Northeast
DEALER
The Newsletter of NORTHEAST EQUIPMENT DEALERS ASSOCIATION, INC.
www.ne-equip.com
OCTOBER 2017 Vol. 19, No. 223

The Results Are In!

The 2017 Northeast Equipment Dealers Association Cost of Doing Business Survey (CODB) has been compiled.

Thanks to the many members who participated in our survey this year, the report continues to take on new significance in assisting dealers to:

- Compare their financial performance to that of all dealers (regardless of lines or manufacturers represented);
- Assist in the valuation process of their businesses for estate planning, buy/sell agreements; sales, mergers/consolidation purposes;
- Utilize benchmarks in the survey so that dealership goals and budgets can be established for future years.

Finally, your Northeast Equipment Dealers Association must continue the tradition of generating this type of survey so that trends in business can be established and information can be gleaned that will help dealers improve financial performance in future years.

Once again, Equipment Dealer Consulting, LLC Certified Public Accountants – Lonnie Finch, CPA, CVA, Terry Heins, CPA and Tom Hancock, CPA – took the information provided by dealers and compiled the results into a Study that we are proud of and one that will be a useful tool in the management of your dealership(s).

The completed survey results are priced as follows:

- Members who submitted financial information – FREE
- Members who did not submit financial information - $200 per survey
- Non- members - $450 per survey

Complete and return the order form on page 15 today!!

If you have any questions or comments, please contact your Association offices at 800-932-0607.

IN THIS ISSUE:

ADVERTISER'S:

NEDA Salutes our Supporting Advertisers. It is our pleasure to list the names of those advertisers who support NE Dealer each month. We trust their advertisement will be remembered when goods and services are required by you, our dealer members. It is good to do business with companies who are interested in doing business with you and your industry association.

NEDA Workers' Compensation Safety Group

Over 23.00% Average Dividend For The Last 10 Years!

Exclusively for* New York *Members of the Northeast Equipment Dealers Association

DIVIDEND HISTORY

Northeast Equipment Dealers Association

Committed to Building The Best Business Environment for Northeast Equipment Dealers

Policy Year	Dividend
2014-2015	20.0%
2013-2014	15.0%
2012-2013	15.0%
2011-2012	5.0%
2010-2011	20.0%
2009-2010	25.0%
2008-2009	37.5%
2007-2008	20.0%
2006-2007	35.0%
2005-2006	37.5%

HF&C
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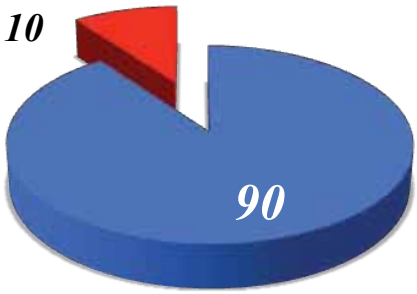
ELIGIBILITY

- **Members of NEDA Inc.**
- **Construction/Industrial Equipment Dealers**
- **Material Handling & Lift Truck Dealers**
- **Farm Equipment Dealers**
- **Outdoor Power Equipment Dealers**
- **Rental Equipment Dealers with Repair Facilities**

ADVANTAGES

- **Aggressive Advance Discount**
- **Excellent Dividend Potential**
- **Claims Management & Loss Control Services**
- **Monthly Installments for Qualifying Dealers**

Eligible NEDA Dealers Purchasing Workers'Comp From Safety Group #548



Eligible NEDA Dealers Purchasing Workers' Comp From ALL OTHER SOURCES

To see if you qualify, call Pat Burns at Haylor, Freyer & Coon 315-703-9148 / 800-289-1501 or fax a current declaration page to 315-703-8159 or Call Ralph Gaiss (Executive Director of NEDA) at 315-457-0314 for more information.
You may also visit us at www.haylor.com/NEDA

Observations from the FIELD

Tim Wentz
Field Director /
Legislative Committee
Chairman
717.576.6794

Last year I wrote in both the October and September articles about service employee recruitment, retention challenges and their potential impact on a dealer's ability to grow market share, increase sales, and profitability. I noted that one of the challenges seemed to be a lack of infrastructure and went on to encourage dealers to develop relationships with our partners and find ways to combine efforts and resources (state government, manufacturers, institutions, and dealers). Without that infrastructure, it is very difficult for our industry to convince "the public" that the pathway to a career as an Equipment Service Technician is clear and that the career is rewarding, with ample opportunity for growth, income, and self-fulfillment!

GOOD NEWS!

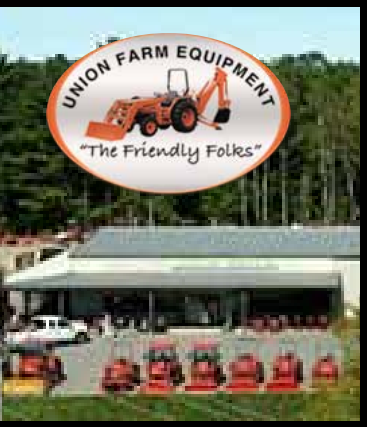
NEDA has followed our own advice! We reached out to the Pennsylvania state government, manufacturers, educational institutions, and dealers to combine resources and efforts. **The result is the formal registration of an apprenticeship program for agricultural equipment technicians in Pennsylvania. Initially the plan is to limit enrollment to south central PA until we are sure we have all the "i's" dotted and the "t's" crossed. The next step will be to expand the program to other Pennsylvania dealerships, as we are able to "identify" /cultivate the educational resources necessary for the related instruction required for program completion.** We want to find and utilize local educational resources to the greatest extent possible, knowing that dealers would much rather keep their apprentices working at the dealership year round. All while keeping in mind that our most difficult "audience" could be guidance counselors, parents, and grandparents.

We recognize that we have a long and difficult road ahead of us if we are to be successful in establishing our Work-Force development programs. Rest assured that NEDA will continue our work with the Pennsylvania Departments of Agriculture, Labor, and Education, educational institutions and manufacturers. In addition, NEDA has and will continue to participate and collaborate with other nationally focused stakeholders such as EDA, AED, and Community Colleges knowing that we can learn from each other's successes and challenges. Effective work-force development will be to everyone's benefit and will take a combined and concerted effort if we are to be successful.

On the state legislative front, we are continuing our efforts to

continued on page 4

CT ME MA NH NJ NY PA RI VT



Observations

continued from page 3

amend state dealer laws and have been asked to work on some DOT/permitting, right-to-repair, and telematic issues as well. I would like to personally thank those dealers who have and continue to go well beyond the call of duty in support of our endeavors. Please understand that engagement and the relationships that evolve as a result are the key to our/your success.

It is not too early to start pre-selling your "winter" service specials. Be sure to take a minute or two this week, pull your sales team together (counter/parts staff included), review your service specials, ensure that everyone understands the value of these services and, most importantly, SELLS them. Fall is also a good time to start planning for your early order parts specials and annual parts returns. It is amazing what a few hours working on the department's fill, turn, and lost sales reports can do to help improve the department's and dealerships' net profit. While you are on a roll, take time and review your dealership "absorption rates": do not lose the positive momentum you have worked so hard to build!

REAP the benefits of membership and your PROFITS will follow!

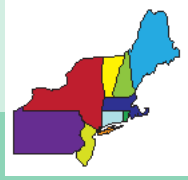
Connecticut DOT to Upgrade Oversize/Overweight Permit System

The Connecticut Department of Transportation announced that it will be switching to a new, online permitting system for oversize/overweight vehicle permits. The new web-based system is expected to be more user-friendly and more versatile, and is compatible across many online platforms.

Annual Divisible Permits will be valid through the date stated on the permit. Single-trip permits issued prior to the switch will be valid for the period stated on the permit.

Annual Indivisible Permits have replaced Account Code permits. Users will need to populate the new OS/OW system with their vehicle information in order to obtain the Annual Indivisible Permits at no new cost (for carriers with valid Account Codes), and then begin to request Route Authorizations.

A document summarizing this change will soon be posted to the DOT OS/OW webpage here:
http://www.ct.gov/dot/cwp/view.asp?a=1394&Q=586744 (~Courtesy of Motor Transport Association of Connecticut)



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In Memoriam

WILLIAM F. PINCKNEY ❦ Main & Pickney | Auburn, NY

William F. Pinckney, 90, of Auburn passed away on September 19, 2017 at his home with his family by his side. He is the son of the late William and Mary Beardsley Pinckney. In addition to his parents, William is predeceased by his wife Zenia Sophia Pinckney, two brothers Robert, and Richard Pinckney, and two sisters Elizabeth Chamberlain, and Stella Kindrew.

Bill was owner and operator of Main & Pinckney for 40 years. He enjoyed square and round dancing as a member of the Cayuga Cut Ups. Bill was a member of the American Legion as a WWII veteran. He was also a member of the New York Dealers Association and on the Allis-Chalmers Dealer Council. He also loved to go hunting and fishing whenever he had the chance to.

He is survived by two daughters: Bonnie Zajac and Charisse Scala, 4 sisters, a companion and friend and numerous grandchildren and great grandchildren.

In lieu of flowers, contributions may be made to Hospice of the Finger Lakes, 1130 Corporate Drive, Auburn, NY 13021 in memory of William F. Pinckney.

EDF Collecting Donations for Disaster Relief Following Hurricane Irma

While the Houston area begins to recover from Hurricane Harvey, Florida is now assessing the damage from Hurricane Irma. As the number of people in need of assistance continues to rise, the Equipment Dealers Foundation (EDF) is continuing to collect donations for its Disaster Relief Fund.

The Disaster Relief Fund helps offset the financial demands of dealers and their employees who are affected by natural disasters. Grant money can be used for temporary housing, food, water and other necessities.

"It's almost unbelievable that just weeks after Harvey, another devastating hurricane makes landfall in the U.S.," says Joe Dykes, VP of Industry Relations for the Equipment Dealers Association (EDA). "Since Hurricane Harvey we have received several Disaster Relief Applications daily and we expect a similar response from those affected by Irma in Florida. We need the support of the ag community to make sure we have enough funds to help the victims of these hurricanes."

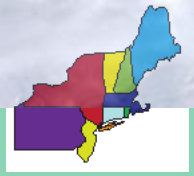
Please consider making a donation to EDF today. All funds raised will go directly to assist equipment dealers and their employees. Donations can be made using this pledge card: https://www.equipmentdealer.org/storage/app/media/EDF_Donation_Card.pdf

Checks should be made out to Equipment Dealers Foundation and mailed to:

Equipment Dealers Foundation
165 N. Meramec Ave. Suite 430
St. Louis, MO 63105

If you prefer to donate using a credit card, please call EDA's office at 636.349.5000

For those seeking assistance as a result of Hurricane Harvey or Hurricane Irma, EDA is here to help! Please call for additional information or fill the Disaster Relief Application.



NEDA

Northeast Equipment Dealers Association

Serving Farm, Industrial & Outdoor Power Equipment Dealers Since 1901

October 2017

LED 18-watt Work Light

WL19F low profile

Shorter Days Coming!
Daylight Savings November 5, 2017

18-Watt 1320 Lumens
Flood Beam Pattern 90 degrees
*10v-30v operation,
*Waterproof Rating IP 67
*Die cast Aluminum Housing
*Stainless Steel Mounting Bracket
6.5" L x 1.75" H x 2.50" D

WL19F	
Regular Price:	$18.77
Special Price:	$17.83
Retail Price:	$31.28

Order Form

Dealership Name: _____
Shipping Address: _____
City, State, and Zip: _____

Item #	Qty.	Cost Ea.	Total
WL19F	_____	$17.83	_____

SUB TOTAL _____

Terms: NET 30 DAYS TO APPROVED MEMBERS (If not for resale) TAX
Freight: PREPAID WITH CASE QUANTITY

SHIPPING _____
TOTAL _____

Payment Method (Prepayment is required)
Check Enclosed (Payable to NEDA) _____
Credit Card (VISA or MC) Acct # _____Exp. Date: _____
(Circle One)
Cardholder Name: _____ Signature: _____

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OFFER EXPIRES OCTOBER 30 2017

FASTLINE MEDIA GROUP ANNOUNCES THE LATEST TOPIC IN THEIR POPULAR

WEBINAR WEDNESDAY

SERIES HOSTED BY FASTLINE MEDIA GROUP, SPECIFICALLY WITH EQUIPMENT DEALERS IN MIND.

Fastline Media Group announces the latest topic in their popular Webinar Wednesday Series. On Wednesday, October 11, 2017 at 3 PM EST. Megan McGrath will present a social media related topic, "100 Square Feet of Tradeshow Space - Make it Work for You."

Exhibiting at trade shows isn't cheap. Find out how to make the most of your 100 square feet. With so many components to trade shows including staffing, graphics and promo items, it's easy to get overwhelmed. Learn the importance of established plans and goals, and how to make it all work together and for you. To register go to: https://cc.readytalk.com/r/lpqfpx6pi592&eom

"At Fastline Media Group we are always looking for new ways to disseminate important and timely information to our equipment dealer customers," said Susan Arterburn, Marketing Director. "As industry experts in the field of agriculture marketing, Webinar Wednesday provides a unique way for us to share and communicate with equipment dealers."

Visit www.FastlineMediaGroup.com/Resources to register for upcoming Webinars or view past episodes.

Questions: PHONE | 800-626-6409 x8336 or visit our WEBSITE: www.FastlineMediaGroup.com)

In a continuing effort to enhance our member services, NEDA has added a legislative report function to our website. The listing includes recent actions and links for legislation we are tracking on your behalf in the US Congress, Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey and Pennsylvania. Click here to get the most current legislative report.

Save Money On Your Natural Gas and Electric Bill

TO: Northeast Equipment Dealers Association Members

We are excited to announce a new program that is available to our members. NEDA has joined forces with PGP Energy to try and help our members reduce their energy expenses anywhere from 10 - 15 percent.

As you may know in the mid 1990's many States signed into law what amounted to the deregulation of the public energy utilities. This introduced Energy Service Companies (ESCO's) into those markets and enabled consumers the option to choose where they get their energy supply from. As a result it is now possible to take advantage of this competitive market to lower your energy bills.

Advantages of using an ESCO:

1. Average savings for our customers are 10 to 15%
2. No fee to sign up
3. Still receive same electric / gas from utility
4. Still receive one bill from utility
5. Ability to offer fixed locked in rates
6. Tax Savings (depending on State) because you purchased your energy supply from an ESCO

All PGP Energy will need in order to do a cost analysis is to get a copy of your utility bills (ALL PAGES). Matt Lulley from PGP Energy will then prepare a proposal based on your specific information. If you are currently already with an ESCO, we would love the opportunity to quote your account at your renewal.

Click here for more information on how to start saving costs on your utility bills today!

Call 631-951-9200, Ext. 182 or Fax your bill to: 631-656-2547

PGP ENERGY

Northeast Equipment Dealers Association
Established 1901

PGP ENERGY

Electric

Natural Gas

Save Money On Your Natural Gas and Electric Bill

- Did you know Energy deregulation has removed the utilities monopoly on the supply of electricity and gas?
- Now companies are free to shop for their electric and gas supply on a competitive basis, ensuring the best possible price.
- NEDA in junction with PGP Energy will guide you through the process.

All we need is your natural gas and electric bill for a

FREE COST ANALYSIS

You will remain with the same utility, same energy, same service, same bill...all at a lower cost.

Serving: CT, MA, ME, NH, NJ, NY, PA, RI, VT and other States

For More Information:
Contact Matt Lulley
631.951.9200 x 182
lulleym@pgpenergy.com

Energy Deregulation Saving You Money

RECEIVED AN EMAIL FOR A W-2?
BE CAREFUL...

BUSINESS ALERT: Cybercriminals are trying to trick companies into emailing W-2s in an attempt to get sensitive personal information, the IRS warns. According to the IRS, scammers are sending emails in which they impersonate businesses or even internal employees. Known as BEC scams – for "business email compromise" – the IRS says they saw a sharp increase in bogus W-2 requests.

"These are incredibly tricky schemes that can be devastating to a business," said IRS Commissioner John Koskinen in an agency update. "Cybercriminals target people with access to sensitive information, and they cleverly disguise their effort through an official-looking email request."

If you receive an email seeking W-2 copies, call to verify the request and be sure to use a phone number you know and not one in the email. Educate your staff about the W-2 scam to ensure sensitive information isn't released.

In a related scam, cybercriminals are also sending emails requesting wire transfers. As with a W-2 email request, get verbal verification for any changes in vendor payments and require a secondary sign-off by someone at the company in question.

If you fall victim to a W-2 or related email scam, notify the IRS at dataloss@irs.gov and write "W-2 scam" in the subject line. Businesses that receive a suspect email are asked to forward it to the IRS at phising@irs.gov and also write "W-2 scam" in the subject line. More Information at: (https://www.irs.gov/newsroom/dangerous-w-2-phishing-scam-evolving-targeting-schools-restaurants-hospitals-tribal-groups-and-others - (IR 2017-20, 2-2-2017)

~ Courtesy of
B&R Boyer & Ritter LLC

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Ralph Gaiss, Executive VP/CEO
800-932-0607 x 222
rgaiss@ne-equip.com

Dave Close, Operations Manager
800-932-0607 x 235
davec@ne-equip.com

Kelli Neider, Administrative Assistant
800-932-0607 x 200
kneider@ne-equip.com (Business Forms)

Tim Wentz, Field Director / Legislative Committee Chairman
C: 717-576-6794, H: 717-258-1450
wentzt@comcast.net

Scott Grigor, NY Farm Show Manager
800-932-0607, Ext. 223
sgrigor@ne-equip.com

Art Smith, Consultant/Editor, *NE Dealer*
717-258-8476, F: 717-258-8479
arts@pa.net

CHARTER SOFTWARE BUSINESS SYSTEMS
Melissa Amen
303-932-6875 - Ext. 219
melissa.amen@chartersoftware.com
www.chartersoftware.com

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Rex A. Collins, CPA (IN), CVA Principal
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jason@preferredpayments.com

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Physical Damage Insurance (HF&C, Inc.),
Rental / Leasing Equipment
Patrick Burns at 800-289-1501, Ext. 2148
Pburns@haylor.com • www.haylor.com

Workers' Comp (Return Dividend Program for NY Dealers only)
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Patrick Burns at 800-289-1501, Ext. 2148
Pburns@haylor.com • www.haylor.com

LEGAL ASSISTANCE – FREE LIMITED
Dave Shay at 816-421-4460
Fax: 816-474-3447 • dshay@seigfreidbingham.com

NEDA ON-LINE CAMPUS
Dave Close at 800-932-0607 x 235
davec@ne-equip.com

OSHA WORKPLACE SAFETY COMPLIANCE PROG.
Dave Close at 1-800-932-0607 Ext. 235
davec@ne-equip.com

PARTNERSHIP FREIGHT PROGRAM
Yellow Freight, UPS Freight, FedEx Ground
Keith Korhely at 800-599-2902 x 2254
kkorhely@Partnership.com

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CERTIFIED SPCC PLAN
Dave Close at 800-932-0607 x 235
Robb Roesch at 800-888-9596 x 222
robb.roesch@dekra.com

THINK 1st ASSOCIATION
Northeast Equipment Dealers Association
www.ne-equip.com

IRS: Health FSAs Cannot Be Used for Insurance Premiums

A recently released IRS letter reaffirms the agency's view that funds from a health flexible spending arrangement (health FSA) may not be used to reimburse **health insurance premium payments or Medicare premium expenses.**

Certain Premiums May be Deducted

The IRS letter points out that health insurance premium payments, including those for Medicare, may qualify for purposes of the itemized deduction for medical expenses. However, only premiums for which the taxpayer is not claiming a separate credit or deduction can be included as part of a medical expenses deduction. **Additional restrictions apply to this deduction.** For more information, please see IRS Publication 502, click: https://www.irs.gov/forms-pubs/about-publication-502 -- (*Medical and Dental Expenses*.

Click here: https://www.irs.gov/pub/irs-wd/17-0004.pdf -- to read the IRS letter in its entirety.

~ Courtesy of Haylor, Freyer & Coon

A PAYCHECK FOR LIFE

During retirement, you will face a variety of living, medical, and discretionary expenses. To cover these, your retirement nest egg should ideally replace at least 75 percent of your current income.

Don't outlive your assets

A Single Premium Immediate Annuity (SPIA) is one way to produce retirement income by converting a single lump sum payment into a guaranteed series of payments over your lifetime and/or a guaranteed period.

The single lump sum payment for an SPIA can be obtained from savings and investments, selling a business, or payouts from a retirement plan.

The advantages of a Federated SPIA:

- Safe – Backed by a company rated A+ Superior by the A.M. Best Company.
- Streamlined Income – Cash flow can be maximized since payment constitutes both interest and a return of principal.
- Secured – There is no investment risk and payments are guaranteed not to change in amount or frequency.
- Stable – A guaranteed income for the rest of your life—even if you live well beyond your normal life expectancy (when you choose the "period certain" payment option).

At today's current rates, a $200,000 Federated SPIA for a 65-year-old male can produce a monthly income of $1,094 for lifetime and a guarantee of 20 years. After 20 years, the total payout would be $262,560*.

Contact your local Federated representative to discuss your SPIA.

*Payment amount assumes a 4% interest rate and uses the Annuity 2000 Mortality Table for a 65-year-old male.

~ Courtesy of Federated Insurance

PREFERRED PAYMENTS

Northeast Equipment Dealers Association

CORPORATE DISCOUNT PROGRAM

NORTHEAST EQUIPMENT DEALERS

Lower Rates & Increase Functionality

Simple & Secure B2B Processing.

1 Use Preferred Payments Virtual Terminal

Accessible from any internet capable computer.
Level 1 PCI compliant.
No additional hardware to purchase.

2 Swipe or Key Enter Your Transactions

User-friendly dashboard.
Store customer information for future purchases.
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BY LANCE FORMWALT, SEIGFRIED BINGHAM, P.C.

TRANSFER PLANNING

UNLOCKING THE RETURN ON YOUR INVESTMENT

Every dealer should be thinking about how to unlock and transfer the value of this investment by asking "what is my exit strategy for this dealership investment"?

Do you ever stop and ask "how are my investments doing"? We all do that at some point, but when you ask this question, are you thinking about your dealership?

If you are like many dealers, your dealership is your largest investment. But knowing how your dealership investment is doing is tough because it isn't as easy as looking it up in a stock table. Likewise, transferring a dealership cannot be done as easily as using e-trade to transfer stock with a push of a button. Planning is required.

Every dealer should be thinking about how to unlock and transfer the value of this investment by asking "what is my exit strategy for this dealership investment"? When doing this, keep in mind the following:

START WITH THE END IN MIND.

A transfer of your dealership is inevitable at some stage in your life. Therefore planning for this transfer should be part of the goal-setting process for your dealership. Try to visualize where you want to end up so that along the way you will make decisions that take you there.

BE FLEXIBLE.

You have multiple transfer options. You should follow a path that allows you to change or adjust approaches. A transfer plan is like any long-range plan. It will likely require modifications to accommodate changes that occur in your business and life.

KNOW YOUR OPTIONS.

Transfer plans or exit strategies take many forms and can be implemented over different timeframes. Examples include:

- Transfers to the next generation by sale, gift or inheritance
- Transfers to key management employees by sale or compensation arrangement
- Sale of the dealership to a third party
- Merger with another dealer

Consideration should also be given to specific aspects of your business that might provide additional flexibility and tax benefits when used in connection with a transfer plan. Examples may include rental of the business real estate or employment, consulting or non-compete agreements.

EXIT DOESN'T MEAN JUMPING OUT OF THE AIRPLANE.

Transfer plans shouldn't be rushed and may be best when implemented over several years.

- We have worked with a number of dealers who have built their foundation on the transfer of a partial ownership interest to key employees and/or the next generation. Implementation of a transfer over time gives the owner and manufacturer (more on this in my next article) an opportunity to evaluate the new owners while providing them with experience, motivation and additional financial resources.
- As part of a transitional phase in an exit strategy, we have also worked with dealers on merger transactions in which all owners become part of a larger organization. As part of this transaction, you and the other owners need to agree on an appropriate exit strategy for each party. Sometimes this strategy includes a mandatory buyout of a dealer upon reaching a certain age.

GROWING BEFORE SELLING.

To maximize your investment, you may want to grow first. Growth before a sale can include several different steps, some of which may also include dealership transfers. Examples include:

- Opening a new location or expanding into a different line of equipment
- Buying or merging with another dealership
- Selling partial ownership to investors (e.g, private equity) to fund future acquisitions and ultimately your buy-out

Running a dealership is hard work. Unlocking the return on your dealership investment is also hard work. But both can be extremely rewarding with the right amount of planning and effort.

COST OF DOING BUSINESS STUDY

The 2017 Cost of Doing Business Study presents the annual financial and operational profile of independent, retail equipment dealerships.

This Study is made possible through the cooperation of participating dealers associations and their members who provided detailed financial and operational information for their individual companies. The Study assesses financial performance and presents composite income statements and balance sheets in addition to averages for key financial performance ratios. Use it to:

- Compare your financial performance to that of all dealers (regardless of lines or manufacturers represented);
- Use it to assist in the valuation process of your businesses for estate planning, buy/sell agreements, mergers/consolidation purposes;
- Use the benchmarks to establish future goals and budgets.

NEDA participated in this joint venture, with other North American Equipment Dealers Association affiliates, because it is important for a trade association to generate this type of information for members to measure their own performance against industry averages. The data sets benchmarks you can use to establish financial plans to improve profitability.

Northeast Equipment Dealers Association
Established 1901

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BY JOHN CHAPIN

LEADING THE SALES TEAM TO VICTORY

Leading a sales team to victory is not an easy task. It takes discipline, resolve, and the ability to make tough, and sometimes unpopular, decisions. At its worst sales leadership is one of the most thankless, difficult jobs and has been compared to herding cats. At its best, it is one of the most fulfilling and rewarding jobs and, when a sales team is setting records and hitting on all cylinders, can generate feelings equivalent to winning the Super Bowl. Here are the rules to follow to ensure you and your team have the best shot at success.

4 RULES TO LEAD YOUR SALES TEAM TO VICTORY

RULE 1: **You have to run your sales organization like a military unit.**

You need top-down management where people know their job, do their job, and are held accountable. There are no gray areas on expectations or execution of daily activities, and there are consequences for not delivering on either. People should be expected to show up on time, follow the rules, be professional, and do whatever it takes to make the calls and do the activities necessary to more than fulfill the obligations of the job they signed up for. If for some reason they are not able, or will not execute the duties required of them, they are to be relieved of duty.

RULE 2: **You are responsible for your people professionally, not personally.**

When someone does not have the tools, resources, training, guidance, or proper environment to do their job, it's your fault. When someone fails to make the calls, or do the other activities necessary for success, it's their fault. Your responsibility is to set the goals and expectations, give them the game plan, providing initial and ongoing training, give them the tools necessary to do the job, and oversee their activity and progress. It is up to them to keep their head on straight and do the work necessary. A failure of activity is not your responsibility, **a failure to inquire about and reasonably track their activity is your responsibility.** Your realm is the professional environment. It's up to you to keep that realm separate and protected ensuring that nothing from the personal world interferes with the professional world.

The bottom line here: when someone is lagging behind their quota, you need to find out why immediately and address the situation. Is something missing that you should have provided, or are they out late, into the wrong things, and/or simply not putting in the hours and doing the work necessary? If it's on them, they need to straighten out and step up, or step out.

RULE 3: **Micromanage activity and the top line.**

As a sales leader it's your job to be obsessed with how much revenue is coming in via new sales and repeat business. In addition, you need to constantly check in with your people and inquire about the number of calls they are making, and whether or not they are delivering proposals, closing, and following up. Test them and make sure they know what they are supposed to be saying and doing at each point in the sales process. Meet with your people briefly every day, whether in-person or on the phone, and go over daily goals and what they are working on. Note: Keep in mind everyone should be practicing their presentation, answers to objections, and other similar items daily. Also, scheduled sales meetings need to focus primarily on sales skills development, not pie charts and presentations by outside vendors or other department heads.

RULE 4: **You're the boss and slave-driver first and foremost.**

Most salespeople need to be pushed. Ideally you'd have an entire group made up of the top 10% that are self-motivated and drive themselves, but this is likely not the case. You have to push people and demand more of them than they demand of themselves. Everyone needs someone who will hold them to task and hold them accountable. Even the most driven, self-disciplined people can slack off from time to time. Part of your job is to ensure that doesn't happen. To make sure they don't take any plays off, to ensure they give 100% and leave it all out on the field all day every day. Yes, there will be times when it seems like you're a parent to a bunch of unruly kids. That's your job. Use all four types of motivation when necessary: external negative, external positive, intrinsic, and peer.

If some of the people working for you are also your friends, keep in mind that you are the boss, the manager, or whatever you call yourself, before you are their friend. The friendship can in no way impede upon the professional job you've signed up for.

It's important to keep in mind that you have to see more in people than they see in themselves and you have to push them beyond what they think they are capable of. All the greatest coaches push hard. Many people lack complete confidence and when left to their own devices, will only work hard enough to

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Potential Turn Up in Sales Next Year?

According to the latest sales figures coming from the Assn. of Equipment Manufacturers, large ag equipment sales grew year-over-year in August on significant growth from Canada and narrower declines in the U.S.

~ Courtesy of Agriculture Equipment Intelligence

AUGUST U.S. UNIT RETAIL SALES

Equipment	August 2017	August 2016	Percent Change	YTD 20 17	YTD 2016	Percent Change	July 2017 Field Inventory
Farm Wheel Tractors-2WD							
Under 40 HP	10,973	10,805	1.6	102,669	93,396	9.9	70,269
40-100 HP	4,820	4,751	1.5	37,633	37,676	–0.1	32,017
100 HP Plus	993	1,140	–12.9	10,589	12,512	–15.4	7,990
Total-2WD	16,786	16,696	0.5	150,891	143,584	5.7	110,276
Total-4WD	138	83	66.3	1,287	1,299	–0.9	758
Total Tractors	16,924	16,779	0.9	152,178	144,883	5.0	111,034
SP Combines	380	387	–1.8	2,459	2,592	–5.1	966

Deere Adds AI to Its Precision Farming Edge

It's no secret that the major ag OEMs are in a race to gain an advantage when it comes to technologically advanced farming machinery, particularly in the area of precision farming. At the moment, it would appear that Deere & Co. has the edge and there's little doubt about its intention to build on that advantage. On Sept. 6, Deere added artificial intelligence (AI) to its precision arsenal.

Deere's Edge.

"From a long-term perspective, Deere remains a best-in-class operator and while investments in AI and other emerging technologies might not yield immediate financial impact, their importance to building on the company's long term competitive advantage is notable," says Dobre.

~ Courtesy of Agriculture Equipment Intelligence

South American *Ag Equipment Intelligence*

Expointer 2017, one the largest agricultural fairs in Latin America, was held Aug. 26 - Sept. 3 in the city of Esteio, near Porto Alegre, capital of Rio Grande do Sul, where most Brazilian grain growers buy their machinery. Sales at the show were R$1.9 billion (approx. U.S.$ 603 million). According to Ag Equipment Intelligence's South American correspondent, there was a 0.75% increase in sales value vs. the 2016 edition. He reports, "Industry experts say farmers are investing more in lower value equipment like storage bins, and not so as much in combines, tractors, seeders or sprayers. They did not reveal specific numbers for the specific type of equipment."

~ Courtesy of Agriculture Equipment Intelligence

Mahindra Abandons Chinese Tractor JV

In order to independently pursue growth in China, the world's largest tractor manufacturer, Mahindra & Mahindra, has announced it is selling its entire stake in a Chinese tractor joint venture company.

The company in the stock exchange filing said that Mahindra Overseas Investment Co. (Mauritius) Limited (MOICML), a wholly owned subsidiary of the company, has agreed to sell its entire shareholding of 51% in Mahindra Yueda Yancheng Tractor Co. Ltd (MYYTCL) worth $12.3 million to its partners, Jiangsu Yueda Investment Co. Ltd, Jiangsu Yueda Group Co. Ltd and Yan Bingde.

Mahindra set up the joint venture firm in 2008. In its 2016-17 financial year, the company posted revenues of $52 million.

~ Courtesy of Agriculture Equipment Intelligence

DOT Looks to Mark Future of Autonomy

Widespread availability of fully autonomous vehicles in agriculture may still be several years away. But in recent years, companies have publicly showcased self-driving innovations, advancing development to the cusp of commercial production.

A motivating factor for autonomy in ag is the desire by companies to develop smaller, more efficient, versatile vehicles to perform a variety of field operations for farmers.

Beaujot added that commercial production of DOT would likely disrupt the traditional manufacturing model. But he says today's tractor is obsolete, too inefficient and there are better production paths to be pursued going forward.

"That's maybe hard to swallow for tractor manufacturers, but they've had the luxury of the last 100 years," he says. "We've had one month."

~ Courtesy of Agriculture Equipment Intelligence

Advertising Space is Available!

The Northeast Dealer, the Northeast Equipment Dealers Association monthly Newsletter is designed primarily as a source of information for its dealer members and others involved in the industry. Distribution is to more than 850 members and contacts.

For additional rate information, publication profile, format specifications, advertising deadlines or any additional questions contact Dave at the Association office at (800) 932-0607 or Art Smith, Editor at arts@pa.net.

Share Your News With Us

NEDA is interested in news about members involved in their communities, supporting charities or otherwise doing good deeds. Have you celebrated a business or personal anniversary, facility expansion, or a prestigious award from one of your suppliers, a special community event you participated in or any other way your business has been recognized that you would like to share with other members and have published in our monthly newsletter?

Member stories and photos, will be showcased on NEDA's media sites, in NEDA's monthly newsletter or Weekly E-bytes. Please contact Dave Close or Art Smith, Editor of the monthly newsletter: Dave at 800-932-0607 – davec@ne-equip.com or Art Smith at arts@pa.net.

TAXES

Do it Yourself or Call a Pro?

It's the day of the Internet, Google, a computer on your desk, and an even better one in your pocket, Skype, Facetime, Apps, virtual currency and hybrid vehicles that never require a drop of gas. We can never get lost again, you can locate Jupiter and Saturn, you can watch your home from your office, never be late again, never lose anything, hold 1000 pictures of your cat in your hand, see what the weather will be by the hour, pay bills, even manage health conditions with an app.

You can even prepare your taxes without the use of an accountant.

There is no doubt, we've come a long way from the nineties when there were very few people who knew tax and could fill out a paper IRS form properly. Now that technology is widely available, many can create and file their own returns in a matter of an hour and avoid any issues going down the road.

On the other hand, there are those that need their taxes done by a CPA, attorney, enrolled agent or other qualified professional. Many taxpayers are walking, talking targets of the IRS. **They include the following laundry list of red-flag waiving people:**

1. If you have over $200,000 in annual income
2. No income at all
3. If you make $5,000,000, plan on getting audited at some point once per nine years
4. People who file estate tax returns
5. People filing international returns for any form of income
6. Those claiming unusual deductions
7. If you own a business and do or claim any of the following:
   a. Business Losses:
   b. Rental Properties
   c. Loss Carryforwards
   d. Home Office Deduction
8. Those who donate large sums of money including non-cash contributions in the form or property
9. If you are paying Alimony
10. You file a Paper Return
11. You take the Earned Income Tax Credit
12. Failed to include a 1099
13. If your numbers are TOO perfect
14. Amend a return
15. Have unreimbursed employee expenses
16. Deduct 100% of a business vehicle
17. Hobby Losses – don't go there
18. Do business all in cash
19. Own Bitcoin and do Currency Transactions and
20. If a Third Party calls and gives the IRS an anonymous tip
21. If you have a Sketchy Tax Preparer
22. Or a loan to shareholder on your books…you will attract attention.

If you do all or some combination of 22 items above, expect a letter from the IRS at some point in your future.

The long and short of it- If you fall into one of the above listed items, do not take a chance on dodging an audit and THEN having to hire a representative to represent you in front of a skilled IRS agent.

And One Huge Reason - Change of Life: In practical application, a questionnaire will not catch everything – Did you have a baby? Buy a house? Get divorced? Or have job hunting related expenses? While these are not audit indicators, a change of life could lead to a change on your tax return as well. Not every change of life will change your tax return, but many do.

You would not swap out engines in your car; you would not rewire your house solely on your own. Taxes should be one item taken seriously. Even if you don't fall into one of these categories, be sure to at least have your accountant review your taxes. Don't risk having to talk to an auditor or IRS agent in a language you don't speak.

~ Courtesy of: Bart Basi
Basi, Basi & Associates, www.taxplanning.com

Trump Administration Aims to Reduce Regulatory Burden

OVERVIEW

During his first 10 days in office, President Donald Trump took measures to reduce the regulatory burden on businesses in the United States. These measures are based on the position that fewer regulations will provide businesses with more opportunities for growth.

President Trump has issued the following directives:

- A memorandum directing federal agencies to freeze any regulation that has not yet become effective.
- An executive order that requires federal agencies to eliminate two regulations for every new regulation they propose.

ACTION STEPS

The executive order does not require employers to take immediate action. However, employers should continue to monitor any developments that may affect their compliance with federal law in various areas, including banking, employment benefits, health, environmental protection, transportation and workplace safety.

THE MEMORANDUM

The memorandum (memo) directs federal agencies to place a freeze on any rule, guidance or regulation that has not yet become effective as of Jan. 20, 2017. Specifically, the memo asks federal agencies to:

Refrain from sending to the Office of the Federal Register (OFR) any regulation that has not been reviewed by a newly appointed department or agency head;

Withdraw any regulations sent to the OFR if they have not yet been published; and

Postpone for 60 days the effective date of any regulations that have been published by the OFR but have not yet become effective.

An exemption from this directive applies to any emergency situation and other urgent circumstances relating to health, safety, financial or national security matters. However, state agencies are required to notify the OMB director (Director) of any regulations that, in their view, should be exempt from this directive. The notification must also include the agency's explanation for why an exemption should be allowed.

THE EXECUTIVE ORDER

As mentioned above, the executive order requires federal agencies to identify two regulations for elimination for every regulation they propose to implement. However, the order allows for an exemption for any regulation that is related to military, national security and foreign affairs as well as regulations regarding agency organization, management and personnel.

The order also directs federal agencies to maintain a neutral budget expenditure, meaning that federal agencies will not be allowed to exceed their budgets for the cost of proposing, adopting, implementing, enforcing or repealing any regulation. To this end, federal agencies have been directed to offset the cost of any new regulations by eliminating the costs of existing regulations.

The key person for implementation of this order is the OMB Director. The order gives the Director a great deal of discretion to authorize additional exemptions and to define key terms such as "cost." The Director has also been charged with the responsibility to issue guidance on the processes and standards the agencies will need to follow to comply with this order.

~ Courtesy of Haylor, Freyer & Coon

The Top 5 (Simplified!) Analytics to Track for Your Dealership Website

There are a handful of key web analytics that are especially important to track, and they can be easier to understand than you might think. Here are the top five types of web analytics that you should pay attention to, and how you can apply them:

1. DEVICE TYPE

- This tells you how a website visitor got to your site – typically on a desktop computer, tablet, or smartphone. This is important because you want to offer visitors a positive user experience on your website. For example, you may have a lot of visitors that come to your site on a mobile device, but that could be a problem if your site isn't responsive and/or optimized for mobile.
- You can also see the average time spent on your site per device and the types of actions those mobile and non-mobile users took. If the results for mobile are not so great, that could be your cue to upgrade your website to a responsive platform so that mobile users will have no issues accessing it.

2. TRAFFIC SOURCES

- There are four main ways that visitors arrive at your site: Direct Entry (a visitor typed in your website address); Search Engine (visitor clicked on your website from a search result link); Website Referral (visitor clicked to your site from another site); or Campaign (the visitor found you through a marketing campaign you were running, such as an e-newsletter or social media ad).
- Easily track which sources are bringing the most traffic to your website, and determine which avenues are worth investing in.

3. SITE SEARCH KEYWORDS

- This tells you the words or phrases someone typed into a search engine to find your website. You want to make sure that the keywords in your site's content match the purpose of your site and the intent of those searching for a dealership like yours online.
- Avoid "keyword stuffing," or adding a bunch of unrelated/overused keywords to attract clicks. This will end up getting flagged by search engines and negatively affecting your web traffic over time. The sweet spot is to find the keywords that match your website content and match the keywords your potential customers are commonly searching.

4. CONVERSION RATE

- When a visitor performs an action on your site, like submitting a lead, that's considered to be a conversion. Conversion Rate is the percentage of online visitors who take a desired action.
- A low conversion rate tells you a lot about how well your website is performing, and you can see how the rate changes as you experiment with different elements of your site. For example, your call-to- action buttons might be too small, so your website visitors aren't noticing them and submitting a lead. See what works and what doesn't, and switch things up to improve your conversion rate.

5. VISITS SUMMARY

- Last but not least – the Visits Summary shows you the whole picture. You can see the busiest times and days for activity on your website, what kind of activity takes place on specific pages of your website, and more. It's an overview of how the site is performing.
- Things to note: Unique Visitors tells you how many new Internet users are coming to your site each day. Actions Per Visit shows how much activity is taking place on a user-to- user basis, such as number of clicks before leaving the site. Bounce Rate tells you how many people are leaving your site without clicking on anything – the scenario you most want to avoid.
- This is a great resource to look at and monitor on a daily basis. It is especially helpful if you're just starting out with web analytics and want to dial in on the basics.

Although it can be overwhelming, it's so important to pay attention to your website's performance and adjust as necessary. Your dealership website is your online showroom, and it can make or break a sale for your business. It's worth the investment to be sure that your site is optimized for results, and to continually monitor your website data for the best possible site performance.

~ Dealer Spike Agriculture

VICTORY

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simply survive. Give them something to live up to and demand their best.

The goal of all of the above is a team of happy, fully-functioning, accountable people who are pushing themselves and others and making everyone around them better. The pay-off is when you and your team, your families, your customers, and everyone associated with you, is at the top of the mountain feeling fulfilled professionally and personally. And while you can and should take a very brief moment to appreciate one another and enjoy what you've accomplished, you can't rest on your laurels because the competition is right behind you trying to take what you have.

John Chapin is a sales and motivational speaker and trainer. For his free newsletter go to: www.completeselling.com. John has over 29 years of sales experience as a number one sales rep and is the author of the 2010 sales book of the year: Sales Encyclopedia. *Also, you can find previous articles at: http://www.completeselling.com/sample-page/blog/*

OSHA Launches Electronic Submission of Injury and Illness Records

OSHA is now accepting electronic submission of employer injury and illness records on their website. The "Improve Tracking of Workplace Injuries and Illnesses" final rule requires that all establishments, within certain industries, with at least 20 employees to electronically submit their 2016 OSHA Form 300A directly to OSHA.

The deadline to submit is December 1, 2017. OSHA's Injury and Illness final rule is available here: https://www.osha.gov/recordkeeping/final-rule/

~The Dispatch

CVSA Prepares for December 2017 ELD Implementation; Announces April 1, 2018, Effective Date for Out-of-Service Criteria Related to ELD Rule

The Commercial Vehicle Safety Alliance (CVSA) will begin enforcing the electronic logging device (ELD) mandate requirements on Dec. 18, 2017. The out-of-service criteria (OOSC) associated with the ELD mandate will go into effect on April 1, 2018.

The Federal Motor Carrier Safety Administration's (FMCSA) congressionally mandated ELD compliance deadline is still set for Dec. 18, 2017. On that date, inspectors and roadside enforcement personnel will begin documenting violations on roadside inspection reports and, at the jurisdiction's discretion, will issue citations to commercial motor vehicle drivers operating vehicles without a compliant ELD. Beginning April 1, 2018, inspectors will start placing commercial motor vehicle drivers out of service if their vehicle is not equipped with the required device.

This announcement does not impact enforcement of the OOSC for other hours-of-service violations. CVSA supports moving forward with the compliance date as specified in the rule. However, setting an April 1, 2018, effective date for applying the ELD OOSC will provide the motor carrier industry, shippers and the roadside enforcement community with time to adjust to the new requirement before vehicles are placed out of service for ELD violations.

A letter was sent to FMCSA notifying the agency of CVSA's commitment to implementing the new requirement, as scheduled, on Dec. 18, 2017, and noting the April 1, 2018, effective date for applying the ELD OOSC.

For more information about the ELD rule, visit FMCSA's ELD implementation website at: https://www.fmcsa.dot.gov/hours-service/elds/electronic-logging-devices.

~ CVSA