



The *REP*orter®

Member's

Corner

Another year almost finished

by Steve Grossman, CPMR
GM Partners
Founding IHRA President



Steve Grossman, CPMR

Hard to believe we are here in November and another year has passed. I have been in a reflective mode lately and I think back how things used to be, years ago, when I first started out: basically appointments, snail mail, and the telephone.

Today we have 24/7 email and cell phones, "FedEx", fewer appointments, fewer customers, territory by accounts, payment after "factory" is paid, print your own catalog pages, and decision by committee. Being resilient, as reps we adapt and add value and continue to be an important part of the process.

I have always professed if it looks easy, a professional is doing the job. I have met many ex-buyers who had no idea how challenging our career is. Many of them could not cut it.

I am one of those ex-buyers who made it, but I work at it every day. Knowing we all have different strengths I still envy the natural salesperson that seems to operate at ease at every presentation and social function.

This leads me to a book that was given to me by a dear friend. It was written by the folks at Disney and it talked about doing the impossible, stretching your limits and getting the job done with minimum or no problems. The part I liked

continued on page 2

The Subject is Taxing

An early 2007 tax law

by Stanton B. Herzog, CPA

You have to say this for Congress – they keep thinking. Unfortunately they appear to think about changing things that don't need changing – like the tax law. This is because the really important things that do need changing – immigration, global warming, Iraq, balancing the budget – things that require REAL thinking – is apparently beyond their capabilities. Which is an introduction to the first tax law of 2007.

The section of the tax law that most affects the public is a provision to raise tax revenue by increasing the age of dependents whose tax on investment income must be paid at their parents' tax rate. Just last year Congress increased the age from 14 to 18, for the year 2007. Congress has now raised that age to 24 for the years 2008 and beyond. In other words, a child's investment income will be taxed at their parents' tax rate until they reach age 24 if the child is in school. There is an exception. If more than half of the dependent's support is income earned by the dependent, the umbilical cord to the parent's tax rate is severed. Many parents have tried to ease tuition by putting money aside in the names of their children in order to obtain a lower tax rate and increase the money available for college tuition. This will no longer be helpful UNLESS W-2 wages over the summer, holidays and other vacation periods can be earned in sufficient amounts to provide the child with income greater than their investments plus other sources of income.

Husband and wife partnerships and LLCs can now elect to file a joint Schedule C with their personal return and no longer have to file a partnership return. This will save the cost of preparing a partnership return. Of course, throughout history, the IRS has always preferred to audit personal returns rather than partnerships, so the IRS will welcome this change, even if taxpayers may not be so sure. Further, the spouse as a co-owner of the business is not often the wisest choice of venue. But, for the first time, Schedule C is available for spousal joint ventures if you want it.

continued on page 2

In this issue

Product Recall Survey	Page 3
Four (4) Lines Available Listings this Month	Page 6
Industry Calendar	Page 7

The Subject is Taxing (from page 1)

Congress not only extended the ability of small corporations to elect the first year writeoff of equipment and furniture, they actually expanded it. The extension of Section 179 is through the year 2010. This very popular law is going to be difficult to ever be dispensed with. The amount that can be written off in the year of purchase has been increased to \$125,000 (was \$120,000). The law has a limitation on the amount of dollars that can be spent on equipment, in order to keep this as a "small business" benefit. The maximum amount was \$400,000; it has now been increased to \$500,000. After that, the \$125,000 amount is decreased dollar for dollar by the excess of purchases over that \$500,000 figure; thus there is no first-year write-off if equipment purchases exceed \$625,000. This section has now been indexed to inflation.

There has been hand-wringing for years about a section in the retirement plan law that prevents employees from taking distributions from their plan while they are still working. Some employees retired before they wanted to in order to collect both social security and their retirement plan distributions. It has been extremely vexing in a way, because company owners HAVE to receive distributions from their plans once they reached age 70.5. The new law corrects this situation by allowing vested employees staying beyond plan retirement age to ELECT to withdraw funds from their plan even while still working.

A clunker in this tax law is the increase in penalties for tax preparers. To take a deduction on a return, the preparer will hereafter have to have a "reasonable belief" that a tax position will stand. In IRS speak, that means a more-than-50% likelihood of success upon audit. Congress inserted this clause even though the IRS never asked for it. To make sure that the practitioners realized they were serious, Congress quadrupled the penalties. Meanwhile, individuals are not held to such a high standard. This could be interpreted as a first move toward making tax preparers an agent of the government instead of the taxpayer.

As a final note, a little remembered section of a prior law will allow taxpayers in the 15% bracket to pay NO taxes on long-term capital gains beginning in 2008. See, there are benefits to poverty!

*Stanton B. Herzog, CPA, principal in the firm of Applebaum, Herzog & Associates, Deerfield, Ill., serves as IHRA's accountant and is a regular contributor to The **RE**porter®. He participates in Expert Access, the program that offers telephone consultations to IHRA members.*

Call him at: (847) 405-0400

Grossman (from page 1)

the best was written by Peter Steinman, VP-General Council, at Disney. His working premise is "Working from the back end is finding the lessons that you don't want to learn in the midst of your project."

Paraphrasing his major point: Think of the end results and all the things that can go wrong during the process and after. This will allow you to plan and have solutions to minimize any problems. Always have multiple plans available, since most confrontations happen because you or the customer did not think of available options when things did not go as planned. So if you want a smoother life, plan and think through all the possibilities before they happen and have backup plans ready, just in case.

Have a warm and thankful Thanksgiving. Contact me at steman4@aol.com with your comments.

Steve Grossman, CPMR

OUR NEWEST MEMBER BENEFIT

The FedEx® Shipping Program



IHRA Members can now take advantage of an IHA program that provides savings up to:

- ✓ 24% on select FedEx® Express shipping services
- ✓ 25% on select FedEx Ground shipping services

IT'S EASY TO SIGN UP

Log on to:

www.housewares.org/iha/biz/fedExProgram.asp

Fax the brief enrollment form to:

IHA • 847-292-4211

You will receive a 'Welcome Kit' within 10 days with details regarding your individual IHA/FedEx® account.

- No Minimum Shipping Requirement
- No Contracts or Fees

Please contact IHA Member Services at 847-692-0114 with questions. Get ready to enjoy BIG savings on shipping!

The Home Authority

 INTERNATIONAL HOUSEWARES ASSOCIATION

Survey Results - the impact of recalls of products made in China

Evidently there has been little to no adverse impact to business done by IHRA members. We had 3 responses. Here is what they had to say:

1. The Jack Wallace Co. has not been effected by any of the recalls to date. **Howard Bemis**

2. This issue has had little or nothing to do with our business, yet. We have had one small local co-op chain ban Chinese made goods around 5 years ago, due to labor conditions in China, but that is the only one I have heard of. The majority of housewares products are produced in China so there is not much to be done.

It would be smart of the IHRA to be proactive and make a statement to the effect that we will not represent products produced in unsafe or exploitative labor conditions, and that we support efforts to provide inspection of manufactured goods at the source. We are already required to do so by major retailers. **Peter Bang-Knudsen**

3. A lot more testing slowing up deliveries, and having to deal with a 10% cost increase. Trying to build in more lead time and look into other countries. We are in a world economy. **Steve Grossman, CPMR**

YES! IHRA will have a members-only block of rooms — March 11 - 20, 2008 — (Show dates are March 16 - 18) for the 2008 International Home & Housewares Show!

Reservations will be accepted starting mid-July 2007



Radisson Hotel & Suites Chicago

160 East Huron Street, Chicago Illinois 60611
Telephone: (312) 787-2900 Fax: (312) 787-5158

Radisson Nightly Room Rates: (All rates plus applicable taxes)

5 Night minimum: Single: \$131; Double: \$131
Less than 5 nights: Single: \$136; Double: \$136

For reservations, call the Travel Desk toll-free:

(800) 752-1052

(International Callers: 312-329-9380)

Say you would like to book a room from the
“IHRA room block”



\$2 Million Dollar Renovation Now Complete!

Just steps away from all that Chicago has to offer:

- * World Class Shopping on Michigan Avenue
- * Water Tower Place
- * John Hancock Building
- * Navy Pier
- * Northwestern Memorial Hospital

- Enjoy thoughtful touches like pillow-top mattress
- High-Speed Internet Access and dual line telephones
- Enjoy a rejuvenating workout surrounded by panoramic city and lake views on the 40th floor
- Make the Radisson Chicago your home away from home during the 2007 International Home and Housewares Show. Show dates are March 16 - 18.

SetSight

"What gets measured gets done."

Automated Retail Analysis

SetSight is the only completely automated web-based system for collecting, processing, and analyzing retail POS data designed specifically for suppliers and reps.

Effectively analyzing retail POS data can help you:

- Avoid in-stock problems
- Lower chargebacks
- Identify growth opportunities
- Drive orders

All of these things can help you keep your products on the retailers' shelves, give you the tools to win new lines, and most importantly, make more money.

Go to the following link:

www.setsight.com

AND

Enter the trial code: 3438

Give us 10 minutes of your time. We will show you how SetSight can instantly turn your retail POS data into actionable information.



powered by **WINREP**

**the
northeast
group
inc.**

**Specializing in
Housewares, Homestore
&
Hardware Industries
Since 1973**

**Representing Manufacturers in
the Six New England States
&
Upstate New York**

140 Gould Street Needham, MA 02494
781-514-1015 phone 781-449-7785 fax
www.northeastgroup.com

Bang-Knudsen

Representing gourmet
housewares to leading retailers
in the Pacific Northwest
for over three decades.
We know the territory.

Permanent showroom:
Suite 453 Pacific Market Center
6100 4th Ave., S.
Seattle, WA 98108
206-767-6970

www.bang-knudsen.com

Contact:
pbang-knudsen@bang-knudsen.com

MAVERICK

International Trading & Consulting, Inc.
P. O. Box 360513
Melbourne, Florida 32936-0513, USA
Phone: (917) 592-5498
Phone/Fax: (321) 242-7573
Skype Phone: mavericknyusa
MaverickNYUSA@aol.com

Since 1986 specializing in Home [bath & kitchen furniture, accessories, faucets] & Housewares [cookware, small electric appliances] and Gourmet Foods.

Assisting foreign manufacturers in establishing themselves in the United States and Canada + domicile in the US and all related logistics.

Fluency in English, Italian, French

Italian liaison office:

Mario Albini - Managing Director
COIMBA®
Italian & International Sales Development
Via G. Prati 17-B-2, I-37124 Verona
Phone: (01139-045) 913-281
Fax: (01139-045) 485-1188
Cell: (01139) 335-606-6555

**When
legal matters
are important,
consult the
go-to law firm
for
manufacturers'
representatives
nationwide**

Visit
www.sfnr.com/rep.html
or call Gerald Newman
at 312 648 2300 for a
free brochure outlining
why reps need lawyers
that understand the
rep business.

SCHOENBERG FINKEL NEWMAN & ROSENBERG, LLC

- ✦ *Commission disputes and wrongful terminations (millions of dollars collected for reps throughout the USA)*
- ✦ *Succession planning and mergers*
- ✦ *Contracts with manufacturers and with employees prepared and reviewed*
- ✦ *Free 20-minute telephone consultation for association members*

SCHOENBERG FINKEL NEWMAN & ROSENBERG, LLC

~ Serving reps nationwide ~

222 S. Riverside Plaza, Suite 2100
Chicago IL 60606
Email info@replawyers.com Phone 312 648 2300



PETER ZACHER
P: 210.822.2141
zacher@ix.netcom.com

CONCERTED MARKETING

INNOVATIVE - EXPERIENCED - ASSERTIVE

**HOUSEWARES & CASUAL TABLETOP FOR:
WHOLE FOODS MARKET
&
SPECIALTY GROCERY**

**NATIONAL ACCOUNTS FOR
SMALLER COMPANIES & START UPS**

**CALIFORNIA INDEPENDENTS
&
CHAINS**

Manufacturers Seeking IHRA Field Sales Professionals

Products: SEE OUR NEW PRODUCT - "BETTER BAKER" - ON OUR WEBSITE!: www.cookschoice.com new patent pending products and more coming...available in shippers, tray packs, open stock. "The Breader Bowl & Onion Blossom Maker Set," and "Better Breaders," "Sittin' Chickens," "Sittin' Turkeys." Please call for any information.

COOK'S CHOICE

525 N. International Parkway, Suite 605
Richardson, TX 75081
(972) 644-5553 Fax: (972) 644-4201

Contact: Greg Broom, President greg@cookschoice.com

Territories: USA and Canada; by account specific

Commission Rate: 5% **Years in Business:** 15

Currently doing business: Through reps with Bed, Bath & Beyond, Linens 'N Things, Dillards, Kitchen Collection, Tractor Supply, and more.

Products: Pepper & Salt Mills, Spices

CHEF SPECIALTIES CO.

411 W. Water St
Smethport PA 16749
(800) 440-2433 • (814) 887-2021

Contact: Jeff Wolfe, National Sales Manager

eMail: chefsales@aol.com

Territories: Southern California, Arizona, Ohio, Kentucky

Nat'l Sales: N/A

Commission Rate: 10% **Years in Business:** 67

Currently Selling: All

Seeking Sales Through: ALL

Products: Invisible ID Marker, Cable Capture, Lamp Shade Cleaner

PRODUCT MARKETING GROUP USA

1630 N. Main St #435
Walnut Creek CA 94596
(925) 300-5576 • Fax: (925) 930-0531

Contact: Ted Spelman, Sales Manager

eMail: lennytedpmsg@yahoo.com

Territories: ALL U.S.A., Canada, Mexico - from large retailers to small independents

Nat'l Sales: \$1,600,000 **Commission Rate:** 10%

Years in Business: 30

Currently doing business: Through reps and direct; discontinuing direct factory sales force in favor of reps!

Channels currently sold: Drug Chains DSD, Automotive Chains, Home Improvement Chains, 'C' Stores, QVC, Mass Market Distributors, Catalog Houses, etc.

Seeking Sales Through: Increase nationally for all above; also, internationally.

Products: One Step Pedicure, Microfiber Cleaning Products, Microfiber Beauty, Smart Strianer, Hotspot, Engrave-It, Chef Giornali's Omelet Pan, Smart Peeler, Perfect Cookie, Twist Chopper, Twisty Towel.

SMART INVENTIONS INC

6421 E Alondra Blvd
Paramount CA 90723
(562) 272-1400 x215 • Fax: (562) 272-1423

Contact: Gretchen Erickson, President

eMail: gretchen@smartinventions.com

Territories: All U.S.A. and Mexico

Commission Rate: 5 - 10% **Sales:** \$8,000,000

Years in Business: 5

Channels Currently Sold: BBB, Linen's & Things, Walgreens, Target, Boscov's, BILO, Supervalu, Kitchen Collection, Ulta, some Catalogs

Seeking Sales Through: All other Retail, International, Catalog, Web, Military, Traditional Department stores, Beauty Wholesale Suppliers, Warehouse clubs, Drug Stores, Mass Retailers, Specialty Retailers

Manufacturers:
**Are You Looking for Well-Qualified,
Performance-Committed, Field Sales
Professionals?**

Instant HOT Lines

A onetime eMail or fax that provides immediate information on *your line, only*, to reps in specific territories or throughout the world

Call IHRA at (800) 315-7430
eMail: info@ihra.org • www.ihra.org

Manufacturers:
**Are You Looking for Well-Qualified,
Performance-Committed, Field Sales
Professionals?**

Instant HOT Lines

A onetime eMail or fax that provides immediate information on *your line, only*, to reps in specific territories or throughout the world

Call IHRA at (800) 315-7430
eMail: info@ihra.org • www.ihra.org

This is an IHRA service to keep members advised of lines available. The listing of a manufacturer should in no way be construed as an endorsement of that line by IHRA, it being the obligation of each member to make their own evaluation

2007 / 2008 CALENDAR OF EVENTS

November

1 - 3
NEW YORK GIFT CASH & CARRY® SHOW.
New York, NY

6 - 8
The General Merchandise Show
New York, NY

11 - 13
PRIVATE LABEL TRADE SHOW
Chicago, IL

December

2 - 5
Showtime Fabric Market
High Point, NC

January 2008

5 - 8
Philadelphia Gift Show
Philadelphia, PA

6 - 8
Philadelphia Candy Show
Philadelphia, PA

8 - 15
Atlanta Intl Gift & Home Furnishings Market
Atlanta, GA

13 - 15
NASFT Winter Fancy Food Show
San Diego, CA

15 - 20
Los Angeles Gift & Home Furnishings Market
Los Angeles, CA

16 - 21
Dallas Intl Gift & Home Accessories Market
Dallas, TX

18 - 20
Dallas National Gourmet Food Show
Dallas, TX

18 - 20
California Gift Show
Los Angeles, CA

26 - 27
Orlando Gift Show
Orlando, FL

26 - 29
San Francisco Intl Gift Fair
San Francisco, CA

January (cont.)
27 - 30
CGTA Canadian Gift & Tableware Show
Toronto, ON CANADA

February
2 - 4
Seattle Gift Show
Seattle, WA

2 - 6
New York Intl Gift Fair
New York, NY

3 - 6
New York Gift Show at 41 Madison
New York, NY

8 - 11
Ambiente
Frankfort, GERMANY

March
14 - 15
Natural Products Expo West
Anaheim, CA

16 - 18
International Home & Housewares Show
Chicago, IL

16 & 17
5:00 - 6:15 PM
Show "Wind Down" at Housewares Show
IHRA Hospitality Room S101B

17
7:00 - 8:30 AM
IHRA Annual Breakfast & Program at Housewares Show
IHRA Hospitality Room S101B



May 6 - 8, 2008
Sands Expo & Convention Center
Las Vegas, Nevada



May 6 - 8, 2008
Las Vegas Convention Center
Las Vegas, Nevada

For a complete list of ECRM-EPPS Conferences, see their website at: <http://www.ecrm-epps.com>

IHRA MEMBERS:

Want to know more about group insurance available through RepCare?

Just find your business home state and call Pat Brown or John Doyle.

Call PAT BROWN at 800-854-4636

if your business is in:

Arizona	Minnesota	Oregon
Arkansas	Missouri	South Dakota
California	Montana	Texas
Idaho	Nevada	Utah
Illinois	New Mexico	Washington
Iowa	North Dakota	Wisconsin
Kansas	Oklahoma	Wyoming

Call JOHN DOYLE at 888-243-0174

if your business is in:

Alabama	Maine	North Carolina
Connecticut	Maryland	South Carolina
Colorado	Massachusetts	Tennessee
Delaware	Michigan	Virginia
Florida	Missouri	Vermont
Georgia	New Hampshire	W.Virginia
Indiana	New Jersey	
Kentucky	New York	

The REporter®

is published monthly for

INTERNATIONAL HOUSEWARES REPRESENTATIVES ASSOCIATION

175 N. Harbor Drive
Suite 3807

Chicago, IL 60601

(312) 240-0774

(800) 315-7430

Fax: (312) 240-1005

eMail: info@ihra.org

Web: www.ihra.org

Statements of fact and/or opinion are the responsibility of the authors alone and do not imply an opinion of the officers or members of IHRA.

2007 / 2008 IHRA Officers, Directors & Staff

Officers

Chairman: David Silberstein

President: Kent Kulovitz

President-Elect: David Friedman

Senior Vice Presidents

Industry & Membership: Jeanmarie Bettencourt

Legal & Education: Mark Glotter

Fiscal: Jim Doane

Delegate to MRERF & AMRA: Steve Grossman, CPMR

Executive Director: William M. Weiner

Directors

Catherine Hazen

Linda Krol

Burt Karlin

Peter Zacher

Past Chairs

John M. Clampitt

Peter Bang-Knudsen

Steve Grossman, CPMR

Donna Peake

Jay L. Cohen

Jim Adams

Tom Rooney

James Ayotte

Staff

Administrative Assistant: Stephanie Baron

Financial Director: Myra Weiner

**Home • Housewares • Gourmet • Hardware
Multiple-Line, Field Sales Professional:**

If you're not a member of IHRA, you owe it to yourself to join the organization that is your voice in the industry and the manufacturers' resource for finding **Well-Qualified, Performance-Proven, Field Sales Professionals.**

For complete information about "first-timer" membership and an application, contact:

IHRA

INTERNATIONAL HOUSEWARES REPRESENTATIVES ASSOCIATION

175 N. Harbor Drive • Suite 3807

Chicago, Illinois 60601

(312) 240-0774 • (800) 315-7430

Fax (312) 240-1005

info@ihra.org • www.ihra.org