

# Small Business Benefits

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United States Federation of Small Businesses, Inc.

July 2004



## Three Times A Charm

by Joseph R. Cardamone

The Mission of USFSB is to help our Members grow and prosper and, through our strength in numbers, provide our Members with valuable assistance as well as help them attain the power and presence in the market place usually reserved for large corporations.

After three attempts, with varying degrees of success, **USFSB has rolled out its most extensive, dynamic and interactive Web Site ever.** Our new Web Site has been in planning since November, 2002 and under construction since March, 2003. The first phase was completed in June, 2004 with several additional improvements to be completed by September, 2004.



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In keeping with its Mission, USFSB realizes that the advent of the Internet has spawned a global market place that both allows and demands participation in this virtual business arena regardless of the size of your business. With this in mind, USFSB has embarked on this most ambitious new Web Site. **In addition to being a great Business Resource and Community Center, USFSB's Web Site gives our Members the ability to promote and market their businesses on a national and even international level;** something, that, in the past, had been exclusively reserved for the large, wealthy, Fortune 500 Corporations.

USFSB's Premium Members have many benefits and services at their fingertips.

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## I Want My Money Back

by Denise O'Berry



No matter what you do, there will come a time when a customer will ask for a refund for some reason or another. **Do you give it to them?**

That depends. If you have an unconditional money back guarantee, there's no question. Refund the money -- no questions asked. What if you have no stated guarantee? What would you do? How would you proceed?

Your best course of action will normally be to go ahead and negotiate a refund. Perhaps it won't be a full refund, but one that both you and your customer feel comfortable with. The time and effort you would invest to argue over it is most often not worth it. Consider this:

- Determine how much one hour of your time is worth.
- Determine how many hours you've spent dealing with this person.
- Do the math.
- Compare your total with the price the customer paid. Is it worth it?

You'll spend tons more "money" in your wasted time and effort. Neither of you will walk away happy. And don't forget that unhappy customers are the most vocal about the treatment they received.

Listen carefully to the feedback the customer provides you and chalk it up to a business lesson.

-Adapted from ArticleCity.com

Three Times a Charm continued from page 1

- There is a **live Chat Room** where our Members can network with each other, in real time, and where our Members will receive valuable information from Guest Speakers.
  - There is a **Member billboard** where our Members can post messages and share information with other Members.
  - There is a **secure area** where Members can **review up-to-date information** regarding their current charges, billing history, and insurance coverage and where our Brokers can review their current book of business, commissions, and commission history.
  - There is an **On-Line version of the Member-To-Member Discount Program** and there will be a new Member-To-Public Discount Program.
  - **Members can create their own Web Site**, of up to five pages, which USFSB will host for them free of charge.
  - Members can receive, from USFSB, up to **five free e-mail accounts**.
  - Members can **view and print** the current Newsletter and can search archived Newsletters and articles using a Keyword Index.
  - Members can **search and compare** all of USFSB's Insurance Products as well as obtain quotes.
  - Members have **access to all** of USFSB's benefits and discounted products and services, On-Line.
- **And Much, Much More!**

For more information about how USFSB's new Web Site can help you, contact Tom or Pat at 1-800-637-3331, M-F, 9AM-5PM, est.



### Cedar Grove - The Thomas Cole National Historic Site

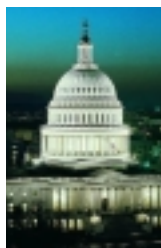
The Thomas Cole National Historic Site in Catskill, NY is where American landscape painting began. The beautiful house and grounds, often called Cedar Grove, is the site where the great artist Thomas Cole lived and was married, where he created some of the most beloved paintings, and where he died in 1848. Today you can visit his Federal Style brick home (c. 1815), as well as Thomas Cole's original studio building, in a park like setting with a magnificent view of the Catskill Mountain range. In recent years, the house has undergone a major restoration, and now contains both furnished rooms and gallery rooms with art from the Hudson River School, of which Cole is considered the founder.

The Main House is open May through October by guided tour, Fridays and Saturdays 10 a.m. - 4 p.m., and Sundays 1 p.m. - 5 p.m. Call 518-943-7465 for more information.

### Thermal Tech Refrigeration, LLC

Thermal Tech Refrigeration is a newly established business owned by a husband & wife team, Frank and Rhonda Thompson. Frank was introduced to this line of business in his youth working along side his father, Frank Thompson, Sr. Frank now has approximately 23 years experience.

What we offer: Sales, service and maintenance needs of supermarkets, small businesses, restaurants, hospitals, convenience stores, etc. We also service commercial refrigeration, heating, air conditioning, air handling, gas, electric, economizers, food service equipment service, installation and maintenance. Some equipment serviced includes: Blodgett, Frymaster, APW, Hobart, and Pitco. If you would like more information, please call 417-673-8098.



## Washington Update by Karl J. Ottosen

### House passes 2 bills to help lower health care insurance

The U.S House of Representatives recently passed two bills that deal with the rapidly rising cost of health care insurance. H.R. 4280 deals with capping the high cost of medical malpractice insurance for doctors. The bill caps what attorneys can receive from awards in lawsuits, and caps what patients can recover for pain and suffering or economic damages. The law does allow states to keep their damage limits even if they are higher than the federal limits. H.R. 4281 would allow the creation of Association Health Plans. Small businesses would be able to join the associations in order to negotiate lower cost health insurance premiums, similar to what large corporations currently do. Both bills need to be voted on by the Senate before becoming law.

### Senate passes bill protecting small businesses from bogus payroll firms

The Senate unanimously passed H.R. 1528, the "Tax Administration Good Government Act". The bill protects small businesses from illegal payroll firms. They are payroll firms that take withholding taxes from small businesses, do not hand them over to the IRS, and then hide the IRS default notices from the client companies. Under current law, the small business is still liable for the withholding tax and all penalties and interest. The new law will allow the government to go after the payroll firm but not put the small business in double jeopardy.



United States Federation  
of Small Businesses, Inc.

# Welcomes

## our new members this month

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**9G Yates, Inc.**  
Poughkeepsie, NY

**Bat Cave Recording**  
Detroit, MI

**Foster Law Firm P.C.**  
Roswell, NM

**A Mane Change**  
Boonville, NY

**Brockton Allen Consulting**  
Medfield, MA

**G & R Benefits Group, LTD**  
Fayetteville, NY

**A-1 Auto Service**  
Sacramento, CA

**Caliente Systems, Inc.**  
Newark, CA

**J and M Auto Doctor's, Inc.**  
Miami, FL

**Access Worldwide Telac**  
Hyattsville, MD

**Cianciosi Insurance**  
Vestal, NY

**John A. Snover Insurance**  
Binghamton, NY

**Aflack**  
Utica, NY

**Cleaner Solutions, LLC**  
Middleton, TN

**JRS Insurance Agency**  
Conklin, NY

**Al's A-Z Home Repairs  
& Improvements**  
Boynton Beach, FL

**Douglas Lake Bar &  
Steakhouse**  
Pellston, MI

**JWM Contracting**  
Yonkers, NY

**B.D.P. Co., Inc.**  
Bedford Corners, NY

**Financial Planning Services**  
Sharon, MA

**Kemp and Company**  
Overland Park, KS

**LC's Bar B Q**

Lenexa, KS

**Revival Tabernacle Church  
of Lincolnton**

Lincolnton, NC

**Surbhi Creations, LLC**

Miami, FL

**Lamont's Roofing  
& Siding, Inc.**

Philadelphia, PA

**Robert Howey**

Pleasanton, CA

**Susan Potter**

Syracuse, NY

**Last Minute Tours  
Transportation Service, Inc.**

Norwood, MA

**Roseview Stables**

Saugerties, NY

**The Flower Shop**

Winchester, VA

**Mr. Stump, Inc.**

Saint Louis, MO

**Sam's Spa**

Everett, MA

**The Lounge Salon**

Miami, FL

**One Deep Entertainment**

Houston, TX

**Sharepoint  
Enterprises, LLC**

Mays Landing, NJ

**WIT, Inc.**

Lenexa, KS

**P & L Sales**

Kansas City, KS

**Skyline Technologies, Inc.**

Lawrence, MA

**Writewise**

Poughkeepsie, NY

**Palapa Dreams, Inc.**

Oakland, CA

**Xquisite Designs**

Wilmington, DE

**Quality  
Landscaping & Lawn**

Delray Beach, FL

**Snow Plowing, Inc.**

Hull, MA

**Quintus Electric**

Maple Shade, NJ

**State Beauty Supply**

Springfield, MO



## Keep These Bond Basics in Mind

Interest in bonds has grown due to declines in the stock market. But the current low interest rate environment means investors need to carefully devise investment strategies for bonds. Consider the following tips if bonds are a part of your investment portfolio:

✓ **Follow interest rate trends.** At a minimum, follow the prime rate, Treasury bill rates, and Treasury bond rates. Understand the significance of the yield curve and follow its pattern over time. A knowledge of current interest rate levels can help you evaluate the appropriateness of a specific bond's interest rate.

✓ **Carefully choose maturity dates for bonds.** The date you need your principal is an important factor, but other factors should also be considered. For instance, bonds with longer maturities are more significantly impacted by interest rate changes. So in volatile environments, you might want to shorten maturities. Reviewing the yield curve might suggest that a slightly longer or shorter maturity is more appropriate. Rather than investing in one maturity, you may want to stagger or ladder the maturity dates, purchasing short-, intermediate-, and long-term bonds.

✓ **Understand specific bond risks.** The most significant risk is interest rate risk. When interest rates rise, bond values fall, while values rise when interest rates decline. Other risks include default risk, or the possibility the issuer will default on the payment of interest and/or principal; call risk, or the possibility the issuer will redeem the bond before maturity; and inflation risk, or the possibility high inflation will outpace the bond's return.

✓ **Diversify your bond holdings among different bond types.** You should consider government, corporate, and municipal bonds as well as different industries, credit ratings, and maturities. There are a wide variety of bonds, so make sure to select ones you are comfortable holding.

✓ **Understand the bond's terms before purchase.** Make sure to review the credit quality, coupon rate, call provisions, and other significant factors.

✓ **Compare interest rates for specific bonds before investing.** Interest rates can vary significantly between different types of bonds and between bonds with different maturities.

✓ **Consider the tax aspects of different bonds.** By carefully comparing the after-tax rate of return for various bonds, you may be able to increase your return. Depending on the type of bond, interest income may be fully taxable or exempt from federal and/or state taxes.

✓ **Review your bond holdings periodically.** Review the credit ratings of all your bonds at least annually to ensure the quality hasn't deteriorated. Make sure your holdings are still consistent with your overall investment objectives.

*If you'd like help with your bond portfolio, please contact Paul Ward at Morgan Stanley at (518) 432-8114 or 1-800-669-7086.*

## DSO Savings

Many companies often have difficulty understanding the importance of collecting their outstanding receivables quickly. A company's greatest focus is usually on increasing sales, due to the easily quantifiable result of increased revenue. Collection inefficiencies are often ignored because executive management doesn't understand their impact on the company's bottom-line.



Despite these misperceptions, however, the efficiency of a company's collection policy has a quantifiable impact on profitability. The formula below demonstrates dollars saved as a result of expedient accounts receivable collection.

$$\frac{(\text{Gross annual sales} \times \text{annual interest rate}) \times \text{days earned}}{365} = \text{Dollar Savings}$$

For example, a company with a previous year's sales of \$10,000,000 improves their Days Sales Outstanding by 5 days (a conservative estimate for a concerted effort to improve collections efficiency). Assuming an interest rate of 6%, that company would save \$8,220 in the first year alone.

By utilizing this simple formula, the importance of improving the collections process becomes clear. There are several ways for a company to improve its collections process, from simply changing terms & conditions of payment to allowing a collection agency to manage the accounts receivable process. No matter what route a company chooses, they will not only improve quantifiable results such as cash flow, but also improve customer relationships and free internal resources for more strategic processes.

Ted Fox,  
Senior Vice President,  
Commercial Services,  
NCO Financial Systems, Inc.



All you need to know about receivables.



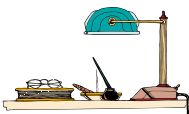
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Call today!  
(800) 786-1376, x1126

NCO ... the preferred collection services provider of





## From The Insurance Desk...



**Summer Travel Season Is Here Again and it is an Exciting Time of Year!  
Are you planning a trip outside of the United States?**

*What happens if you become ill while traveling away from your home country?*  
**INTERNATIONAL MEDICAL INSURANCE IS THE ANSWER!**

**Why?**

- Medicare stays in the United States even when you leave it.
- Domestic medical coverage may have limitations and doesn't work well.
- You may need someone to help you find top medical care, especially in an emergency situation when your focus is your health or that of your family member.
- You may need a translator to help you understand the medical personnel involved.
- It is inexpensive and easy to purchase.
- Air evacuation is a covered benefit.
- Wide choice of plans and deductibles.
- Trip interruption insurance can be purchased with the medical policy.

**Who can be insured?**

- Anyone leaving their home country for a short term or long term period.
- Relatives leaving their country to come visit you.
- Foreign exchange students.
- Covers business, pleasure, school and missionary travel.

**Call 800-637-3331 to get more information about International Medical Travel or go to [www.usfsb.com](http://www.usfsb.com) and click on International Health.**

**DON'T LEAVE HOME WITHOUT IT!**



**Get More  
This Spring at  
Working Advantage!**

Working Advantage has been hard at work adding discount tickets to some of America's favorite theme parks, just in time for spring! They offer big savings on Seaworld, Busch Gardens, Six Flags tickets and more nationwide. Get your Broadway theatre tickets, movie theatre tickets, City Passes and other favorites at the same time at great prices through Working Advantage!

Take advantage of their offerings today by contacting the USFSB at  
**1-800-637-3331**

## Unlimited Local and Domestic Long Distance, plus get up to a \$60 Credit on your USFSB Dues!

You know your USFSB membership brings you many special discounts. Now, here's another opportunity to save.

**Sign up for Sprint Complete Sense for Business Premium<sup>SM</sup> and USFSB will give you a credit<sup>1</sup> on your membership dues - worth \$60 a year - as long as you remain a Sprint business customer<sup>1</sup>. Plus, if you switch at least two office lines to Sprint Complete Sense for Business<sup>2</sup>, you can receive a \$100 credit to be applied towards your Sprint bill!<sup>3</sup>**

**Sprint Complete Sense for Business Premium gives you:**

- Unlimited local and domestic long-distance calling
- A great monthly rate
- Enhanced features
- One monthly bill and one contact for Customer Service

**Call Sprint at 1-866-283-7407** to enjoy the benefits of your membership without the dues.



One Sprint. Many Solutions.<sup>™</sup>

Voice/Data PCS Wireless Internet Services E-Business Solutions Managed Services

<sup>1</sup>You will receive a \$60 credit from USFSB the next time your membership fee is due. The credit will not apply to fees that have already been paid at the time that you sign up for Sprint service. One \$60 credit per account. Offer subject to change or cancel without notice. Additional restrictions may apply. <sup>2</sup>State-to-state and international long-distance services are governed by Sprint Terms & Conditions of Service. Local and in-state long-distance (including local toll) services are governed by the applicable state tariff and/or state terms and conditions of service. Sprint Complete Sense for Business<sup>SM</sup> is for business voice service usage only. Does not include usage for calls to 900/pay-per-call numbers, Directory Assistance, Sprint FONCARD<sup>SM</sup> service, operator services, or collect and 3rd Party Collect Call services. Customer may not use this service for connection to the internet, for other data service (including mass broadcast of facsimile transmissions) or for any other use that does not involve a person-to-person conversation or voice message. Customer may not use this service for call forwarding for toll use. Dial-up Internet usage through a local connection is acceptable application of the service. If Sprint determines that usage is not consistent with business voice applications, the customer's service may be assessed a data usage fee or disconnected. For more information, please visit [www.sprint.com/ratesandconditions](http://www.sprint.com/ratesandconditions). International rates vary and surcharges may apply including surcharges on calls made to foreign mobile phones. Additional in-state fees may apply. Dial 1 service. One Voicemail box included. Carrier property tax, Carrier Universal Service charges and Network Access Surcharge (up to \$7.00 per line) will apply. Operator assisted calls, international, and toll free/calling card calls made from payphones in the U.S. will be assessed a surcharge. Sprint Complete Sense for Business<sup>SM</sup> is available in select areas. Depending upon billing cycle, customer's first invoice may include partial monthly fee in addition to the standard monthly fee billed in advance. Monthly fee includes one phone line only. All rates subject to change. Additional restrictions may apply. This offer does not apply to any other Sprint business or small business product. <sup>3</sup>Credit: Requires at least two office lines switched to Sprint Complete Sense for Business. One credit per business. Credit will be awarded after customer's second full invoice. Credit must be redeemed within 90 days following customer notification. Please allow 8-10 weeks for delivery. Offer expires 7/31/04. Promotional offer subject to change or cancel without notice. Additional restrictions apply. Sprint is not responsible for lost or stolen credit checks. Copyright © Sprint 2004. All rights reserved.