kelly McDonald is an expert on marketing and business trends, with 20 years of ad agency experience. She was named No. 1 on the list of “26 Hot Speakers” by *Successful Meetings* magazine and has been featured in *Business Week* magazine and on CNNMoney.com and XM Radio. McDonald’s presentation will be tailor-made to address



APRO’s Rental Roundtable and Seminars July 20 in the Marriott Ballroom at the Marriott Louisville

Continental breakfast sponsored by Coaster Fine Furniture; Rental Roundtables sponsored by LG Electronics; seminar breaks sponsored by RES Accessories.

8–8:30 a.m.	APRO Rental Roundtable continental breakfast in the Marriott Ballroom Foyer		
	Ballroom I and II	Ballroom III and IV	Ballroom VII and VIII
8:30–9:30 a.m.	APRO Rental Roundtable: Store-Level Employees/ One-Store Managers Facilitator: Mike Tissot, CountrySide Rentals	APRO Rental Roundtable: Mid-Level/Multiple-Store Managers Facilitator: Sam Lowe, Furniture & Appliances Now	APRO Rental Roundtable: Owners/Top-Level Managers Facilitator: Chuck Sims
9:45–11 a.m.	APRO Rental Roundtable Wrap-Up Facilitator: Chuck Sims (Salon V and VI)		
11 a.m.–12:30 p.m.	Lunch on your own		
	Store-Level Employees/ One-Store Managers Ballroom I and II	Mid-Level/ Multiple-Store Managers Track Ballroom III and IV	Owners/ Top-Level Managers Track Ballroom VII and VIII
12:30–2 p.m.	Training for Management: Moving to the Next Level Lyn Leach, Ace Rent-To-Own	Why Buy Now? Fourth-Quarter Budgeting, Tracking and Ordering David P. David, American Rentals	2010 Rent-to-Own Industry Legal Update Ed Winn III, APRO General Counsel
2:15–3:45 p.m.	Social Media and Marketing: Low-Cost Ideas to Grow Your Business Kelly McDonald, McDonald Marketing	Coach Your Teams to Higher Sales Mitch Wasden, ContactPoint	Health Care in America: How it Impacts Your Business Mitchell Andrews, The Plexus Groupe
4–5:30 p.m.	Create Sales: Be Order Makers, Not Order Takers Mitch Wasden, ContactPoint	Rent-to-Own Marketing with Social Media: A Panel Discussion Moderated by Kelly McDonald, McDonald Marketing	Leadership: Get Out There and Do It! Jeremiah Wilson, ContactPoint
Info-to-Go	Don’t miss these up-to-the-minute educational sessions presented at various times on the exhibit hall stage.		



RTO-specific concerns. She is a member of the National Speakers Association.

Create Sales:

Be Order Makers, Not Order Takers

Mitch Wasden, ContactPoint
4-5:30 p.m., Ballroom I and II

Customer service skills maximize profits and all employees should learn how to convert phone callers into customers by employing the proper customer service skills. This session includes audience participation and actual phone calls to rent-to-own stores to evaluate the conversations and teach the methods employees should adopt. Mitch Wasden will demonstrate how to convert a customer inquiry into a buyer, become an advisor instead of a pushy representative, employ techniques for overcoming objections, listen to customers' needs and know how to distinguish your company from the rest of the pack.

Mitch Wasden is the director of account development for ContactPoint, a customer service and sales training company based in St. George, Utah. Founded in 2001, ContactPoint has developed a patented system using recorded calls to provide superior customer service coaching. The company's custom-tailored programs and feature-rich applications ensure client satisfaction and measurable growth.



Seminar Track 2:

Mid-Level and Multiple-Store Managers

Why Buy Now? Fourth-Quarter Budgeting, Tracking and Ordering

David P. David, American Rentals
12:30-2 p.m., Ballroom III and IV

Due to current economic conditions, most manufactures no

longer can afford to stockpile merchandise the way they have in the past. Now more than ever, manufacturers must be able project customer needs accurately in order to provide parts for appliances, components for electronics and cut-and-sew kits for furniture before they produce the goods. This seminar will offer tips on how to project your company's inventory needs accurately so that you're guaranteed to have the products in stock during your busy times. Since the fourth quarter is often the busiest, this is a perfect opportunity to hone your budgeting, tracking and ordering skills.

David P. David is vice president of Full-O-Pep/American Rental, a multi-state company based in Bloom-



ington, Indiana. He served on the APRO board of directors for 20 years, including six years on the APRO executive committee, making him the longest-serving board member in the association's history. In 2009, David received the APRO President's Award of Excellence.

Coach Your Teams to Higher Sales

Mitch Wasden, ContactPoint
2:15-3:45 p.m., Ballroom III and IV

Your managers must wear many hats, but too often they forget to put on the sales hat. Many branch and operational managers lack the proper skills to sell and coach their staff to sell. Without a manager leading the sales and service side of the business, stores lose opportunities. By tracking sales skills with your managers and team, you can inspect what you expect from a sales manager and then coach your manager to train every employee. This session will include evaluations of actual recorded customer calls and

APRO 2010 Keynote Address:

The Passion to Succeed, The Power to Break Barriers

Jeremiah Wilson, ContactPoint

9-11 a.m., Wednesday, July 21

Sponsored by GE Consumer & Industrial and Simmons

Continental breakfast sponsored by Bryce Co., Central File, Crosley,

Imagery Marketing Group, SED International and VersiRent

This keynote address won't put audience members on the edge of their seats—it will stand them on the tips of their toes. "The Passion to Succeed, The Power to Break Barriers" will emphasize that we are responsible for our own success. Too often, excuses and complaints block companies from being their best. APRO's keynote address will offer plenty of practical insights to help you do more and avoid making excuses. Keynote speaker Jeremiah Wilson introduced his patented remote monitoring device, the Maculon, and the Sales Mentor System in 2001; it revolutionized sales and service training. Prior to founding ContactPoint, he served as a national sales and customer service training specialist and was assistant to the counselor of economics at the embassy of the Czech Republic. He holds a BA in International Relations from Brigham Young University.



manager-coaching calls, while exploring strategies to enhance sales skills.

Mitch Wasden is the director of account development for ContactPoint, a customer service and sales training company based in St. George, Utah. Founded in 2001, ContactPoint has developed a patented system using recorded calls to provide superior customer service coaching. The company's custom-tailored programs and feature-rich applications ensure client satisfaction and measurable growth.



Rent-to-Own Marketing with Social Media: A Panel Discussion

Moderated by Kelly McDonald, McDonald Marketing
4-5:30 p.m., Ballroom III and IV

This panel discussion will expand on McDonald's "Social Media and Marketing: Low-Cost Ideas to Grow Your Business" seminar with a panel of rent-to-own professionals who currently are using social media to enhance their business marketing.

We all hear that social media, such as Facebook and Twitter, are being used in various ways for business—but how does that relate to your rent-to-own business? Can Facebook and Twitter work for you? Find out what other companies are doing to implement social media in their marketing campaigns and also how it's being used for in-house communications with employees.

Kelly McDonald is an expert on marketing and business trends, with 20 years of ad agency experience. She



was named No. 1 on the list of "26 Hot Speakers" by *Successful Meetings* magazine and has been featured in *Business Week* magazine and on CNNMoney.com

Monday, July 19

- 9 a.m.-1 p.m. **Joe Eason/Tom Kitchens Golf Tournament at the Covered Bridge Golf Club** (sponsored by Whirlpool)
- 2-5 p.m. **Early registration**
- 6-7:30 p.m. **APRO President's Welcome Reception** (sponsored by Serta)

Tuesday, July 20

- 8 a.m.-5 p.m. **Registration**
- 8 a.m.-8 p.m. **Exhibitor set-up**
- 8-8:30 a.m. **Rental Roundtables continental breakfast** (sponsored by Coaster Fine Furniture)
- 8:30-11 a.m. **Rental Roundtables** (sponsored by LG Electronics)
- 10 a.m.-4 p.m. **Spouse/Guest Tour: Southern Charm—Hospitality, Horses and Home Cookin'**
- 11 a.m.-12 p.m. **Exhibitor lunch and Vendor Advisory Committee election**
- 11 a.m.-12:30 p.m. **Lunch** (on own)
- 12:30-5:30 p.m. **Educational seminars** (seminar breaks sponsored by RES Accessories)
- 7-9 p.m. **Gala Cocktail Reception at Churchill Downs** (sponsored by RentDirect Nationwide)

Wednesday, July 21

- 7-11 a.m. **Exhibitor set-up**
- 8 a.m.-5 p.m. **Registration**
- 8:15 a.m. **Pick up ballots for APRO board of directors election**
- 8:15 a.m. **General Session continental breakfast** (sponsored by Bryce Co., Central File, Crosley, Imagery Marketing Group, SED International and VersiRent)
- 9-11 a.m. **General Session and Keynote Address** (sponsored by GE Consumer & Industrial and Simmons)
- 11 a.m.-1 p.m. **Complimentary lunch in exhibit hall** (sponsored by TRIB Group)
- 11 a.m.-6 p.m. **Exhibit hall open** (ice cream break sponsored by Ashley Furniture)
- 5-6 p.m. **Cocktail Party in exhibit hall** (sponsored by Affiliated Construction Specialists)
- 7-7:30 p.m. **Awards Banquet Cocktail Reception** (sponsored by Protect-A-Bed)
- 7:30-9:30 p.m. **APRO's 30th Anniversary Awards Banquet** (sponsored by High Touch)

Thursday, July 22

- 9 a.m.-2 p.m. **Registration**
- 8-9 a.m. **APRO Vendor Advisory Committee meeting**
- 9-10 a.m. **APRO board of directors meeting and election of officers**
- 9 a.m.-3 p.m. **Exhibit hall open** (ice cream break sponsored by D&H)
- 11 a.m.-1 p.m. **Complimentary lunch in exhibit hall** (sponsored by TRIB Group)
- 2 p.m. **Deadline for submitting APRO purchase orders for cash drawings**
- 2-3 p.m. **Cash drawings in exhibit hall**
- 3-9 p.m. **Exhibitor tear-down**

Additional sponsors:

Badges: ArchBrook Laguna; **Relaxation Station:** Benefit Marketing Solutions; **registration computers:** CybertronPC; **registration electronics:** O'Rourke Sales Co.; **registration bags:** TRIB Group; **Pocket Show Guides:** RSSS; **hotel key cards:** Britelite



and XM Radio. She is a member of the National Speakers Association.

**Seminar Track 3:
Owners and Top-Level Managers**

2010 Rent-to-Own Legal Update

Edward L. Winn III,
APRO General Counsel
12:30-2 p.m., Ballroom VII and VIII

Edward Winn will provide attendees with an up-to-the-minute update on legal issues that affect the rent-to-own industry. Topics will include rent-to-own and the *Consumer Financial Protection Act*; Rent-A-Center's employee arbitration case before the U.S. Supreme Court; state rent-to-own developments—including new legislation in Vermont, New York, Pennsylvania, West Virginia and Indiana; bedbugs and rental stores; keep rates and the tax code; collection calls—how many are too many and how several state attorneys general have settled the issue. Winn's always-popular session provides the legal news you need to know to keep your business safe.

Winn is APRO's general counsel and a partner at the law firm of Martinec, Winn, Vickers and McElroy in



Austin, Texas. He helped found the Association of Progressive Rental Organizations in 1980 and his knowledge of the rent-to-own industry is unsurpassed. Winn is a regular contributor to *RTOHQ: The Magazine* and offers legal advice to APRO members.

**Health Care in America:
How It Impacts Your Business**

Mitchell Andrews, The Plexus Groupe
2:15-3:45 p.m., Ballroom VII and VIII

How will the health care bill recently passed by Congress affect your business? Expert Mitchell Andrews will give us the background on how the bill was developed, key dates of implementation of which you must be aware and what the costs to your business might be. Andrews' presentation will include a question-and-answer session where you'll be able to address your concerns regarding this controversial legislation.

Andrews is a partner of The Plexus Groupe and has more than 23 years of experience in the health care industry. His career started as a field underwriter for a Fortune 100 insurance com-



pany before joining The Plexus Groupe. Andrews provides consulting services to help clients attract and retain their employees while maintaining financially sustainable benefit programs, including short-term and long-term strategies to promote employee wellness and appropriate plan utilization. The Plexus Groupe is a full-service commercial insurance broker for property/casualty, health and welfare, and 401K programs. Founded in 1990, Plexus is headquartered near Chicago.

Leadership: Get Out There and Do It!

Jeremiah Wilson, ContactPoint
4-5:30 p.m., Ballroom VII and VIII

As a leader in your company, do you live up to your business' mission statement? If you proclaim that you put the customer first, how do you achieve this? As a leader, you are the one who drives customer service and sales for your business—so learn how to take charge more effectively by understanding the key principles of "In the Trenches Leadership."

Jeremiah Wilson is founder and president of ContactPoint, a customer service and sales training company



based in St. George, Utah. In 2001, Wilson introduced his patented remote monitoring device, the Maculon, and the Sales Mentor System, which have revolutionized the sales-and-service-training industry. Prior to founding ContactPoint, he served as a national sales and customer service training specialist; assistant to the counselor of economics at the Embassy of the Czech Republic; and as a training specialist at the International Training Center in Provo, Utah. Wilson holds a BA in international relations from Brigham Young University.

Don't miss the Info-to-Go Sessions on the Trade Show Stage

Savings, prizes and information you can use to make your business better—all on APRO's 2010 Trade Show Exhibit Hall Stage! APRO's popular Info-to-Go educational sessions will be held again this year in the exhibit hall during APRO's 2010 Convention and Trade Show. These 30-minute information-packed sessions are designed to give rent-to-own dealers some hands-on education that they can apply easily to their businesses. Also, be sure to check the stage area for Show Specials, which will offer great deals available only during APRO's Trade Show. And while you're there, complete the brief convention survey for your chance to win a very special prize.

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Hearing is Believing

ContactPoint, a customer service and sales training company, will present the keynote address and three training seminars at APRO's 2010 Convention and Trade Show. Here, company founder Jeremiah Wilson focuses on a major tool to help increase your customer base: the telephone

When Vince Ficarrota, vice president of RNR Custom Wheels & Performance Tires, started listening to recorded telephone calls conducted as a mystery-shopping sample from his Florida-based company, he knew right away that there was an opportunity—and a need—to increase his employees' phone skills. In the recordings, he could hear the company's marketing dollars being tossed out the window. "We began looking for companies that offered mystery-shopper services," Ficarrota says. He hired ContactPoint, a customer service and sales training company based in St. George, Utah, to help RNR improve its telephone presence and increase sales. "The follow-up training and program options gave us the flexibility we needed," Ficarrota says. "Since RNR is a franchise group, our franchisees have different needs and different perspectives on how best to communicate with people on the phone."

Many rent-to-own businesses are turning to call-recording and call-tracking tools to improve their marketing, sales and service performance. ContactPoint's LogMyCalls technology is used by many rent-to-own companies, including Rent One, United Household Rentals, Baber's and RNR Custom Wheels & Performance Tires. "The beauty of LogMyCalls is that it gives businesses the ability to track both the effectiveness of advertising and the closing [of deals] by sales and service representatives," says Jason Wells, CEO of ContactPoint.

"Recording calls is the foundation for good sales and service training," Wells says, "and when you can actually hear the interaction between you and your customer, training moves from theoretical to real life." Having bypassed sales and service training programs in the past, Shannon Strunk, president of Mississippi-based Baber's, saw fit recently to implement the program. "Once I learned that there was an effective way to audit the system and that I could demonstrate the training results, I was on board." Strunk says. "I could hear the improvement and see the impact."





Jeremiah Wilson, founder of ContactPoint, will be the keynote speaker on July 21 at APRO's 2010 Convention and Trade Show. ContactPoint also will present three training seminars on June 20 at the event in Louisville. The company boasts almost 10 years of customer service and sales training in many industries, including rent-to own. ContactPoint's patented system has been used at hundreds of businesses in the rent-to-own, automotive service, tire, auto glass, hospitality and equipment-rental industries. Its mentor system provides training, call recording, call scoring, coaching and analytics.

At the heart of ContactPoint's business philosophy is an emphasis on what's actually being sold. "Potential customers don't buy your service, they buy *you*," Wilson says. "It doesn't matter if you're the absolute best rent-to-own store in town, they have to like you." The first step in the "selling you" approach is to listen carefully to how you and your employees sound on the telephone with prospective customers. ContactPoint training focuses heavily on call recording. "From recorded phone calls, [during training] I might observe: 'When you said such-and-such, that was great!' or 'Those three things you need to get rid of,'" Wilson says. "The sale occurs the moment the potential customer likes you."

So how can you sound better on the telephone to make that happen? Here are a few tips to help turn a prospective customer inquiry into an actual sale:

REALLY LISTEN. Wilson feels that the biggest mistake employees make while talking with a potential customer is simply tuning out that person. "Employees know what they want to *say*, but they don't adjust to what they *hear*." This may cause the employee to miss a valuable piece of information from the customer—or it may cause the customer to think that his or her problem doesn't matter. "It can become mundane," Wilson says of rent-to-own employees who are interacting with customers day in, day out. "It's not fresh or new." Spending time listening *intently* to what the customer is saying, instead of just going through the motions, will go a long way toward ensuring the close of a sale.

MIND YOUR TONE. During call recording, Wilson pays special attention to tone. Even if you're not naturally upbeat on the phone, you should give it a try. "All too often, we'll hear someone say, 'That's just who I am,'" Wilson says. "If you can't improve your tone, then get out of this business. You have to sound like someone your customers

"Employees know what they want to say, but they don't adjust to what they hear."

want to talk to—even if you have to sit there and smile in a mirror, do it." It might seem like nitpicking, but a prospective customer can interpret your tone—and consequently, your interest in talking with them—very quickly on the phone. A sure-fire way to lose a sale is to sound indifferent or uncaring.

MAKE IT PERSONAL. "You have to use the person's name," Wilson says. "When you use a prospective customer's name, you get his or her attention." Studies show that synapses in the brain fire when certain words are mentioned—such as the person's name; that individual becomes more engaged.

BE EMPATHETIC. It's easy to lack sensitivity to a prospective customer's plight. "Ultimately, [employees] don't really care about the customer," Wilson says. "That's the hardest one for people to embrace and you can hear that over the phone. I've [listened] to hundreds of calls in the past month...and [in many of the calls reviewed] there's not true empathy. They're just desensitized." Overcome that, Wilson says, by "treating that customer as if she was your own mother."

COMMIT TO CHANGE. While these steps may seem simple—and they *are* simple—you have to want to change to make the changes successful. "Put it out there: 'I want it,'" Wilson says. "Figure out why you're not [closing sales]." Whether it's a personal problem or just a bad day, figure out why you're not as warm or caring as you'd like to be with prospective customers—and then commit to changing that about yourself.

The results of sales coaching come quickly, according to Wilson. "When your employees are liked, you're going to get an immediate increase in your closing ratio. There are the residual effects as well, such as long-term customers and referrals for new business." Proper customer-service training includes an ongoing coaching program, leading the way for continued learning and improvement.

"This type of training is not cheap, but I'm comfortable with the value," says Ernie Lewallen, president of United Household Rentals based in Cincinnati, Ohio. "The accountability is what's huge about this program. You don't lose sight of where you've been and, best of all, I can hear our managers selling more on the phone." ✱

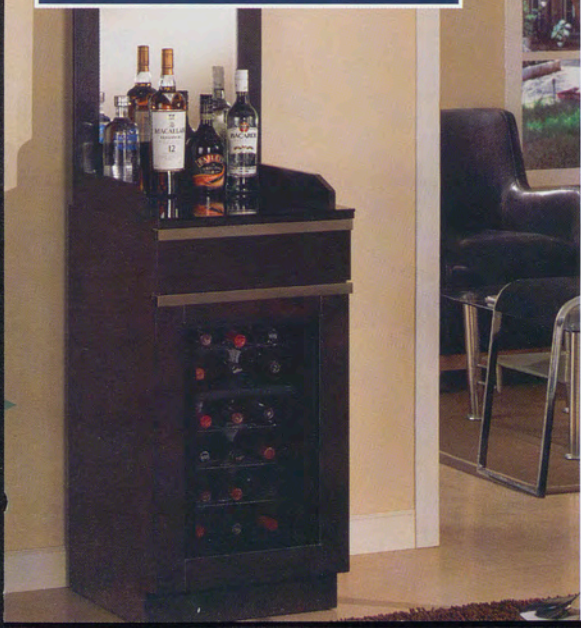
See the "Learning in Louisville" feature beginning on page 26 for more information about ContactPoint's training sessions and keynote address at APRO's 2010 Convention and Trade Show, July 19–22 in Louisville, Kentucky.



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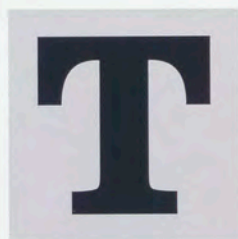
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M O V E



he purpose of the APRO board of directors was established 30 years ago with the adoption of our bylaws. Over the long and progressive history of our association, many men and women have stepped up to lead APRO and the industry in establishing rent-to-own as a viable and popular transaction across the country. To them, much is owed; to the ones who follow them, much is expected. APRO's process of choosing board members has worked—and worked well—and the time is again at hand for the membership to select its leaders. During the association's general session, July 21 at APRO's 2010 Rent-to-Own Convention and Trade Show in Louisville, Kentucky, APRO members will run for election to fill eight positions on the board of directors. Board members serve staggered two-year terms and half of the positions become open each year at the Convention and Trade Show, in addition to any vacancies needing to be filled. Only APRO members in good standing are eligible to vote. Here is your slate of candidates.

Robert O. Briley

Briley Investments Inc., dba Aaron's Sales and Lease Ownership, Abilene, Texas

Robert O. Briley graduated from Texas Tech University in 1974 with a bachelor of arts degree in political science. After working in the petroleum marketing industry for five years, he purchased two Curtis Mathes Home Entertainment Centers in Abilene and Sweetwater, Texas. In 1989, Briley founded Rent City Superstores, converting his four Curtis Mathes stores. In November 2006, he became an Aaron's franchisee and now owns and operates seven Aaron's franchise stores in west Texas. In 2008, Briley was awarded Aaron's Franchisee of the Year.



Briley served on the Texas Association of Rental Agencies board of directors from 1994 to 2008 and held the executive committee positions of chairman, president, vice president and treasurer for that association.

Briley was elected to the APRO board of directors in 2001 and currently serves as first vice president on the executive committee. APRO has recognized Briley for his accomplishments, honoring him as the Rental Dealer of the Year in 2005 and awarding him the APRO Legislative Conference American flag for holding the highest number of congressional meetings during APRO's 2000 Legislative Conference.

Briley's community involvement includes his position as a city councilman for the City of Abilene, Texas, serving on the Abilene Chamber of Commerce board of directors, fundraising chairman for United Way of Abilene and as deacon of the First Baptist Church. He is also a former board member of St. John's Episcopal School, Fairway Oaks Country Club and was the Smoke-Free Abilene treasurer.

Briley has been married to Lou for 34 years and has two sons, Zach and Parker, and a grandson, John Preston Briley, age nine.

"I want to thank APRO and our members for our relationships through the years," Briley says. "I have learned so much about our opportunities to improve our company in this wonderful industry. I am excited about running for re-election to the APRO board of directors. I promise to continue being a good representative for you and our industry."

Sidney Burton

Hometown RTO Ventures Inc., Sault Sainte Marie, Michigan

Sidney Burton is an independent rental dealer who lives and works in one of the country's most naturally scenic regions, Michigan's Upper Peninsula. Burton comes from a background in national intelligence and security and had no previous experience in rent-to-own when he opened the doors to his store more than two decades ago. He credits thriving in this industry to the openness and willingness to share that he's found in fellow rental dealers.



It was such openness that instilled in Burton the aspiration to give back to the rent-to-own community. When the call went out for someone to spearhead the revitalization of the Michigan Rental Dealers Association, he picked up the mantle. Several years ago, he developed an educational seminar, "Why 94 Percent of Your Customers Don't Rent," which he has presented at industry functions across the country. Along with running his business and occasionally doing RTO consulting work, Burton currently serves on the APRO board, is chairman of the bylaw revision committee and former chairman of the public relations committee.

As an APRO board member, Burton has two priorities: ensure that APRO is considering the interests of the smaller, independent rental dealer in everything that it does; and ensure that APRO is fostering an environment of openness and sharing that has been so important in developing his business and the businesses of countless other rent-to-own dealers.

David P. David

*American Rental/Full-O-Pep Appliances Inc.,
Bloomington, Indiana*

In 1981, Full-O-Pep opened its first store in Bloomington, Indiana, and in 1982, American Rental opened its first store in Columbus, Indiana. Today, the American Rental family is 48 stores strong with 280 employees, plus two Rent-n-Roll franchises. David P. David, American Rental/Full-O-Pep Appliances vice president and general manager, has been with the company for 29 years.



An APRO board member for 20 years, David served as APRO secretary, treasurer, chairman of the education committee and a member of the APRO government relations, ethics, public relations and communications committees. He was also the fundraising chairman for Team APRO from 1996 to 1997. David has been very active in securing legislative protection for the industry at the state and federal levels.

David has served as president of the Indiana and Midwest Rental Dealers Association for 12 years. In 1991, he received the APRO State Association of the Year award, was named Rental Dealer of the Year in 2000 and, in 2009, was recipient of the APRO President's Award of Excellence.

"Once again, I am eager to serve the APRO membership and I'd appreciate your vote," David says.

Dwight Dumler

Rent-A-Center, Plano, Texas

Dwight Dumler was named Rent-A-Center's senior vice president of public affairs in July 2008. He is responsible for oversight and management of the company's government, community and public relations initiatives. From January 2002 to July 2008, he served as Rent-A-Center's vice president and assistant general counsel and also served as the company's compliance officer.



Before joining Rent-A-Center, Dumler spent two years as associate general counsel for Rent-Way Inc., in Erie, Pennsylvania, and was responsible for overseeing compliance for the rent-to-own operation, which had 1,125 stores in 42 states.

From April 1997 to September 1998, he was an attorney with Thorn Americas Inc. and then corporate counsel for American Auto Finance Services Inc., both in Wichita, Kansas.

Dumler began his law career at Morrison & Hecker LLP in Wichita in August 1993, where he practiced product liability defense, employment practice defense, general commercial litigation and property tax. Before entering the legal

profession, he spent six years with the Wichita Police Department as a patrol officer and detective.

Dumler received his BBA degree in finance from Wichita State University and his law degree from the Washburn University School of Law in Topeka, Kansas.

In addition to serving on the APRO board of directors, Dwight serves on the board of the Bridge Education Foundation and the Texas Association of Rental Agencies.

"It has been a pleasure serving the APRO membership for the past two years on the board of directors," Dumler says. "As co-chair of your government relations committee, I have worked hard with the rest of the committee and board to promote and protect the industry we all love. I sincerely ask for your continued support and would appreciate your vote."

Bill Kelly

*EBRO International Inc., dba ColorTyme,
Defuniak Springs, Florida*

Currently serving as vice president and COO for EBRO International, dba ColorTyme, Bill Kelly has been involved with the rent-to-own industry since 1989. He worked directly with Alreco owner Mike Walts, COO Bud Holladay and CFO



Ted Wilson as Alreco's vice president of operations from 1989 to 1998. APRO co-founder and former APRO President Holladay, longtime APRO member Walts and 1989-90 APRO President Wilson instilled in Kelly a great passion for the industry and the spirit for participating in the association.

Kelly was a longtime member of the Indiana Rental-Purchase Dealers Association and was its president from 1996 to 1997. He worked with former APRO board member Ron DeMoss for passage of a business-friendly West Virginia state law and has been a member of, and speaker for, the Texas Association of Rental Agencies. He currently is the secretary/treasurer of the revitalized Georgia Rental Dealers Association and also serves on APRO's executive committee as secretary.

Kelly has worked with Habitat for Humanity and The Children's Miracle Network, promoting both groups while fostering a positive image for rent-to-own. He worked with Catholic Charities in Florida and Mississippi in the aftermath of Hurricane Katrina, delivering and distributing disaster relief to those in need. Many of Kelly's store associates benefited from APRO's charitable donations through the association's RTO Employee Disaster Relief Fund.

Married to his wife, Linda, for 28 years, Kelly spends his time with their three children, attends Christ the King Lutheran Church and likes to golf and fish when time permits.

Kelly believes in APRO and loves the entrepreneurial spirit and work ethic of its members. "I deeply wish to con-

tinue serving the trade association with the dedication and participation that my longtime mentors showed me by example and through their strong leadership," Kelly says. "I've enjoyed your support in the past and appreciate it in the future."

Casey Pristou

Watershed Development Corp., Lake Bluff, Illinois

Casey Pristou is president of Watershed Development Corp., which owns and operates six Aaron's Sales & Lease stores in Illinois and Iowa. Watershed ranked second out of all Aaron's franchise operators in the 2009 all-around competition. Pristou is a member of the Illinois Rental Dealers Association board of directors and has been involved actively in the annual APRO Dave Egan Legislative Conference in Washington, D.C. He provides financial support to the Leukemia & Lymphoma Society and is an active participant in the Adopt-a-Soldier initiative at Ft. Hood, Texas.

Pristou is a CPA and received his MBA from Northwestern University. He lives in Lake Bluff, Illinois, with his wife of 25 years, Jodi, and his three children.

"I consider it an honor to be nominated for the APRO board of directors and believe that I owe a significant debt of gratitude to the rent-to-own pioneers, entrepreneurs and operators who came before me—and to APRO and its leadership," Pristou says. "I recognize that my opportunities in the rent-to-own industry are due to the vision, dedication and hard work of those who forged the way—and I intend to repay this debt by serving on the APRO board. I will work to advance the industry's legislative interests, promote the positive image of rent-to-own through education and outreach and safeguard the interests of all rental dealers nationwide."

Richard Rose

RTO Inc., Norfolk, Virginia

For the past six years, Richard Rose has proudly served on the APRO board and currently serves on the association's budget, education, government relations, public relations and ethics committees.



Rose's career in the home furnishings business spans more than 40 years, the past 26 in the rent-to-own industry as co-founder/co-owner of RTO Inc. An avid golfer, reader and amateur financial market analyst, he is a graduate of the University of Richmond located in Virginia's capital city. An economics major, he also is a graduate of the American Institute of Banking, an industry in which he began his career before returning to his retail roots.

Early on, Rose went to work in a "buy-here/pay-here" furniture store, handling all of the sales, deliveries and collections in much the same way as rent-to-own operates today. Eventually, Rose, along with some partners, created their own furniture business, successfully owned and operated for more than 15 years. With a different partnership, he established RTO Inc. The company currently operates 19 BestWay Rent To Own stores, RTO Tax System (a RAL/fast-tax-prep business), BestWay Autos and, soon, three RNR Custom Wheels & Performance Tires stores.

A member of APRO since 1984, Rose has served as a director on a variety of boards and has been the president and CEO of every company he has operated. He has a very strong command of the financial side of the business for an "operations guy."

"I feel strongly that serving on the APRO board is a tremendous way to give back to the industry and fellow business owners," Rose says. "I am again humbled by being nominated to run for the board. If re-elected, you can rest assured that I will be looking out for you."

James Slatton

Buddy's Home Furnishings, Tampa, Florida

James Slatton's rent-to-own career began more than 30 years ago when his father, Norman "Slats" Slatton Sr., started taking him to work at their family's retail and RTO stores. Slats mentored Jamie into becoming the driving factor in Buddy's Home Furnishings' growth throughout Florida, Georgia, Arkansas, Kansas, Oklahoma and Texas. He has seen Buddy's expand from a five-store retail chain into 72 rent-to-own locations.



Slatton has held many positions at Buddy's, including manager, division manager, director of marketing and vice president. He has been a TRIB Group member for more than 20 years. He is an active participant in APRO's annual Dave Egan Legislative Conference in Washington, D.C., and the Florida Rental Dealers Association Legislative Conference in Tallahassee.

As Buddy's vice president, Slatton has helped build it into one of the industry's largest privately owned rent-to-own companies. His enthusiasm for the industry is matched by his leadership and success. He has earned the reputation among his peers as one who brings excitement to rent-to-own for his company and for the entire industry. ✱

The APRO board of directors voting will commence during the general session, July 21 at APRO's 2010 Convention and Trade Show in Louisville, Kentucky. For information regarding proxy voting, contact Laurie Hill at lhill@rtohq.org, 800/204-2776, ext. 103.



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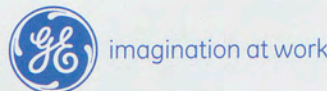
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Bill French

O'ROURKE SALES CO., DALLAS, TEXAS

The start of his career might have been a fluke, but his success since then is no fluke at all

**By Tiffany
Hamburger**

Like so many success stories, this one begins with a simple twist of fate. A young man working as an engineer for a circuit company is asked by his wife, who is employed by an appliance distributor, to serve as a bartender at a Whirlpool presentation—because, as she puts it to him, “I just got a call and we have no bartender.” He accepts and, despite not having any bartending skills aside from pouring a beer or a glass of whisky, favorably impresses the vice president of sales for the Frank Lyon Co. “Young man,” says this vice president, “I like the way you handle yourself. For someone who doesn’t know what you’re doing, you did a pretty good job.”

Today, nearly 40 years later, French is vice president of sales at O’Rourke Sales Co., a family-owned, multi-million-dollar appliance and electronics wholesale distributor, where he handles the rent-to-own channel of O’Rourke’s business. After Frank Lyon Co., but before landing at O’Rourke, French was southeast regional vice president at LG Electronics/Zenith for 16 years, making him a true veteran of the consumer electronics and appliance industry.

Given that, it truly means something when he says of dealing with the rent-to-own channel: “I far prefer it to all the other stuff I’ve ever done.” That may be why French is extremely active within the industry, including a position as vice chairman of the vendor advisory committee of APRO—a position that gives him a seat on the board of directors—as well as a participant at the annual Dave Egan Legislative Conference in Washington, D.C. “In the rent-to-own channel,” French says, “even competitors are friends. Outside of my family and the people I work with, most of my friends are in this industry.”

Kevin Quinn, owner of Seattle’s Quality Rentals, counts himself as one of French’s friends. “Bill is one of a handful of people I’ve known over the almost-30 years I’ve been in this business whom I would call a true hall-of-fame vendor in the industry,” he says, noting French’s 2007 APRO Vendor of the Year award. “He’s just a joy to be around.”

French’s success as both a businessman and a friend may have something to do with his commitment to treating people well and earning their trust. “When you’re in a business like I am or any business where you have to resell someone over and over and over again, it’s almost like getting married—you had better treat them right every day,” he says. “If you want them to stay around and be your partner, you have to think about them before you think of yourself.”

While his golden-rule approach has certainly contributed to his success, French’s enthusiasm for his work and his team at O’Rourke can’t be discounted. At 65, he says, “I’m working harder than I’ve ever worked in my life, which is my choice... I still get up in the morning fired up to get in here and do what I do.” About his retired friends who doubt him, he says, “They think I’m crazy because I’m not retired; I think *they’re* crazy because they’re going to go nuts. When this isn’t fun anymore, I’ll quit.”

Perhaps in keeping with his love of his work and belief in taking care of people, French emphasizes that his success and O’Rourke’s success as a rent-to-own vendor owe a lot to the people who support him. He talks about the “great ownership” at O’Rourke and insists upon mentioning his team in the

CONTINUED ON PAGE 46



of the silent auction, but it was the live auctioneering talents of Jamie that stole the show.

Late August and early September 2009 found us at APRO's Convention in Las Vegas. Our legislative momentum continued as House sponsorship for HR 1744 had grown to 101 co-sponsors; but the real highlight for me was getting to present our industry's highest honor, the Lifetime Achievement Award, to Gary McDougal, a three-term APRO president and the greatest statesman I have ever known. At the convention, I was re-elected president. I let the board know I could not travel as much as I did my first year, but would continue to concentrate on legislative issues.

The APRO board met in November in Louisville, very much aware of the uncertain political climate. We developed a strategy to continue the push for co-sponsors—particularly in the Senate—and upgrade APRO member benefits.

In February 2010, more than 125 rental dealers attended the 17th annual Dave Egan Legislative Conference in Washington, D.C., which continued the drive for support of our legislation. As of May 31, HR 1744 has 126 co-sponsors and S 738 has 18.

As we all know, Congress has been consumed with stimulus packages, bailouts, health care legislation and, now, financial reform. Rent-to-own has not even been a blip on the Congressional radar, despite all of the co-sponsors for our bills. In today's political climate, that might not be so bad. No anti-RTO legislation has been introduced—and that is very good news. I can't emphasize enough what a fantastic job the industry's lobbyists—paid for primarily by Rent-A-Center—have done to protect and promote our interests. The lobbyists, teamed with your board of directors and the APRO staff, remain fully engaged in this, the most tumultuous political climate in my lifetime. And yes, if the opportunity presents itself, Congressman Clay is ready to push for a hearing on his bill in this session. Even if he can't get the hearing, I assure you that he has done more for his constituents—rent-to-own customers and dealers alike—than any member of Congress I've ever known.

I have worked hard for the industry and the association these past two years. It has been challenging, but more often, it's been a lot of fun. I have met a lot of rental dealers and made a lot of new friends. I have tried to advance the interests of the industry and foster a sense of cooperation among dealers. Two years later, we are better than we were; we are not yet as good as we surely are going to be. I look forward to seeing all of you in Louisville to celebrate APRO's 30th anniversary together! ✧

Tiger John Cleek lives in Columbia, Missouri. His e-mail address is tigercleek@cleeks.com.

rent-to-own division by name—Amanda Barrows, Brian Duke and Danelle Stanger—saying that “those folks make me look good everyday.” Again and again, he mentions the support he's received, from his co-workers and rental dealers alike. “We have the best dealers in the world,” he says. “We've got tremendous support in the dealer community.”

APRO, too, gets credit from French for his success in the industry. “The fact that we are involved supporters of APRO has been of tremendous benefit to our company,” he says. “Last year, I ran for the board for that very reason.”

It may not be surprising that someone who loves his work and has been in sales for nearly 40 years has had his share of protégés. “A lot of the fun I've had in this business has been coaching other people and helping others be successful,” French says. On this subject, he has a clearly defined philosophy. “I can't stand lazy people, nor those who are dishonest,” he says. “I will fire you for lying to me; I will never fire you for making a mistake. The only people who don't make mistakes are people who don't do anything.” Building upon that, he mentions a piece of advice from his manager at Frank Lyon Co. that has stuck with him: “Always hire people who are smarter than you, who will work harder than you and who probably want your job. If you do that, you'll always be successful.”

In fact, the only thing French says he enjoys more than work is time with his wife, three children and nine grandchildren. He calls his wife of 22 years, Mary Lou, a great supporter and a great partner. His children and grandchildren live in Missouri—where French is from originally—but he says he talks to his children on the phone virtually every day; however, he confides that it's “impossible to talk to my grandkids, because they just want to *text*.” Like any grandfather, though, who wants to dote in this modern age, he texts them right back.

Finally, there is golf, which he tries to play once or twice a week, although he wishes he had the time to play a bit more. “It's a sport at 65 that I can play at a high enough level where it's fun and I can compete,” he says, noting that he is a 16 handicap and that a good day for him is 80 and a bad one 90. “It's one of the places I don't think about work and you can just totally, totally, totally unwind.”

A successful career, good health, close friends, a loving family and some fun on the golf course. “I've got nothing to complain about,” French says. If he makes it look easy, it's only because he's worked so hard to earn all he's got. “It's funny the way the good Lord works,” he says of finding his career by first serving as an ill-prepared bartender. “I wound up here and it's been a tremendous amount of fun.” ✧

Tiffany Hamburger is a freelance writer based in Austin, Texas.

Winn FROM PAGE 19

And beyond the realm of rent-to-own? A devoted family man, of course. "I've written my mother a letter every week since I was 18 and living in France—junior year abroad—in an era before cell phones and computers," Winn says. "You had to go to the post office to make transatlantic calls, which were quite expensive, so I wrote letters instead. I continue the practice today; every week I send a letter to her in Nashville, where she, my dad, two younger sisters and their families all live."



sons a while to get through school and get established to a degree that will let them care for me in the style to which I still hope to become accustomed," Winn chuckles.

But what may be taxing to Winn's finances is good news for rent-to-own. Regardless of whether he's concealed by the proverbial curtain, Winn in many ways manifests the brains, heart and nerve of rent-to-own. And as long as he wants to call it home, the industry will gratefully embrace its wizard.

But lest we link rent-to-own and Ed Winn too synonymously, claim him too wholly and solely for our own, he slyly mentions his all-time favorite job, which was utterly unrelated to rent-to-own and lasted only three summers, yet somehow manages to eclipse his 30 years with APRO. "I'm a tennis player—not a particularly talented one, but enthusiastic," Winn begins. "I once taught tennis at a French camp for girls on an island off the coast of Maine, Les Chalets Francaise—175 female campers and counselors and five guys. I ate a lot of lobster fresh off the boat. It was the best job I ever had; it beat the hell out of the law and every other job I can think of." *

Kristen Card is a freelance business writer based in Austin, Texas.

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One of the “Fastest Growing Young Franchisors” in America - Again! Here’s Why . . .

By Trooper Earle, President/CEO, The Premier Companies

For the second year, The Premier Companies was ranked in the Top Ten of Fastest Growing Young Franchisors in America by FRANDATA, the franchise industry’s source for objective information and analysis.



While our growth of the last few years has exceeded our expectations, we were surprised to see it relative to other franchising organizations through this ranking and especially interested to learn that we are the only company on this list to come from the rental-purchase industry.

Why? We have a proven strategy that is very different from other franchisors. We strongly support the entrepreneurial spirit that triggers potential dealers to launch their businesses. We help them design an effective business plan and get the financing they need. We provide support in training, marketing, accounting, legal, real estate, human resources and vendor relations. This comprehensive program has made it possible for Premier’s dealers to realize their dream of self-employment. And because of our flexibility, dealers are allowed to chart their own course to success with on-going assistance from us. But we **support**, not dictate, their everyday activities. That unique philosophy, combined with a positive track record that appeals to lending institutions, makes The Premier Companies very attractive to prospective dealers and, to me, is the reason for our growth.

I’ve enjoyed watching the Premier family grow to include other brands: Premier Home Furnishings, Premier Wheel Workz, Premier Auto by Rent and Premier UGetcha Cash Services. These have been natural progressions to reach our market base in new ways that support their needs and bring increased value and opportunity to Premier franchisees. As always, I welcome the chance to talk to potential Premier business owners



Trooper Earle

about how one of our brands might fit their entrepreneurial dreams. I am eager to share what steps are involved in becoming part of our Premier family.

In their own words. . .
Entrepreneurs Celebrate Store Opening in Mesquite, Texas

Last year Bryan Holman and his wife, Alia, wanted to try something new. After carefully doing their research, these entrepreneurs opened their first RTO store in Mesquite, Texas, and they are finding their niche.



Holman was introduced to the rent-to-own industry more than 15 years ago by a friend. He has managed single and multi-unit operations for both big and small companies and decided after a recent break from the industry that he missed RTO but wanted to get back into it on his terms.

“I wanted to find a way to make my own decisions and work for myself,” he said.

Together, he and wife Alia explored all types of franchise choices, including restaurants, oil change centers, and even tanning salons. But they kept coming back to RTO and Premier, making their final decision following Premier’s 2009 Open House at which they met other dealers, staff and other potential franchisees. The Holmans opened their Premier Rental-Purchase store late last year.

Advertisement

They've found that even in a down economy, it was the right decision.

"We get to make our own decisions with Premier as opposed to being told what to do, and I like that," says Bryan. "I get to have more control over our business. We are never pushed. Everyone at the Premier office, as well as the other dealers, is very helpful and quick to answer questions or offer suggestions. There is a wonderful sharing of information with different ideas for how to do things."

Bryan found the business plan offered by Premier to be particularly helpful. "The business plan was a great

Expand Services and Profit



(Eric Marlin and Mitch Robinson)
"We do it all at Premier," says Eric Marlin who opened a Premier Wheel Workz store in Murfreesboro, Tenn. and recently added wheel repair to the list of services. Owner/operator of a

"We latched onto the concept of wheel and tire rentals because we saw how much market crossover we would have with our current customer base, but we needed to find the right organization," says Robinson. He and Marlin were impressed by Premier's knowledge of both franchising as well as the relatively new industry of wheel and tire rentals. They felt that with the resources offered by Premier, their background in RTO would translate to success in their new endeavor despite how much they needed to learn.

According to Marlin most people don't realize that "this is a precise and highly customized world into which we've entered. It just doesn't work to merely tack on a wheel and tire rental component to our rental-purchase operation or simply apply what we know about RTO to an automotive scenario. There is so much more to this."

Premier Wheel Workz President Tommy Crenshaw says the company understands the need for extensive training, so it includes in its franchise program 12 days of rigorous preparation for new dealers – to help them integrate RTO into the automotive industry and also understand the complexities of the industry itself. Crenshaw feels the training is invaluable.

"Even seasoned veterans Eric and Mitch will tell you how important it has been to get up to speed with a knowledge of tire sizes, offset, vehicle makes and what fits and what doesn't when going from stock to custom," says Crenshaw. "Likewise, we can provide the RTO knowledge to those coming from an automotive background. Our training closes any gaps."

What struck Bryan the most in dealing with Premier is how professionally everyone treated them.

guideline to use all the way through the process." Bryan also appreciates the help he received from Premier in negotiating the store space and Premier's strong human resources support. "I could never handle all the human resources by myself with my limited time," says Bryan.

"We work hard on our business, and through our business find ways to give back to the community, and we're always looking for ways to be more successful in what we do," says Alia. "Bryan and I function well as a team because we encourage and support each other."

With the store doing well even in a slow economy and only positive experiences under their belt so far, the Holman's are excited about the future knowing they made the right decision to open their own Premier business.

rental-purchase store, Marlin and partner Mitch Robinson expanded their business plan and 40 years of combined rental-purchase experience to include wheel and tire lease and retail and now repair. "We specialize in upgrading customers' vehicles with a range of wheels and rims as well as quality tires," said Marlin, noting that with the addition of the most advanced system for repairing wheels, they feel they now can take care of every customer's needs and build a better relationship with them. "Our goal is to be the authority when it comes to wheels and tires. We are a one-stop operation. We can repair or replace any wheel, any tire."

When they opened their wheel and tire store, they knew the learning curve would be steep as they entered a new industry, but Robinson says they both feel Premier's automotive training and franchising support have enabled them to open with confidence and be prepared for success. And they look forward to ongoing services to help them grow.

The national office of The Premier Companies is located in Williamsburg, Virginia. All Premier stores are independently owned and operated. Visit Premier's website at www.ThePremierCompanies.net or call (800) 2-Premier and ask for Trooper Earle.

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Preventing the Smash-and-Grab

Smash-and-grab is an appropriately descriptive term to describe a growing problem for rent-to-own stores. Burglars simply smash the front windows of RTO businesses and grab what they can from the products on display. Sometimes a vehicle is used to make for a bigger smash and a bigger grab. The process is destructive—much more so than an “old-fashioned” burglary—and happens very quickly. The incidents of smash-and-grabs are increasing across the country. Today’s thieves can get away with stealing less product and still acquire the same profits as they have in years past. Current high-tech alarms systems are no match for thieves,

In addition to store-front windows, entrances are another concern when addressing the smash-and-grab. Many rent-to-own stores have more entrances/exits than are required by fire and building codes; this creates an advantage for the would-be thief to enter and exit the store. Locking down unused doors is a simple and inexpensive project that any store owner or manager can do—but, of course, always check local safety codes before you start the lock-down. As you determine which doors are crucial for traffic flow, the same attention also should be put into securing the doors. Steel roll-down doors are a security must for preventing smash-and-grab thefts. These doors should have an interior mount, which prevents thieves from determining how they are going to break in; in most cases, a thief won’t bother spending too much time figuring out how to break into such a place—he’ll simply move on to the next store, the one where there are obvious, easy-to-see flaws in theft prevention.

Another theft-prevention must is to secure the outside of the building with electronic devices that activate once the thief is near the store. The goal is to keep the thieves off the premises using a complete visual night lock-down system while maintaining an appealing, open appearance for the public. Affiliated Construction Specialists has combined these loss-prevention measures across the country and reports tremendous success in deterring crime for those rent-to-own businesses that have implemented the system.

Just a few measures can help maintain a secure store: abundant outdoor lighting; a clear exterior view for police patrols—avoid parking large delivery trucks where they might block the view of passing patrols; visual window and door deterrents—e.g., the ProGuard system and roll-down doors; and electronic motion detectors and complementing security devices. *

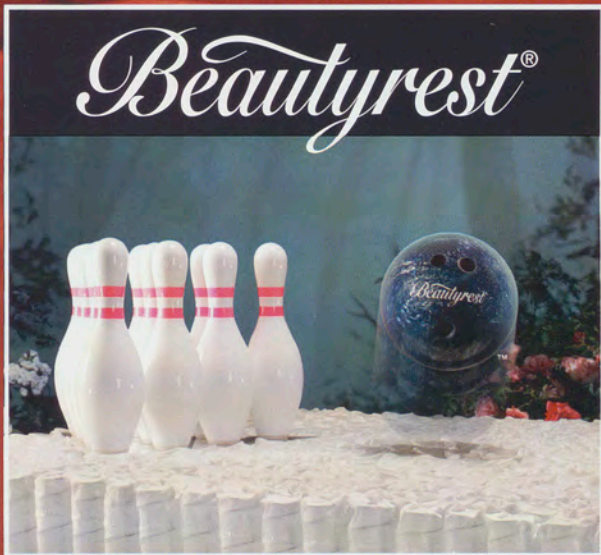
For more information on store security, contact Affiliated Construction Specialist at info@acsgrids.com. Visit ACS at booth 234 during APRO’s 2010 Convention and Trade Show, July 19–22, in Louisville, Kentucky.



due in part to both police response time and the swiftness of the crime being committed. And the loss to the rent-to-own business is more severe, with left-behind property being damaged or destroyed in the process of acquiring the property that leaves with the thief.

So what can be done to combat the smash-and-grab thief? The best strategy is to deter would-be thieves from targeting your rent-to-own store. Security bars have been around for years, but haven't been popular due to their jail house appearance. Rent-to-own businesses have to strike a balance between noticeable security and store-front appeal for the customer.

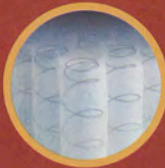
Affiliated Construction Specialists, a Michigan-based company that specializes in store security for rent-to-own stores, offers ProGuard, an architectural security grid system that is an effective means of deterring the smash-and-grab. The ProGuard system is a stylish, interior-mounted grid with a French-window grille look that nonetheless provides the necessary security. (The Aaron's store pictured above utilizes ACS's ProGuard system).



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PRIORITIES:

- ★ To serve the industry to the best of my ability as a way of repaying the debt of gratitude I owe to the industry's pioneers, entrepreneurs and operators for the opportunities that their vision, dedication and hard work have provided
- ★ Advance our industry's legislative interests through active engagement at the national, state and local levels
- ★ Promote a positive image of the rent-to-own industry through education and outreach
- ★ Safeguard the interests of all rental dealers nationwide and those of our vendors and partners, as well

ENDORSEMENTS:

As APRO president, I worked closely with Casey on several legislative matters in Illinois and found him to be ready, willing and able to serve our industry as needed. I strongly endorse him to join our board.

Tiger John Cleek, owner, Cleek's Inc.

Casey has been a tireless advocate for the industry. His type of enthusiasm and "can-do" spirit are what we need leading our organization.

Dan Cole, president, National Rent to Own

As a member of the Illinois Rental Dealers Association and fellow rental dealer, Casey has always participated with an exceptional level of enthusiasm. The meetings he organized in D.C. helped us garner eight co-sponsors from Illinois. I highly recommend Casey for the APRO board.

Larry Carrico, president, Rent One

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Reinstatement: win-win

When the rent-to-own industry was negotiating with state legislatures over the proper and fair way to regulate RTO transactions, one question often was asked about how to handle customers who had paid far into a deal but, for one reason or another, could not continue making payments. The answer was reinstatement. The industry agreed that if a rent-to-own business could recover possession of the merchandise fairly quickly and without a lot of fuss, it would be willing to give the consumer extra time to get back on his financial feet and resume making rental payments—"without losing any rights or options previously acquired"—whereupon the dealer would redeliver the same item or a substitute item of

"comparable quality and condition." The length of the reinstatement period in state statutes varies from 21 days to one year. There is language in most of the statutes clarifying that a consumer's reinstatement rights do not trump a dealer's right to recover, or attempt to recover, merchandise when the consumer quits paying.

What has happened over time is that dealers have realized that giving customers enhanced reinstatement rights is a good marketing tool that does not—in most cases, at least—cost the dealer any money. Take a customer who has paid for 12 months on an 18-month deal for a big-screen television. The customer falls on hard times and has to give the TV back. Some time later—let's say three months later in a state with 45-day reinstatement rights—the customer comes back and wants to reinstate. The rental dealer can be a stickler to the original agreement and, going by the letter of the law, explain that the reinstatement period has expired, that the customer will have to start over on a new deal. Or instead, the dealer can find a nice used television that he is willing to put out on a six-month agreement. The former path will lead to an unhappy customer and a lost deal. The latter path will lead to a new delivery, new account, happy customer and, perhaps, the prospect of future business.

That is why rental companies are expanding reinstatement periods dictated by law from weeks or months to years—or even a "lifetime reinstatement" option. What a consumer-friendly concept! Rent a TV from us. If you have to postpone making payments during the agreement, just return our merchandise and you can come back anytime during the rest of your life and pick up that agreement where you left off.

A few caveats are in order. First, no rental dealer wants to keep customer records for the customer's "lifetime." Therefore, add some language to the agreement putting the burden of showing payment history on the customer. Second, what are you going to do if a customer comes in today wanting to reinstate an agreement for a VCR? What if you experimented with grandfather clocks or pool tables in the mid-1990s, but have not carried those products for a long time? If you have 10 stores, you probably can always find a used red sofa somewhere in the system that will satisfy a reinstated customer. If you have one store, maybe not.

There have not been many lawsuits regarding reinstatement. Typically, dealers are able to find the reinstating customer a product and deal that works. In one case, however, a customer had rented a "conversation pit" for the living room. When the customer wanted to reinstate, the dealer tried to insist that the sofa/loveseat combo that he had was the same thing. The customer disagreed, sued the store and won.

It was a deft move on the part of rental dealers early on to offer reinstatement as a fair way to protect everyone's interests. The rent-to-own marketplace is evolving that concept far beyond its original intent. If you have not already done so, take a close look at what you are doing with reinstatement. Make sure that you are giving your customers meaningful and valuable reinstatement rights—as much as your system will allow. That is what your competition is doing. *

Ed Winn III is APRO's general counsel and has been involved with the association since its inception in 1980. His e-mail address is edwinn@mwwmlaw.com.



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