Texas Retailers Newsletter: August 2018

Letter from the President

Hello TRA members!

Texas retailers recently gathered in Corpus Christi for the 3rd annual Texas Retailers Forum, and it was great to see so many TRA members there. Our annual educational Forum provided retailers with timely updates on the advocacy issues at the federal, state and local levels, as well as very informative presentations on subjects ranging from emergency preparedness and disaster relief to retail industry disruption. Additionally, Forum attendees had the opportunity to meet with retail industry leaders from across the state and nation at networking functions such as our Awards Dinner, networking breaks, and our popular closing night casino party, which was aboard the USS Lexington. Whether you were with us in Corpus for the Forum, or you missed it, here is a great recap for your viewing pleasure.

As you all know, this summer has been particularly full of blockbuster developments on the advocacy front for retailers at all levels. In late June, the U.S. Supreme Court ruled in favor of the retail industry on the e-fairness case (Wayfair v. South Dakota), essentially leveling the playing field for all retailers when it comes to collecting sales tax, regardless of physical presence. Now, Texas Comptroller Glenn Hegar and his team have begun the work on how the State of Texas will implement the Court’s ruling in Texas and he has assured TRA that we will have a seat at the table to ensure the smoothest transition for Texas retailers. We also continue to educate state lawmakers on our priority issues going into the next Texas legislative session: the inventory tax
and why it is so detrimental to business in Texas, preempting the Austin Paid Sick Leave ordinance and other burdensome wage and labor initiatives like it, and Dark store taxing issues. All these issues were discussed in depth at the Texas Retailers Forum, where we hosted several key members of the Texas Legislature who are poised to champion these issues on our behalf during the next session, which begins in January.

On the federal level, although Congress is currently on its August recess, work continues in the conference committee of the Farm Bill, after both the House and Senate passed their respective versions just prior to the August recess. The goal being to pass a reauthorization (an updated version) of the Farm Bill by September 30th. TRA and our national grocery industry partners are in contact with members of the conference committee to ensure that provisions we worked hard to include in each version, make it into the final compromise bill.

That said, **NOW** is the time to invite your elected officials into your stores for a tour and an opportunity to discuss the state and federal issues that matter most to you and your business. Additionally, we encourage you to get to know your candidates running for elective office during this important election year. It’s important for you to know where they stand on our industry’s key issues. If you are able, consider contributing to the candidates of your choice, or to your industry Political Action Committee (PAC), the Texas Retailers Association PAC (TRAPAC) so we can help support retail friendly elected officials. You can get the latest information on TRA’s advocacy efforts by visiting the TRA website at: [www.txretailers.org](http://www.txretailers.org).

Lastly, we hope you are all enjoying brisk back to school sales and are looking forward to a great fall. As always, thank you for supporting TRA and please feel free to reach out to the TRA team anytime. Thanks!

Sincerely,

[Signature]

President/CEO
Texas Retailers Association

---

**2018 Texas Retailers Forum**
The Texas Retailers Association and the Texas Retailers Education Foundation would like to thank everyone for a very successful 2018 Texas Retailers Forum! This year’s Forum was held at the Omni Corpus Christi Hotel and was a fun-filled two days of informative panels, speaker sessions, and Legislative previews. We are proud to see our members, exhibitors, and sponsors - big and small - participate in this industry wide event and we look forward to seeing it grow in the coming years. If you couldn’t attend this year, you can see some local media coverage of the event [here](#). Below, you will find a link to see photos from the event.

This year’s Forum kicked off on Sunday July 22nd with a kitting event organized by Good360. Participants made kits for families affected by natural disasters who need to stay in a shelter. Below, you will find an article written by Tiffany Everett, Sr. Director of Disaster Recovery, about the event. After the volunteer event, members were welcomed by the Corpus Christi Mayor, Joe McComb. This was followed by a Legislative Preview with State Representatives Paul Workman, John Raney, and Hugh Shine in which they discussed issues ranging from property taxes to free-market policies. We discussed the impact of Hurricane Harvey on the retail industry and our communities, especially Corpus Christi, in our first panel. Lastly, a regulatory panel with representatives from Fisher Phillips and RILA, outlined Labor Law issues and E-fairness policies. We ended the first day honoring exceptional members of our industry during our TRA Industry Awards Dinner which benefited TREF. The ceremony included award distribution and a Gavel Toss from our current chair Amber Gustafson of Amber’s Designs, to our incoming chair Luke Gustafson of Brookshire Brothers. Special thank you to our Awards Dinner sponsor KPMG and Congratulations to all the award winners!

On the final day, we were glad to welcome this year’s Keynote Speaker, Gary Magenta. Gary presented on the topic of Disruptors within the retail industry and was a hit among attendees. The day continued with breakout sessions and two panels regarding Labor Laws and Retail Crime & Safety. We ended the conference with our Closing Night Casino Party aboard the USS Lexington! Guests enjoyed plenty of food, drinks, and Casino games, and it was a fun night for all.

Overall, this year’s Texas Retailers Forum was a great success, and we could not have done it without loyal members, sponsors, and exhibitors. Mark your calendars for the 2019 Forum taking place July 28th-29th, 2019 at the Omni Barton Creek in Austin, TX. Take advantage of a special
Early Bird Registration price here. We look forward to seeing you at our upcoming 2019 Lobby Day on March 20th and our annual TREF Golf Tournament on May 3rd.

View Event Photos Here

Good360 Volunteer Event

Corpus Christi is a coastal Texas city that was pummeled by Harvey in the 2017 Hurricane season. Hurricane Harvey was the first hurricane Corpus had experienced in many years, but despite their inexperience with responding to storms of this magnitude, the city quickly came together to ensure that no fatalities occurred and residents were able to return to their homes as quickly as possible.

Good360 was invited to attend the Texas Retailers Association forum being held in Corpus Christi. Good360 Senior Director of Disaster Recovery, Tiffany Everett sat on a panel with the Mayor of Corpus Christi and the Governor of Texas’ Chief Operations Officer to speak about disaster preparedness and the role of retailers in donating product, time and money in the event of a disaster. Retailers such as Target, Walmart, Kroger and H.E.B. were present and were able to learn more about disaster best practices and share their personal experiences with past disasters.

Good360 also executed a kitting event at the forum where attendees helped build kits for a local nonprofit to be used in shelters in the event of a disaster. The kits included products such as CVS flashlights, DeFeet socks, Scotch Corp safety kits, TEKK earplugs, Coty water bottles and Kendal King batteries. With the help of these donors and the Texas Retailers, 400 kits were put together.
for those in need. These kits will be extremely useful to shelter workers and inhabitants as we approach peak hurricane season.

Tiffany Everett
Sr. Director of Disaster Recovery
Good360

Legislative Update

In August, there has been slow activity at the Capitol building in Austin. This has not had any impact on some serious developments that lawmakers will have to deal with once they return to interim hearings and begin to gear up for the 86th Texas Legislature in January. Some of the most significant developments will have a major impact our industry and your TRA team is working diligently to keep you and the decision makers up to speed on those topics. Many of our most important topics were discussed at our annual Texas Retailers Forum in Corpus Christi.

2018 Farm Bill Update

As you may have seen or heard, the U.S. Senate passed S. 3042, the Agriculture Improvement Act of 2018, also known as the Farm Bill. The U.S. House of Representatives passed their version of the Farm Bill, H.R. 2, the Agriculture and Nutrition Act of 2018, a week earlier on June 21st. The House and Senate are now working in conference committee to work out differences between the two bills. They have until September 30th to pass an agreed upon bill and Senate Majority Leader, McConnell, has asked see a draft Farm Bill in the first week of September.

We’ll keep everyone updated and in the meantime keep pushing for our priorities.

Thanks to everyone for their help on our Farm Bill lobbying efforts so far.
Amber's Designs Store Visit with Congressman Pete Olson
The Texas Retailers Association coordinated with their national partners at the National Retail Federation to make the July 31st store visit a success. Congressman Pete Olson (TX- 22nd District) visited Amber Gustafson at her jewelry store, Amber’s Designs, in Katy, TX to learn how small businesses operate on a day to day basis.

Amber gave Congressman Olson, along with TRA staff, a tour of her store and workshop where she makes custom jewelry for loyal clientele. She discussed her concerns with new tariffs imposed on retailers and how important it is for small businesses to remain involved in their state legislation processes. During the visit, Congressman Olson presented Amber with a certificate to recognize her hard work in maintaining a successful small business in Katy.

Partner Spotlight: 
Texas Lottery Commission

The Texas Lottery is committed to generating revenue for the State of Texas through the responsible management and sale of entertaining lottery products. The Texas Lottery will
incorporate the highest standard of security, integrity and responsible
gaming principles, set and achieve challenging goals, provide quality
customer service and utilize a team approach.

Texas Lottery benefits include high frequency of customer visits, no
up-front inventory costs, high rate of return, frequent rotation of games
so that the product stays fresh, and a network of more than 17,000
Texas Lottery Retailers. The revenue potential is 5% commission on
all sales, more than $90 million in retailer cash incentive payments
since 2009, bonuses up to $1 million for selling certain draw game top prize-winning tickets, and
an annual average commission of $13,022 per location.

The Texas Lottery supports both Texas education and veterans. Fiscal Year 2017 Transfers to
The State equal $1.3 billion to Foundation School Fund, $16.2 million to Fund for Veterans’
Assistance, and $4.9 million to Multicategorical Teaching Hospital Account. The Funds for
Veterans’ Assistance program oversees five grant categories: General Assistance,
Housing4TexasHeroes, Veterans mental Health, Veterans Treatment Courts, and Highly Rural
Transportation Grants. These grants offer funding to non-profit and local government
organizations which in turn, provide direct services to Texas Veterans and their families.

A Special Note From Our 2018 Summer
Intern, Maris Moreno

Thank you, TRA for an unforgettable summer internship. My time at the Texas Retailers
Association was full of personal and professional growth, and for that I am so grateful. All leading
up to the Texas Retailers Forum, I had the opportunity to learn what it takes to keep an
association successful, how to best market to members, and what value state associations
provides for various industries. Forum definitely kept us all on our toes, but it was great seeing the
outcome of our work. As a retail student, it was also really interesting for me to see the ins-and-
outs of the legislation that impacts retailers everyday, and it helped me learn ways to effectively
communicate that. I also learned about the important work that Foundations do in Education and
other philanthropic efforts. A lot of retailers support education foundations and impact the industry
directly when educating their future leaders, and there’s many people dedicated to creating
programs to help others succeed. I can also say that I was able to meet many retail career
veterans who shared their experience in the retail industry and provided valuable insight to
possible future careers. The skills I was able to practice and learn are some that I can carry
confidently into my own career, my relationships with others, and my final year at Texas A&M.
George, Diana, Angela, and Justin were all so welcoming and I am proud to have worked with
such a strong team. I know they will continue to do great things for Texas Retailers, and I am
excited to watch the association grow. Thank you again, TRA!
Maris is entering her senior year at Texas A&M University in College Station, Texas. She is pursuing a B.B.A. in Marketing from Mays Business School and is a student in the Center for Retailing Studies. We are so proud of you and wish you the best of luck in completing your final year of school.

**Best wishes to Justin and Nichole Williamson on their marriage!**
Best wishes to Justin Williamson, our Director of Public Affairs, and his wife, Nichole. They were married on August 4th in Odessa, Texas. We wish them many years of happiness and health.

NEW TREF Website Page

The Texas Retailers Association is currently building a new website page for the Texas Retailers Education Foundation. This new page will include a “Retail Job Center” for high school and college students to find retail jobs in their area. Members interested in having their job website pages linked should email Justin Williamson at jwilliamson@txretailers.org.

Same FedEx Service. Lower Cost

If you could get the same service from FedEx that you do today, but for a lower cost, wouldn't you
jump at the opportunity? Through the TRA Shipping Program, you can. When you enroll for this free TRA member benefit, you can ship FedEx the same way you do today. The only difference you’ll notice will be the positive impact on your bottom line. Enroll today to save up to 27%* on select FedEx services.

Visit PartnerShip.com/01tra for complete program details. If you have any questions call 800-599-2902 or email sales@PartnerShip.com.

ENROLL NOW!

TRA-Endorsed Insurance Provider:
ANCO Insurance

Need retail business insurance? Discover coverage and service that is your perfect fit.

Get the right insurance from insurance professionals who know retailers. At ANCO Insurance, you’ll find:

- Customized coverages for your business
- Knowledgeable agents who know your special requirements
- Affordable, quality policies
- The only TRA endorsed agency

Apply online at InsuranceforRetailers.com, or contact us at (512) 330-9336, ext. 6324 or 6340 or by email at ohara@anco.com or doolittle@anco.com.

We go the extra mile for you!

ANCO insurance is TRA’s endorsed provider for the full range of insurance coverages for your business, including property, general liability, auto, workers compensation, occupational accident, life, group health and disability. You can count on an insurance program customized for your business with a commitment to serving TRA’s membership and providing personal attention to each client. ANCO is known for superior customer service standards, quick response times to calls & emails, along with individual care.

Contact: Gina O’Hara, ohara@anco.com or Cassie Doolittle, doolittle@anco.com, 512.330.9836 x 6340

www.insuranceforretailers.com

Grocers Corner - In the Cart
Reducing online out-of-stocks critical for retailers, says GMA study

A new report shows that out-of-stock rates for online purchases of consumer products in the U.S. are nearly twice as high as in-store availability. The report, issued by the Grocery Manufacturers Association (GMA), shows potential online sales losses as high as $17 billion a year globally because products are not available when consumers want to buy them.

The report, “A Worldwide Study of Extent, Shopper Reactions, and Implications for Non-Food Online Retail Categories,” looks at online availability of baby care, fabric care, hair care, oral care, skin care and shave care products at retailers in the United States as well as China, France, Germany, Japan and the United Kingdom.

According to the report, The number of items that are available online (OLA) is 80% worldwide and 85% in the U.S. The 15% out-of-stock rate online in the U.S. is nearly double the out-of-stock rate of 8.3% for physical stores.

Click the link below or click here to continue reading about the GMA study

WIC/SNAP Program Statistics Update

WIC recently issued an important news flash regarding new approved foods for the Authorized Product List (APL) effective October 1, 2018: This list included brands like Kix Cereal, Quaker Grits, Bush’s Organic Beans, Dannon Low Fat Strawberry Yogurt, and some private label (store
specific) brands. Also a few products were deleted effective Jan. 1, 2019. A full list can be found on: hhs.texas.gov.

A Few WIC Statistics for July 2018:

- Participation: 730,239
- Dollars: $39,409,956
- As the economy improves, WIC participation continues to decline -3.5/Month.

SNAP recently alerted retailers and regarding a possible phone fraud. A few retailers reported receiving a call to schedule an appointment to discuss risk matrix and interchange rates. The caller indicated they worked in conjunction with merchant services for debit/credit/EBT. This is not the case. Please be aware FIS merchant services ins not contacting retailers about services.

A Few SNAP Statistics for July 2018:

- # of cases: 1,577,628
- # recipients: 3,694,343
- Average: $264.00
- Total: $416,819,239

Nationwide for 2018 39 million people are using SNAP benefits. Over 260,000 stores in the U.S. accept SNAP benefits. This is down about 2% vs. last year same time. The redemption nationwide are down about 6.5%. The negative redemption trend in Texas has moderated and was .2% vs. last year.

Again, as the economy improves, SNAP dollars are declining versus last year about 5%. Keep in mind some of the decline is due to Hurricane Harvey disaster response last year.

Please contact Gary Huddleston ghuddleston@txretailers.org or 972-670-6814 if you have any questions regarding the statistics update.

Corporate Training to Higher Education

At the 2018 Texas Retailers Forum, our TRA and TREF Board of Directors heard a presentation from Christine Hubbard, the President of the North Texas Community College Consortium. This learn and earn project is designed to align corporate training with college credit to improve the accumulation of learning experiences for participants as they move in and out of education and career pathways throughout their careers. Beginning with the goal of aligning the corporate training of McDonald’s USA with community college credit, participating community colleges recommended expanding the reach to the entire retail and restaurant industry in Texas. The objectives of this project are to:

1. Create seamless pathways between workplace learning/corporate training and higher education certificates and degrees to support working adults’ lateral and upward career mobility
2. Facilitate career and educational pathway entry and exit points so working adults can stop and restart their education and training as needed
If you would like to learn more, please click [here](#) or contact Christine Hubbard.

Christine Hubbard  
(940) 565-4035  
Christine.Hubbard@unt.edu  
txccc.org

---

**Texas Retailers Monthly Newsletter is Powered by Our President's Circle Sponsors**
PRESIDENT’S CIRCLE SPONSORS

Altria  avangard innovative
monetizing recyclables

BIMBO BAKERIES USA  BLUE BELL ICE CREAM  Coca-Cola

FAUST DISTRIBUTING  Fisher Phillips  Flowers Foods
Bakeries Group

FritoLay  Good fun!

GS

KPMG  NOVOLEX  Oak Farms Dairy

pepsi  Silver Eagle Distributors  Texas Petition Strategies

Follow us on Social Media!
About the Texas Retailers Association

The Texas Retailers Association (TRA) is a 501(c) 6 non-profit organization dedicated to keeping Texas “retail friendly” for business owners through legislative advocacy. Since 1926, our diverse membership has represented every segment of the retail industry throughout Texas — from the smallest neighborhood store to the largest corporate chain. Recognized as the Voice of Texas Retail, TRA effectively advocates for Texas retailers at the State and Federal level while providing value-added services and partner programs for its members. Visit www.txretailers.org and join today!

Copyright © *2016 Texas Retailers Association, All rights reserved.
*TRA Members

Our mailing address is:
Texas Retailers Association
1250 S Capital of Texas Hwy
West Lake Hills, TX 78746-6522

Add us to your address book

unsubscribe from this list  update subscription preferences