Help your business blossom

SSDA 1997 Convention will help you find employees and boost your business

Would you like to find hard-working employees that will stay around for a while? Does learning about the most recent technology that can save you time and money sound good? Would you be interested in being updated on the regulatory and legislative action that directly affects your business?

If your answers to these questions are yes, make sure to attend the 1997 SSDA Convention August 3-6 at the Park Place Hotel in Traverse City.

Mel Kleiman of the Houston-based Humetrics, Inc. will be sharing successful hiring strategies that will help you hire winners and keep them.

For full coverage of what this year’s Convention has in store for you, please see pages 10 and 11. To sign-up for the Convention, please see the form on page 8 and/or call the SSDA office at 517-484-4096.

Golfers to tee off at Mistwood Golf Course during Convention

A golf outing at Mistwood Golf Course is just one of many activities available to Convention attendees at the 1997 Convention.

Located just minutes away from Traverse City in Lake Ann, the Mistwood Golf Course promises some great golf for SSDA Convention attendees. This well-manicured course is enhanced by ponds that come into play on 13 holes.

See pages 10-11 for more Convention information.
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Help Wanted

Are your employees working double shifts? How often have you found yourself working the cash register because you are a short a person (or two, or three), when you really need to be paying the bills or placing orders? While having the unemployment rate low may seem to be good for the economy, it is not too great for dealers.

While we all have a number of quality employees, they often move on to bigger and better things. Replacing the quality employees who show up to work on time and are friendly with your customers is a very difficult task.

SSDA’s discounted program with the CRIS Information Services, Inc. employee screening service has also been helpful to many dealers in making informed hiring decisions.

This year’s SSDA Convention at Traverse City on Aug. 3-6 will also address this problem. The Association will host Mel Kleiman from Humetrics, Inc., who will give dealers new ideas on the age-old problem of finding good employees.

Convention attendees will learn valuable tips on how and where to find employees, effective and legal interviewing practices, employee screening methods and secrets that will help keep those good employees.

So be sure to call the SSDA office at 800-748-0060 if you have not signed up for the Convention yet and see pages 10-11 for more Convention information.
Member Briefs

Chance for scholarship money available from SSDA-AT

Any graduating (high school) son or daughter of an SSDA-MI dealer member in good standing is eligible for a chance to receive one of the two Charles L. Binsted Scholarships that will be awarded in August.

The $2,000 scholarships are awarded each year by the national association. The scholarship money can be used toward the cost of college, trade school, business school, etc.

The application form must be filled out and returned to the SSDA-MI office at 200 N. Capitol, Suite 420, Lansing, MI 48933. Entries must be postmarked by Friday, July 11, 1997 to be considered. Application forms were included in the April issue of Service Monthly.

Scholarship winners are chosen by a lottery system (more details are provided on the application, section 4). The scholarships will be awarded on August 12, 1997.

There have been many winners from SSDA-MI in the past years, so everyone who is eligible is encouraged to apply.

For more detailed information on the Charles L. Binsted Scholarship or to have an additional application sent to you, please call the SSDA office at 517-484-4096.

Engine tune-up/performance to require mechanic recertification

Beginning in January 1998, mechanics certified in Engine Tune-Up/Performance are required to demonstrate continuing competency (recertify) in that category.

Mechanics must be recertified by the expiration date of their current certifications (this may be after January 1998).

There are three ways to demonstrate continuing competency and qualify for recertification: being currently certified by ASE, passing a current state examination, or receiving training from a state-approved training provider.

The state exam can be taken individually at Secretary of State offices, mechanic test locations throughout the state or in a group testing to be held in different areas throughout the state. The test fee is $6.

Mechanics opting to take the state test at Secretary of State branch offices should arrange to take the test as early as possible to avoid last minute bottlenecks and to allow time to obtain approved training if the test is not passed.

A list of branch offices that offer mechanic testing can be obtained by calling the SSDA office or the Bureau of Automotive Service at 517-373-9460.
Guidebook available for vehicle service industry professionals

Confused about hazardous waste regulations or need information on the latest substitutes for CFC-R12? Wondering about the upcoming UST requirements in 98 or disposal requirements for used oil, antifreeze or scrap tires? Don't know where to turn or who to call...Help is on the way!

The Environmental Assistance Division (EAD) of the Michigan Department of Environmental Quality has recently completed a unique regulatory guidebook specifically for the Vehicle Service Industry. Targeted facilities include gas stations, auto dealerships, car washes, oil changers, service stations, auto body shops, and maintenance and repair shops. This "plain English" guidebook, organized by topics, contains a comprehensive description of state and federal environmental regulations with which the industry must comply.

Besides the regulations, the guidebook lists agency contacts and phone numbers if you require additional information or have further questions on a specific matter.

Copies of the guidebook are $15. The price includes the guidebook in a 3-ring binder and places your name on a subscription list for periodic updates.

For further information or to order a copy of the guidebook, please contact the EAD at 800-662-9278 or give the SSDA office a call at 517-484-4096.

E-mail address is changed

SSDA's e-mail address has been changed to ssdami@voyager.net. The Association would like to hear from dealers who currently have e-mail capabilities. Please send a message to the above listed address.

If you have any questions about the Internet or have any problems sending messages to SSDA, please feel free to call the SSDA office at 517-484-4096.

Attend the 1997 SSDA Annual Convention in Traverse City on August 3-6 and learn more about the Internet.

SSDA Classifieds

For Sale

2.94 Acres—Off I-69 at exit 98 in Haslett. Very high traffic count. Corner property set with zoning approved and permits to develop convenience store/gas station, mini-truck stop. Zoning will also allow restaurant and many other B-3 applications. Call Tom at 517-694-3331.

Algonac station—120' x 120' frontage on M29 in Algonac. Two bays, c-store, full service and self-service. Gasoline, kerosene and diesel. Some equipment will stay. Across the street from public access to St. Clair River. At present a Sunoco, but can change. Call (810) 794-4310.

Car wash—A used rollover car wash. Nu-Star poly pad, five brush, soft cloth wash with underbody rinse. Good operating condition, well maintained, newer cloth. Used three years. Call Tim Mariner or John Racine at (616) 538-7990.

Repair shop—with auto sales. Four bays and two hoists with large office. Located on corner lot on the west side of Flint. Call (810) 233-9399.


Station—3 bay car wash and convenience store with gas, diesel, K-1, beer and wine, Lotto and more. Port Hope, MI. Call (517) 428-4441.

Station—150' of M24 frontage. Zoned for commercial use (c-store and/or full service). Asking $250,000. Please call (810) 628-1875 for more information.

Wanted

Stations to buy—Looking for stations within 50 miles of Detroit. Please contact Jerry or Jim at Jericko and Sons at (810) 647-0770 or page at (810) 704-7133.

If you are interested in buying or selling an existing service station or equipment, please call the SSDA at 517-484-4096. We are keeping a running list of sellers and buyers.
SSDA 1997 Convention
August 3-6, Traverse City
Registration
Questions: call (517) 484-4096

Names of Attendees: ____________________________________________

Business: ______________________________________________________

Business Address: _____________________________________________ City: _____________________ Zip: _____________________

Phone: __________________________________________ Fax: __________________________________________

The following member packages include all workshops and materials; meal events and entertainment.

$299 member and guest package
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Total

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Or, please make checks payable to Service Station Dealers Association of Michigan

Golf: I am interested in golfing during the convention.

Send this form with your payment to: SSDA Convention, 200 N. Capitol Suite 420, Lansing, MI 48933. We will forward a hotel reservation form to you.

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As UST owners prepare to comply with the 1998 performance requirements, many will choose to remove and replace their USTs, discovering subsurface contamination in the process. AKT specializes in Risk Based Corrective Action (RBCA) closures for UST sites. Hundreds of contaminated sites across Michigan have been closed using the RBCA process, resulting in dramatically lower remediation costs and minimizing station downtime.

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AKT is pleased to announce that it has recently become an Associate Member Service Station Dealers Association

NEW!

Comerica Check Guarantee Service

This new service for SSDA members offers participating members:

• A low 1.25% operational discount rate with an 8 cent transaction fee.
• A $3,000 guaranteed limit with a seven day reimbursement period.
• Detailed billing and electronic authorization.
• No extra charge for turn downs.
• Stop payment coverage for an additional 0.03%.

This program will give you confidence when taking checks and save you money on the processing fee.

For more information, call SSDA at (517) 484-4096.
Are desires <=> services?

Each business must constantly monitor the level of customer service they deliver each day. They must know what it is their customer wants and needs from their business. What the business provides does not always equal what the customer desires. The answer to this ever challenging equation is what makes the difference between a good business and an excellent business.

Today, everyone is looking for an edge or an extra item that they can retail to make a difference in their location to help balance this equation.

SSDA functions the same way as your business. We must try to answer the same equation by providing the services that dealers desire. We are coming to you, our customers, to ask the specific desires that you have today. There are very few businesses that have seen the changes that retail gasoline businesses have seen in recent years.

We want to know what services, benefits or items we can provide to help improve your business. It is easy for us to list the many benefits that SSDA currently has to offer. These benefits are only good to those that need them or desire them.

Many of the most recent programs we have initiated have been from direct dealer requests, such as CRIS hiring and screening services. We are also preparing a program for statistical inventory reconciliation and a cellular telephone program that will offer not only reduced cellular charges but the opportunity for many dealers to retail both paging and cellular services. These opportunities have come about because of direct dealer involvement.

Our communications staff is now reviewing all of our communications with members to make sure it meets our goals and the dealers desires. The magazine is being reviewed along with the newsletter to assure we are covering the items that the dealers want to hear about. With your input, you will see many changes over the next six months in our communications and hopefully we can better serve you and give you the information you need. The most important part will be the dealers' involvement. Without your recommendations, desires and input changes will still be made, but they may be the wrong changes to meet your needs. We are here to help you better your business. The SSDA is a successful organization and we want to better it by providing more services, bringing in more members and meeting the needs of our customers. We want our equation to have an equal or greater than sign not a less than sign.

Call me with your comments at 1-800-748-0060 anytime. We will be more than happy to hear from you and take your suggestions and begin to work on ways that we can better serve you.

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How did we get to be the nation's leader in storage tank pollution liability insurance?
Employment expert to share knowledge at SSDA Convention

Mel Kleiman of Humetrics, Inc. will be speaking at the Convention about innovative ways to recruit, select, and hire competent, motivated, and productive employees. In the article below, Mr. Kleiman discusses some of the issues he will address at the Convention.

The key to success for any business organization today is its people. The success of your company hinges on your ability to recruit, select and hire winning employees. Managers agree that there is and always will be a shortage of outstanding employees. Finding and hiring superior performers is a major challenge in today’s competitive marketplace, especially in the petroleum marketing/convenience store industry.

It’s also an expensive problem. The cost of replacing an hourly employee is approximately 300 to 700 times the employee’s hourly wage. Replacing a salaried employee can cost two to three times his/her annual salary. Poor hiring decisions are also costly in terms of lost profits, missed opportunities, decreased productivity, client dissatisfaction, and increased stress for everyone involved. The wrong decision can jeopardize your company’s assets, reputation, and security.

With so much being put on the line every time a new employee is hired, it’s not surprising that many managers cite hiring as the most stressful part of their jobs. Several years ago there were many applicants for each job available. A simple ad in the newspaper brought in numerous responses. Today, the Labor Department says the workforce is growing by less than 1% annually, meaning it is getting more difficult to find employees at all, much less good, reliable ones.

To survive, managers must develop creative methods to attract and retain the type of applicants they are looking for in such a competitive market for employees. Managers should determine where these people congregate, socialize, entertain, work, play, belong, shop, live, obtain information, participate in the community, etc. — then go out and find them! Remember that the same information you use to recruit and select these people can also help you keep them.

The crucial factor in retaining a successful hire is his/her attitude. Research has shown that a good attitude is one of the most important qualities an employee in the petroleum marketing/convenience store industry can have. Over 87% of employees fail at or leave a job not because they can’t do it, but because they won’t do it!

The best way to get rid of a bad attitude is to not hire it in the first place. It is easier to hire an employee with a winning attitude than it is to try to train someone to have a winning attitude. Teaching the skills needed to do the job is simple if the person has the right attitude. Customer service, dependability, initiative, and values are all attitudes that are critical in the petroleum marketing/convenience store industry.

As attitude makes the difference for success, you must gear your hiring system for hiring these winning attitudes. To accomplish this, establish a simple, streamlined selection system that includes recruiting, pre-screening, attitude evaluations, interviewing, and reference checking. With all the long hours and hectic schedules involved in running a petroleum marketing/convenience store business, the last thing needed is to complicate it more with unnecessary hiring steps. A selection system, if designed effectively, should ease the stress of hiring, while reducing turnover, legal exposure, and time investment.

The most important thing to remember is that the best way to keep an employee is to make sure you hire the right person to start with. The more compatible the employee is with the job and your company, the longer he/she is likely to stay on the job and the easier he/she is to manage.

I hope you are able to attend my session at the Convention. I will explain how to deal with all of these issues and help you find solutions to your tough hiring dilemmas. If you have any questions, please call Humetrics at 1-800-627-HIRE.
Learn how to do your own security survey at the SSDA Convention

Do you have a problem with internal theft or shrink? If your answer is yes and you would like to know how to solve it, then the perfect place to be is at the SSDA Convention, Aug. 3-6. If your answer is no, then you sure need to be at the SSDA Convention because if you do not think you have a problem with shrink or internal theft, you may be in for a rude awakening. But at least now you will be able to have a resource to call upon in order to stop the problem.

We are pleased to have speaking at the Convention representatives from STT, Inc. This company, based in Mt. Pleasant for over 20 years, specializes in embezzlement detection, security surveys, investigative reviews, inventory service and many other services.

In the last 20 years, their investigators have handled an excess of 95,000 cases that have resulted in the apprehension of the perpetrator and/or have meant the difference of millions dollars in case settlements.

Their inventory division is responsible for counting over $500 million worth of clients’ inventory each year. Their accuracy and professionalism has been characterized as second to none. Currently, they are the largest supplier of business loss prevention services in the state of Michigan.

Representatives will teach us how to do our own security surveys. The survey is a very valuable tool for us to determine what is actually happening in our businesses.

Many times there appears to be internal theft, when actually it is just inaccurate inventory records, or an employee could be a target when a vendor is actually the problem.

If you have questions now regarding any of these topics, please feel free to call STT for a consultation at 800-860-1-STT.

Convention to feature great afternoon activities and evening entertainment

In addition to the many learning opportunities, there will be plenty of time for fun at the 1997 SSDA Convention.

The afternoons will be free for attendees to enjoy all that the Traverse City area has to offer. Swimming, sight-seeing and shopping are all within a few blocks of the conveniently located Park Place Hotel.

For those who would like to do some exploring outside the downtown area, the Sleeping Bear Dunes on the shores of Lake Michigan are only a short drive away.

Convention attendees will also have some fun at night. One of this year’s Convention meal events includes an evening of fine dining and entertainment at the historic Dill’s of Traverse City. This 101-year-old establishment promises great food and entertainment by the Golden Garter Revue, a collegiate variety singing and dancing show.

So get ready for some fun. We’ll see you there!

The beautiful views of the Sleeping Bear Dunes State Park are only a short drive from downtown Traverse City.

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“Solving Problems Since 1980”
New games bring more excitement

Excitement over the additional Daily 3 & 4 game drawings during the day continues to boost ticket sales. Since the launch of “double draws” last December, the Daily Games have enjoyed a steady climb in total sales, with 1997 weekly sales averaging nearly a 10 percent increase over 1996 sales.

The “Fat Pockets” second-chance sweepstakes is sure to attract interest in the Daily Games, as $160,000 in cash prizes will be awarded during the four-week promotion (May 24-June 21). Daily 3 and Daily 4 midday and evening tickets for drawings between May 24 and June 21 are eligible for the “Fat Pockets” promotion.

Beginning June 9, your instant game players can really get more bang for their buck with the new $1 “Big Bang Bucks.” The new game offers a top prize of $6,000, and was available at Michigan Lottery retailers June 9.

“Card Shark,” a new $1 instant game, has three chances to win the top prize of $3,000. “Card Shark” sales will begin June 16.

Rounding out the month, the Lottery introduces a new $3 instant game, “Cash for Life.” Certain to stir up excitement, “Cash for Life” boasts a top prize of $1,000 a week for life, and other cash prizes ranging from $3 to $1,000 instantly! “Cash for Life” is available starting June 30.

Your customers are not the only ones who can win with “Fat Pockets.” Retailers who sell the tickets in a winning “Fat Pockets” entry will receive the following bonuses: $100 for a winning $15,000 or $5,000 entry; $50 for a winning $1,000 entry.

Great news for your Lottery customers! Now it’s faster and easier to claim Michigan Lottery prizes up to and including $50,000.

Effective May 1, players can redeem winning tickets — on-line or instant — worth $50,000 or less at any Lottery regional office.

Previously, prizes of $10,000 or more had to be claimed at Lottery’s Lansing offices. In an effort to make the claim procedure easier and more efficient for our players, the regional office redemption procedures were put into effect.

The same prize redemption requirements must be met at the Lottery regional offices. Winners must produce picture identification and proof of their Social Security number (If a lottery club is claiming a prize, the club must provide proof of its Federal Employer Identification Number).

Only players who win more than $50,000 need to call the Lottery Public Relations office in Lansing to arrange to claim their prizes. Lottery retailers will continue to cash winning tickets up to and including $600.

So give your customers the good news. Claiming prizes is easier than ever!
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- In Store Delivery
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- Emergency Delivery Capability
- Quality Assurance Programs
- Customized Price-Stickers Program

PROMOTION
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For many people around the state, it is easy to write off the city of Flint as an economically depressed area. But for the people who live there, the city is much more than just the image of abandoned auto factories and boarded-up store fronts. It’s home. A place where they work to try to get ahead in life and a place to relax once the day is through. One Flint resident who has gotten ahead and has defied those sometimes shaky economic odds is SSDA member Howard Whitlock.

Howard’s Mayfair Sunoco station at the corner of Clio and Pierson Roads in northwestern Flint has been serving area residents for the past 10 years. The station has three bays, a small c-store and a spacious lot. In a time when many other businesses have pulled out and headed to the suburbs, Howard’s station still offers the little things people can’t get many other places, such as full service and air for their tires.

While there are many specialty shops in the area, Howard is one of the only dealers that still offers repair service. In addition, his bays are open when people really need them to be—he has technicians working from 7 a.m. until 9 p.m. “I try to offer my customers a place to go where the technicians are trustworthy, the prices are competitive and the work is warranted,” said Howard.

A Flint area native, Howard first got into the service station business in 1987. He had previously been working as an auto parts salesman and had decided he wanted to be his own boss, so he leased his current station from a Shell jobber.

In 1990, the jobber’s parent company sold Howard’s station to Sunoco. He was at first against the change in brands, but now he says he has grown to like flying the Sunoco flag and that his customers have accepted it as well.

Like everyone else in the industry, Howard said it is always a challenge to find quality employees. “You get good ones and bad ones,” he said. “I train them and pay them fairly to try to keep the good ones.”

“I try to offer my customers a place to go where the technicians are trustworthy, the prices are competitive and the work is warranted.”

However, he does have some help that he knows he can always depend on. His wife Dorothy is his full time partner and helps manage the every day details. Their two daughters, Stacie and Stephanie, have also helped with the family business, doing marketing surveys and research.
Another source of support for Howard is the Service Station Dealers Association. He said he enjoys the information he receives from Service Monthly and Service Quarterly and the Association’s staff. “I like having the availability of someone to call if I have any questions about what is going on in the industry,” said Howard. “I’ve found my SSDA membership to be very valuable in running my business.”

SSDA values our members like Howard who work hard every day to meet their customers’ needs by offering quality services and products at affordable prices.

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Don’t wait ‘til ‘98: a preview of the companies who can help you meet the new standards

In only 18 months, the 1998 deadline will be in place. Federal numbers show that less than 50 percent of retailers have upgraded their tanks to 1998 standards. The number of locations to be updated by that deadline will create chaos in the tank installation and equipment business.

Currently, it takes 90-120 days to receive tanks and equipment in order to be installed. Even more lead time is needed to have the tanks removed and the work performed.

If you have not upgraded and have intentions of upgrading, now is the time to begin planning. In order for you to meet the 1998 deadline, you must start the process as soon as possible due to the fact of limited suppliers, equipment, labor and mobility concerns. We have talked with four such companies and interviewed them regarding new tank installations and timing. These four companies represent a very large portion of the new tank installations and rebuilds that happen in the state of Michigan. As you read these interviews, you will notice there is a common agreement that if you are planning to upgrade your tanks, you must begin to act now.

If you develop questions or have concerns as you review these interviews, please contact one of the mentioned companies or the SSDA office at 517-484-4096. If you have questions on how you can possible meet the 1998 requirements other than replacing your tanks, also call SSDA.

There are ways to meet the requirements without replacing your tanks. These decisions should be made based on the individual’s circumstances at each location. Let’s not delay another day and begin to make plans to be here in 1999.

HAWKINS EQUIPMENT CO.
747 Orchard Lake Ave.
Pontiac, MI 48341
810-547-4477

Company Overview: Hawkins Equipment sells, installs and maintains a wide variety of service station equipment. They have been in business for over 55 years and have been doing internal tank lining work for the past 30 years. Hawkins is based in Pontiac and does business statewide.

Company representative SQ spoke with: Clarke Beebe

Customer service: “Over the years, we have sought to maintain long-term relationships with customers and to not only meet their needs today but also tomorrow, next year and beyond.”

Reflections on the 1998 standards: “Because there are so many people who have not upgraded and there is not a sufficient number of quality contractors to get the work done, people need to get started now.”

Recommendations for those who have not upgraded: “The first thing dealers need to do is assess their needs. It is important to determine what growth is anticipated and whether the existing tanks are adequate for the amount of business being done or if they will need to be bigger. We also like dealers to have a copy of their tank registration in hand when we come out to speak with them so we have a good idea of what the facility already has. Then we can make a recommendation based on all of the facts.”
**Oscar W. Larson Co.**

10100 Dixie Hwy.
Clarkston, MI 48348
810-620-0070

**Company Overview:** The Oscar W. Larson Company is a full service contractor who does business statewide. They are based out of Clarkston and have regional offices located around Michigan. They have been in business for over 50 years.

**Company representative SQ spoke with:** Bruce Larson

**Customer service:** "We have the experience, the size and the willingness to make things right. If a customer is somehow not satisfied with the work, we also have the willingness to come back and fix it until it is right for them."

**Reflections on the 1998 standards:** "The schedule is getting extremely tight, not only for the contractors but also for the suppliers of the materials needed. It’s just going to get worse from this point on. The state has said it is not going to turn its back on the December 22 deadline, so people who have not upgraded should know that this problem is not going to go away."

**Recommendations for those who have not upgraded:** "Get a hold of a contractor and develop a scope of work. Then get bids for that scope of work."

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**Young’s Fuel Equipment**

G-5339 N. Dort Highway
Flint, MI 48505
810-785-5509

**Company Overview:** Young’s Fuel Equipment Services, Inc. was formed as a result of a buy out in 1993 of Walter Bran and Sons (a petroleum equipment company in business since the 1930’s). Young’s is based in Flint with regional offices in Grand Rapids and Toledo.

**Company representative SQ spoke with:** Frank Soda

**Customer service:** "We like to provide our customers with all of the options, so they can make an educated decision on what is the best upgrade procedure for them to follow among the many options available."

**Reflections on the 1998 standards:** "If someone calls this week, we have got two weeks before we can get a salesperson out to talk to them and then after that we have got another two weeks to get a proposal together. This means people who are talking about doing anything this summer do not realize it but it is already getting tight, time wise. Even if everything goes like clockwork and we do get the job, then you have to order supplies which can have up to a six to eight week lead time."

**Recommendations for those who have not upgraded:** "You can go from a Cheverolet to a Cadillac as far as tanks go, but you will not know what you need until you have a site assessment performed by a contractor."

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**Mellema’s**

11644 S. Greenville Rd.
Belding, MI 48809
616-794-2606

**Company Overview:** Mellema’s Service Station Maintenance is based out of Belding, about 25 miles northeast of Grand Rapids. They perform tank sales, service and installation services statewide and have been in business for 24 years.

**Company representative SQ spoke with:** Charlie Berthume

**Customer service:** "We have not tried to respond to the demands by just slapping our work together and doing all the work we can. We have turned work down in order to keep the quality that we like to achieve. We try to do a good job and if we tell someone a time we will be there, that is when we will be there. Our customers are satisfied and you can tell that by the fact that in 24 years we have never spent a day in court for anything."

**Reflections on the 1998 standards:** "Everybody I know is getting booked up and it is just going to get tougher. Many people will not have someone available to get the work done unless they book a spot soon."

**Recommendations for those who have not upgraded:** "If dealers want to get the work done by a year from December, they better be lining up their ducks now."

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• Save you up to 50 percent with a Visa/MasterCard program; with no transaction fees and a fixed rate of 2.0 percent.
• Earn you an annual dividend with Dodson workers' compensation; this year's is 16 percent!
• Give you additional promotional points toward Tire Wholesalers programs, as a Tire Wholesalers customer and SSDA member.
• Host an annual convention each year filled with business advantages and entertainment.
• Protect your interests by having an SSDA representative on the MUSTFA Policy Board.
• Make sure your voice is heard in Lansing with an active legislative support network and PAC.
• Put a staff at your fingertips to find the legislative and regulatory answers you need.
• Invite you to join a network of hundreds of other dedicated professionals in the industry who can help with advice and support.

THE SSDA CAN PROVIDE YOU WITH THE KNOWLEDGE YOU NEED AND THE SAVINGS YOU WANT.

APPLICATION FOR MEMBERSHIP

I (we), by submitting this application and the payment of scheduled dues, hereby apply for membership in the Service Station Dealers Association of Michigan, Inc.

BUSINESS NAME: __________________________

BUSINESS ADDRESS: ________________________

CITY: ___________________________ MI ZIP: ______ PHONE: ( )

COUNTY: _________________________ TYPE OF OWNERSHIP: [ ] CORPORATE [ ] NON-CORPORATE [ ] SOLE PROPRIETORSHIP [ ] PARTNERSHIP

ENCLOSED PLEASE FIND A CHECK FOR _______________________

PLEASE CHARGE MY MEMBERSHIP TO MY MC OR VISA (PLEASE CIRCLE ONE) CARD # AND EXP. DATE ______________________

PLEASE BILL ME

ANNUAL MEMBERSHIP DUES: ______________________

ANNUAL ASSOCIATE MEMBERSHIP DUES: ______________________

_____ $41 monthly (electronic banking) _____ $25 monthly (electronic banking)

_____ $480 annual payment _____ $250 annual payment

Add $120 per station after four stations.

Signature ___________________________ Date ____________

June 1997 SQ

SERVICE QUARTERLY JUNE, 1997
Mid-year tax strategies can save you money

Chances are the approaching lazy days of summer don’t exactly bring taxes to mind, but the Michigan Association of Certified Public Accountants (MACPA) says summer is a perfect time to review your tax situation and make plans for the rest of the year. There are a number of smart moves you can make now that will pay off next April. To get started, the MACPA offers answers to the following financial and tax questions.

**Can you increase 401(K) Contributions?** Increasing your 401(K) contributions is one of the easiest ways to keep more of what you earn. That’s because your 401(K) contribution— and any amount matched by your employer—grows tax-deferred until withdrawal at retirement. If you’re not already contributing the maximum, check your cash flow to determine whether you can step up your contributions.

**Are you a one-paycheck family?** Is so, you’ll want to be aware of a new law governing spousal IRAs. Under prior rules, if your spouse had no compensation, you could contribute up to $2,250 to an IRA for you and your spouse. Starting this year, each spouse can generally deposit $2,000 to an IRA (a total of $4,000) as long as their combined compensation is at least $4,000. It’s a good idea to contribute to your spousal IRA early in the year. The sooner you make your contribution, the sooner it begins to earn tax-deferred interest.

**Do you really want to loan money tax-free to Uncle Sam?** Getting a tax refund is nice. But it makes much better financial sense to get that money throughout the year in the form of bigger paychecks. Take time now to estimate your 1997 income and deductions, and compare that amount with what you’re paying in withholding and estimated tax payments. If it looks like you’re overpaying the IRS, decrease your withholding by filing a new Form W-4 with your employer. Invest the extra money you get in each paycheck so you, and not Uncle Sam, earn interest on the money.

**Should you take advantage of the temporary break on large retirement plan distributions?** Generally, the IRS assess a 15 percent excise tax on withdrawals in excess of the annual limit, but a provision in the 1996 tax law temporarily repeals the excise tax for 1997, 1998 and 1999. If you have a large pension plan, and your required withdrawal is likely to exceed the annual limit, you may want to take out sufficient amounts during this three-year moratorium to avoid or minimize penalties for excess distributions in future years. Keep in mind that the law repeals only the 15 percent excise tax; all normal income taxes still apply.

**Should you spend more to save more?** Deductions for certain expenses are limited. For example, medical expenses are deductible as an itemized deduction only to the extent that they exceed 7.5 percent of your adjusted gross income (AGI), while miscellaneous itemized deductions are allowable only above two percent of your AGI. If it looks like you may get close to those limits by the end of 1997, take steps now to accelerate similar expenses into 1998. Doing so will enable you to maximize your deductions.

**Can you give away a tax bill?** Your generosity can save overall family taxes when you make gifts to family members. If you have stocks you plan to sell, perhaps to pay tuition bills, rather than selling the stock yourself, consider “gifting” it to your child age 14 or over for him or her to sell. The gain will then be taxed

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Fill the vacancies! (with reasonable people)

In the nearly twenty years since it became law, the Petroleum Marketing Practices Act has been, at once, a mammoth success and a gigantic failure. At the same time it has saved innumerable dealers from arbitrary and discriminatory termination and non-renewal of their franchises, it has not protected other dealers who should not have lost franchises. The act is what lawyers call remedial legislation. As such, it is supposed to be given a very broad interpretation. Instead, most federal judges have viewed the law as somehow an invasion of the inherent rights of franchisers. They have limited the scope of the statute and have construed it in a restrictive manner—exactly the opposite of what should occur. How did this happen, and what does it mean?

The PMPA was signed by President Carter in 1978. At the time, the federal judiciary was staffed by hold-over judges from the Johnson administration and those appointed by President Nixon. President Carter ultimately appointed a large number of federal judges, but his single term limited his ability to shape the judiciary. Instead, in the twelve years in which Presidents Reagan and Bush occupied the White House, a plethora of highly conservative lawyers became judges.

The attitude of many of the Reagan/Bush judges was that PMPA was somehow an invasion in the property rights of the oil companies; that Congress had taken away something that was inherently theirs. Indeed, this view was articulated in several decisions of the federal courts. Consider this statement by a United States Court of Appeals judge: “We indicated in (a recent decision) that as remedial legislation, the PMPA must be given “a liberal construction consistent with its overriding purpose to protect franchisers...”

Yet other courts have cautioned that because the PMPA also serves to diminish the property rights of franchisers, it “should not be interpreted to reach beyond its original language and purpose...” That sensible admonition also has its roots in the Act’s legislative history which suggests that Congress was seeking to preserve for franchisers “adequate flexibility...” In that sense, then, PMPA is properly viewed as a “product of compromise...”

This construction of the Act is, simply, wrong. Congress was, essentially, unconcerned about franchisers in creating the Act. It was focused upon a litany of unfairness; on numerous stories of dealers being summarily removed from businesses they had built so that a favored person could take advantage of the dealer’s work. PMPA was a compromise in the sense that all legislation was a compromise. But it was intended to provide very broad protection against the injuries that dealers related to congress while not injuring the value of a franchisers’s brand.

see law pg. 22
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Law

The result of the restrictive view of PMPA can be found in a virtual evisceration of some parts of the law. Consider, first, the injunction. The Act contains an unusual procedure for granting injunctions to keep dealers in their stations. But, from the first, the courts have, essentially, refused to honor that standard. They have been very stingy in granting injunctions although the Act was designed to make it simple.

Consider next, the notice of non-renewal. The Act requires a notice of non-renewal to be provided within a specified period before expiration of a franchise. The law was written to create a "window" within which a dealer could be non-renewed. For example, assume that a franchise expired on March 31. The notice would be due December 31. In theory, if no notice of non-renewal arrived in the specified period, the dealer's franchise was renewed. But the courts created an exception to this rule. The exception is not found in the law and is strictly from the imagination of some judge. The courts permit a franchise to be extended for the purpose of issuing a notice of non-renewal. Thus a franchiser that failed to provide notice on time could extend the franchise to, say, June 1 and give the notice on March 31. PMPA did not intend this result.

These are but two of several examples of situations in which PMPA has been given a reduced, rather than an expanded, interpretation. The origin of these various constructions of the law is clear: restrictive opinions come from conservative judges.

Presently, there are over 200 vacancies in the federal judiciary. The President has appointed many persons to fill these vacancies but the appointments are being held up by Congress (the Republican controlled Congress is holding the appointments hostage by refusing to conduct confirmation hearings). This cannot continue. Dealers should encourage Senator Abraham to ask his Republican colleagues to break the log-jam over judicial appointments.

It is in the collective interest of SSDA members to hope that judicial vacancies will be filled with judges who will adopt a reasonable view of PMPA; who will see its purpose as protection of dealers—a purpose to be respected—as opposed to a law that invades the province of franchisers—a purpose to be minimized.

To achieve that result, dealers should encourage their Senator to let the confirmation process go forward.

Money

at the child's rate, which may be lower than yours. If you're considering giving a gift, you should contact a CPA to determine the gift-tax ramifications.

Want to clean out your closets and get a tidy deduction? Summer is a great time to gather old clothes, furniture and household appliances you don't need and donate them to charity. You can generally claim a deduction for their fair market value. However, make sure to get a receipt from the organization showing the date and a description of the property.

Do you have a tax plan?
If you haven't already done so, stop now and take a few days to map out a tax strategy. The MACPA reminds you that a well-thought-out strategy is vital to your ability to minimize your tax bill and maximize your income!
News Briefs

Tobacco laws put to the test

The most recent score in the war against underage smoking is Ingham County businesses, 25: minors attempting to buy tobacco, 0.

The results come from a two-month period (April and May) of random tobacco sales age-compliance checks made by the Ingham County Sheriff’s Department with the help of some recruited minors.

None of the 25 businesses “checked” allowed any of the minors to buy cigarettes or alcohol.

The goal of the operation was to measure the effectiveness of the new tobacco laws and to also make sure clerks are obeying liquor laws.

Charges filed in smuggling case

Charges have been filed against 23 individuals and one company in Southeast Michigan for illegally distributing millions of dollars worth of cigarettes smuggled into Michigan.

Complaints filed by Michigan Attorney General Frank J. Kelly allege that a major smuggling ring was established to avoid paying Michigan’s $7.50 per carton tax on cigarettes.

“These smuggling rings are no different than illegal drug conspiracies,” Kelly said. They obtain their product from outside the state, transport it to Michigan and then distribute it to dealers who sell to the public.”

Be wary of bogus travellers’ cheques

With the summer traveling season finally here, business owners and their employees are warned to be wary of counterfeit cheques and Canadian travellers’ cheques that may not have the appropriate value.

To deter counterfeiting, Visa has redesigned its cheques. Marks on the new redesigned Visa cheques include the Visa dove on the right hand side of the check, the denomination amount in upper right-hand corner is slightly raised, holographic bands by the center with the word “Secure” on the band, and the Visa dove should be visible on the left side if the cheque is held up to the light.

RVP tests to be performed

The Department of Agriculture will be testing gasoline in Southeast Michigan during the next few months to ensure compliance with low Reid vapor pressure requirements.

The department began testing retail pumps for the 7.8 psi RVP requirement or use of reformulated gasoline on June 1. Retail locations in Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne counties will be tested.

If you have any questions about these requirements, please call the SSDA office at 517-484-4096.

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