

July 2000 Rental Rag

PRESIDENT'S MESSAGE

We've returned from a short hiatus and are ready to get back to business for the second half of 2000. As I travel around the state, here's what your fellow rental operators are saying:

"We're having a good year but can't find any help."

"Party rentals are way up and tools are holding their own."

"Home depot is opening a rental department."

"Business has been so good we had to buy more equipment to keep up with the demand."

Overall, the outlook for the rental industry is very good this year. The economy is doing quite well, actually too well for the Federal Reserve as they continue to raise interest rates to try to slow things down. There continues to be a labor shortage country-wide that is causing problems. I constantly hear that companies can't find good help. So if you're having the same problem you are not alone, if that's any consolation to you.

NationsRent recently announced a strategic partnership with Lowe's to rent equipment in the home improvement centers stores. So not only do you have Home Depot in the rental business but one of their competitors has gotten in to the business, too.

The stock market has been up and down as Wall Street is trying to figure out the value of Tech Stocks and Internet companies that haven't posted a profit yet. The Blue Chips have made a comeback of sorts but overall the market has been flat. It was bound to happen sooner or later, the 30 percent increase every year was nice, but unrealistic over the long term. My advice is to make sure your portfolio is diversified. The highs won't be so high but the lows won't be so low.

Later this year we'll elect a new President (the U.S. not the ARA-NJ). It will be interesting to see how that affects the economy, interest rates, gas prices, etc. If anything, it will make for some lively conversation at our meetings.

I hope you enjoy the rest of the summer. Try to make it out to the Somerset Patriots ballgame in August. If you can't attend the game, our next meeting is in October.

I am looking forward to seeing you then.

THE 10 MOST COMMON MISTAKES THAT RENTAL STORES MAKE

1. No Business Plan

If you rely purely on instinct to guide your rental business instead of a written plan, you're headed for trouble. A plan helps you focus on where your company is, where it's going, why and how you're doing along the way. Creating a simple plan is a must.

2. No Sales Plan

Without a sales plan, there's no serious way to gage the financial growth and progress of your business. You need a realistic map for where the sales and rentals will come from, how they'll come, from whom, how often as well as: how much selling or renting revenue is needed daily, weekly, monthly, quarterly and annually!

3. No Marketing Plan

A marketing plan creates the kind of attention you need to get in front of the right types of people, companies, etc. It is what attracts people to you! There may be as many as twenty five ways to market your business at no or low cost. A good marketing plan is a must!!

4. No resource individuals to get advice

A resource individual is like an unpaid board of advisors who have similar, related, successful businesses. These professionals are positive, somewhat like-minded, and open-minded. They are an excellent resource, brain trust and support system. Eventually, they can even provide introductions and endorsements to others for you. That can help, always pick someones brain. I'm here, it usually just cost you lunch and cocktails. There are plenty of people in our association who will help you.

5. No Cash Reserve or Real Cash Flow

During the excitement and euphoria of starting or growing a business, it's easy to overlook the gap between making the first few rentals banking the money. Often, the wait can be too long and without some cash reserve many of us may stall or even fail without any planned cash flow coming in. Secure a line of credit from your bank for the slow winter months!!!!

6. Ignoring the Numbers

As an rental store owner, your primary goal is to make a NET PROFIT! If you do not know how you are doing until all the money is in and all the bills are paid, then it may be too late! You need to know where you stand on a regular basis, especially with regard to income versus expenses! Having a timely system in which you can record the appropriate key data and quickly analyze the information, is of the utmost importance! There are software programs that can help.

7. Not Being Automated

With the low cost of personal computers today and the very positive productivity impact they can have on your business, it is essential to become automated! With a computer, modem, a fax, and access to the internet for e-mail, a wealth of information and electronic commerce, you will be keeping up with your competition and staying current.

8. Not Knowing Your Customers

Changes in your customers' preferences and your competitors' products and services can leave you in the dust unless you get to know your customers well, what they want now and will likely want in the future, what their buying patterns are, and how you can be a resource for them even if you don't have the right products or services for them now.

9. Ignoring Employees

Motivating, coaching and managing your staff is probably one of your toughest challenges as rental business owner today! Without your patience, persistence and "people skills", your problems can multiply quickly. Morale, productivity AND PROFITS can easily be destroyed! Be sure to get help if you assess objectively, that these are not your strengths.

10. Being a Lone Ranger

You might be the key to everything BUT you cannot DO everything and grow at the same time. Even modest success can overwhelm you unless you do the following: hire the right staff and delegate responsibility, work with a rental association, and finally, create several positive business exit options for the future to make the ultimate transition smooth and planned.

..... Steve Kohn

RENT A FUNERAL

"What arrangements do you want me to make if you pass on before I do," I asked my wife.

"That depends on where I pass to," was her answer. An answer that was not unexpected.

What is it about we humans that refuses to allow us to face the fact that we are not immortal? I'm guilty of it, too, as is just about everyone else I know. The only one I can think of who is not uncomfortable discussing death is Dr. Kervorkian. Come to think of it, undertakers probably don't have a problem with it either - given the nature of their business.

Dying came up because I was reading a magazine in which the topic of the month was how not to get ripped off when you're faced with burying a loved one. Their reasoning being that most people are too distraught to think clearly at that time and can easily be swayed into buying expensive and unnecessary funeral arrangements - like a \$100,000 crypt for example.

It's easy to understand people being upset and vulnerable at such a stressful time but do you really think anyone would take advantage of their grief? Of course not. I've never met a funeral director who wasn't the epitome of solicitousness. Maybe the people who put together these studies had an ax to grind. They probably flunked out of embalming school for handing in revolting homework.

"Speaking of embalming," I said raising my head from the magazine.

"Who's speaking of embalming?" the Mrs. asked, "I've been watching television for at least an hour and the subject didn't even come up once."

"Sorry, I'm deep into these studies on funerals and it did come up in the article I'm reading," I explained, "and anyway, do you know there is no law that says you have to be embalmed when you die but they say you can bet it will be part of the package?"

"Must we talk about this now?" she asked.

"You don't want to talk about it now or ever but it's something we have to face. Look," I continued, "you've indicated you want to be cremated and have your ashes spread to the four winds ----"

"From Diamond Head in Hawaii," she interrupted to clarify.

"Well, it says here you don't need an expensive urn for your ashes. A paper sack will do."

"Thanks, big spender," she groused, "but won't you have a problem getting through the airport inspection? They'll think you've been sniffing what's in the sack."

"The point is," I went on, ignoring her sick sense of humor, "funerals don't have to be the enormous expense they have become. For instance, you've always indicated you'd like a Bag Piper to play 'Amazing Grace' at your funeral mass; well, we could save a lot if I get a kid to play it on a kazoo . It'll sound almost the same and cost a helluva lot less."

"Oh, thank you," she said pretending to wipe a tear from her eye, "your concern about granting my last wish is touching. Now, if you don't mind I'd rather we change the subject." With that she turned up the sound on the TV."

"OK," I said, shouting over the TV, "if you won't face up to it I'm going to prepare written instructions for myself for when I depart," (it's hard to say "die" when you are the person under discussion,) "and I'm going to leave my burial wishes in an envelope on the coffee table in the living room so everyone will know where they are and then they will know the kind of burial I desire.

And that's just what I did Then I sealed the envelope and wrote on it: "These instructions are to be opened upon the demise of the head of this household."

That evening one of our offspring stopped by and, spotting the envelope on the coffee table, said "Hey, Mom, way to go. It's good to plan ahead. I hope you spelled everything out."

Mom? Humph, this head of the household must have died already and no one bothered to tell him.

..... Carl Sparacio

FROM THE "VEEP"

WHAT HAVE YOU GOT TO LOSE?

At every board meeting we briefly discuss the lack of participation and attendance of regular ARA-NJ meetings. Those who do attend meetings have a variety of reasons, most of which are selfish and that's perfectly all right. I for one, as a regular member, attend meetings to meet owners and managers of other stores, to get a look at other stores - see what they rent, how they rent, and maybe find out some bit of information that would make my job easier or make our operation more efficient or generate more revenue.

What type of computer system do you use? What kind of trucks do you run? Do you charge damage waiver? What kind of skidsteer do you use? How do you find help? Who's tents and dance floors do you use? How do you calculate delivery charges? Have you rented to XXX Contracting and had his checks bounced as they did with us? What heaters do you use for tents? These are just some of the questions I've had answered at our meetings. The amount of information available to you by networking is limitless!

Our members are a very valuable source for helping you to solve problems and to make educated decisions that affect your business. Most, if not all, members are more than will in share information and knowledge with other members of the ARA-NJ. I have spoken to people that belong to other trade organizations (particularly other state ARA's) and they are quite envious of the way we share information (some share no information at all - they just don't talk shop, PERIOD). Contrarily, we at the ARA-NJ share information that helps our members grow and prosper.

I can't think of any valid reason NOT to attend ARA-NJ meetings. The ARA-NJ is for YOU - TAKE ADVANTAGE OF IT! Be selfish.

Find out what your peers are doing better than you are. Take something home with you inside your head. It doesn't cost you anything (National dues covers State now). The only cost to you is a little time (we even feed you). If you can't take a little time to improve yourself and your business, you've got your head in the sand. And, in today's rental world (we are in the 21st century,) you are going to need any and all advantages to stay in business.

Oh, yes, did I tell you we have lots of fun, too? If you haven't been to a meeting in a while (or have never come) come to the next one and I guarantee you will not only have a good time, but you *will* take a valuable tidbit home with you that will make you glad you came.

SEE YOU THERE!

..... Brian Kreger

RODEO DAYS

Keystone Rodeo Days

September 10, 2000

Lebanon Expo Center

Lebanon, PA

ELECTRONIC SIGNATURES BILL SIGNED INTO LAW

In what is being called the single most important piece of E-commerce legislation to pass this session of Congress, the *Electronic Signatures in Global and National Commerce Act* (the "E-Sign Act,") was signed into law by President Clinton on June 30. The legislation eliminates legal barriers to using electronic technology to form and sign contracts, collect and store documents, and send and receive notices and disclosures.

the E-Sign Act should impact a wide range of industry, including insurers, banks, broker dealers, and investment companies. The act authorizes so-called "digital signatures" as well as empowers the broad use of on-line contracting and provision notices. the effect will be felt by both businesses and consumers - in short, by anyone who does business over the internet.

YOUR ARA-NJ CALENDAR

August 17, 2000

ARA-NJ picnic at a Somerset Patriots baseball game.

September 10, 2000

Demo Day, Lebanon, PA

October 18, 2000

Regular meeting - Location and program to be determined.

November 15, 2000

Annual Round Table meeting - Location to be determined.

WHY?

How come wrong numbers are never busy?

Do the people in Australia call the rest of the world "up over"?

Can a stupid person be a smart-ass?

Why doesn't Tarzan have a beard?

Why is it when you're driving and looking for an address, you turn down the volume on the radio?

Why is lemon juice made with artificial flavor and dishwashing liquid made with real lemons?

How do you write zero in Roman numerals?

Do pilots take crash courses?

If a jogger runs at the speed of sound, can he still hear his Walkman?

If Barbie is so popular, why do you have to buy all her friends?

Why is the time of day with the slowest traffic called rush hour?

If swimming is good for your physique, why do whales look the way they do?

If peanut butter cookies are made out of peanut butter, what are Girl Scout cookies made of?

If space is a vacuum, who changes the bags?

Why is the third hand on a watch called a second hand?

**LIFTING SAFETY
SAVING YOUR BACK**

GET A GRIP!

To lift and carry safely use your head and save your back.

To pick it up

Stand close to the load.

Bend your knees, not your back!

Let your legs push your body up, slowly & smoothly

To put it down

Don't twist your body. Twisting is a major cause of injury.

Lower the load bending your knees and letting your legs, not your back, do the work.

Place the load on the edge of a surface, then slide it back.

A two person lift works best if

Both people are about the same height.

One person is in charge of saying when to move and where.

You lift and raise at the same time.

You keep the load at the same level while carrying it.

You move smoothly together.

You unload at the same time

FOR THOSE AWKWARD MOMENTS

Try to avoid lifting or lowering from a high place, but if you must do it

Stand on a platform instead of a ladder.

Lift the load in smaller pieces if possible.

Push up on the load to see how heavy & stable it is.

Slide the load as close to yourself as possible before lifting.

Grip firmly then slide it down.

Get help when you need it to avoid injury.

Lifting from hard to get at places

Get as close to the load as possible.

Keep your back straight, stomach and muscles tight.

Push buttocks out behind you.

Bend your knees.

Use leg, stomach, and buttock muscles to lift - not you back.

Drums, barrels, and cylinders present special problems.....

**If too heavy to be comfortably lifted, get help or use a special mechanical device.
Caution: these loads can shift suddenly.**

Awkward objects.....

Bend your knees with feet spread.

Grip the top and bottom inside corners.

Use your legs to lift, keeping your back straight.



**ARA of NJ
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Revised: