



The Retail REVIEW

Pictured: Longtime member Rocky's Ace Hardware has been in continuous operation under the same family ownership since its first store opened in Springfield in 1926.



A Letter from the President

Senate Task Force on Strengthening Massachusetts Retail Holds Regional Hearings

The Retail Review

March/April 2018

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Members of the Retailers Association of Massachusetts and local chambers of commerce have turned out in large numbers to regional hearings of the Senate Task Force on Strengthening Massachusetts Retail. I have been pleased to serve on the Task Force and am happy to report that the hearings have been well attended by concerned local employers. RAM wishes to thank co-chairs Senators Michael Rodrigues (D-Westport) and Vinny deMacedo (R-Plymouth) for their leadership. We also wish to thank the others on the Task Force: including Senators Jason Lewis (D-Melrose), Don Humason (R-Westfield), Julian Cyr (D-Truro), Michael Barrett (D-Lexington), and Kathleen O'Connor-Ives (D-Newburyport); RAM members, Judy Herrell of Herrell's Ice Cream, Peter Kavanaugh of La-Z-Boy Furniture of Dartmouth, Barry Rotman of Rotman's Furniture, Jon Cahill of Landry and Arcari Rugs; as well as Chris Carozzi of NFIB, Christopher Connolly of the MA State Automobile Dealers Association, former retail ceo and industry consultant Malcolm Sherman, Jim Carvalho of UFCW Local 1445, and Harris Gruman of the SEIU State Council.

Four regional hearings have been held in recent months in Harwich Port, Hyannis, Northampton, and Salem. No matter what region of the state, the issues on mandated payroll costs and sales tax discrimination have been repeatedly raised.

The sales tax has always been an issue for local sellers due to New Hampshire, yet stores are now also at a 6.25% government imposed price disadvantage to a majority of online sellers as tax free marketers proliferate. Internet sellers hardly represent a "struggling and emerging" marketplace anymore, and government has no excuse for driving important consumer sales out of our local economy with a high sales tax only applied to local employers. And for the last two years, even the lifeline of the annual sales tax holiday has been cut for Main Street.

Besides the discriminatory sales tax which drives sales out of state, attendees at the Task Force hearings have been very vocal on the long list of payroll mandates they have been subject to in recent years. A 38% minimum wage increase, no teen wage, time and a half pay on Sundays and holidays, 5 days paid sick leave even for part-time and seasonal help, and annual double digit health insurance premium increases were common discussion points.

And these state mandated payroll costs are just a down payment on special interest agenda items calling for another 37% minimum wage increase, as well as 16 weeks of paid family and 26 weeks of paid medical leave at 90% wage replacement. Coupled with a 2 year Medicaid tax of \$750 for employees currently on taxpayer subsidized care, to say the small business owners feel unfairly targeted is a gross understatement.

Needless to say, none of these state payroll mandates even remotely touch the online competitors which are already enjoying no sales tax application to their transactions. Indeed at each of the four regional hearings, you could sense from the reaction of the attendees that their futures and the viability of our Main Streets are clearly at risk with the costly special interest agendas. The cost of operations disparities and competitive price differentials they are facing due to the discriminatory state mandates and tax application require price levels many customers ultimately won't choose to pay.

This important message is one many of our public sector leaders don't understand. Through efforts like the Senate Retail Task Force hearings, our Small Business Day, and your individual calls, letters and meetings directed at your legislators, the message must be delivered over and over again in the weeks to come.

Sincerely,

Jon B. Hurst

President

Join us on **April 10th** for



2018 Small Business Day on Beacon Hill

This is your chance to say enough is enough!

Join us for Small Business Day, featuring a panel discussion between legislators and small business owners. This will be an opportunity to speak directly to members of the Labor and Workforce Development Committee who make decisions regarding legislation that impacts your small business. These are elected officials who determine whether bills related to minimum wage, paid family and medical leave, health insurance and other important issues progress through the legislative process. They need to hear from YOU on how these policies affect Main Street businesses!



(Left to right) Senator Jason Lewis, Representative Paul Brodeur, Representative Joseph McKenna, Representative Keiko Orrall, and Representative Aaron Vega

Registration is free for all Massachusetts small business owners and we strongly encourage you to bring guests!

The agenda will include guest speakers, an update on key legislation from our expert panel, a chance to provide feedback to key legislators who craft small business related legislation, and a chance to meet with your elected officials.

Date: Tuesday, April 10th

When: 9:30 a.m. registration (program to follow shortly after)

Where: Omni Parker House (60 School Street, Boston, MA 02108)

Register NOW using link on RAM's website www.retailersma.org

For more information, please contact Andi Shea at 617.523.1900 or by email at ashea@retailersma.org.

THANKS TO OUR EVENT SPONSOR



World class health care where you live.

Partner with the Children's Trust to Stop Child Abuse in April!



April marks Child Abuse Prevention Month. Help us ensure children across Massachusetts grow up safe and healthy. Partner with The Children's Trust! For over 30 years, we have given moms and dads the tools and resources they need to build self-confidence and gain lifelong skills to raise healthy families! Your business can have a direct impact by helping us reach more young families and moms like Sarah and her daughter Riley.

“When I became pregnant at 17 I was in an abusive relationship, struggling to finish high school, and my parents did not allow me to live with them. My doctor's office connected me with the Children's Trust and then I met my home visitor, Guilia. She helped me to be become the best mom I could be, and I'm even in college. Guilia was there for us through it all.”

By partnering with the Children's Trust at your register, you and your customers will be making a positive impact right in your community. Your customers will be proud to give their business to a retailer that actively contributes to putting an end to child abuse.

You can help young moms like Sarah by placing a canister next to your register or by running a direct collect campaign at the point-of-sale.

The Children's Trust is happy to provide guidance on how to get started. We've made it extremely easy to do!

Please contact Bridey McDevitt at 617-502-8784 and checkout childrenstrustma.org for more information.



Chamber Names Bacci Chocolate Design's Calvo-Bacci the 2018 Business Woman of the Year

Erin Calvo-Bacci was awarded by the Lynn Area Chamber of Commerce the 2018 Business Woman of the Year at their annual event.

On February 7, 2018 at Spinelli's Restaurant in Lynnfield, Erin Calvo-Bacci, owner of the Swampscott based national specialty chocolate manufacturer Bacci Chocolate Design which owns and operates CB Stuffer, was awarded by the Lynn Area Chamber of Commerce as the 2018 Business Woman of the Year during their Annual Meeting and Awards Dinner. Calvo-Bacci was chosen as the LACC 2018 Business Woman of the Year because she embodies the spirit of entrepreneurship and small business. "I was humbled and honored to be nominated along with so many amazing business women. I am so grateful to receive the award for what it means not only to my company, but more importantly for what it represents for my three daughters who will be our next leaders."

Calvo-Bacci started in the industry in 2003 when she took over The Chocolate Truffle retail shop then launched the manufacturing division in 2006. In 2015 she sold off the retail division and rebranded the company and launched an online retail division. She runs the business with her husband Carlo Bacci who manages the manufacturing and distribution. Their three daughters have grown up in the business working alongside their parents. Their CB Stuffer product is sold nationally into specialty stores including Whole Foods, The Paper Store, TJX Companies and Amazon.

LACC Chamber President Leslie Gould had this to say about awarding Calvo-Bacci "Erin; herself, has her hands in every aspect of the business; from product development, manufacturing, distribution, marketing and employee relations, etc. Her business is 24/7 and she is the heart and soul of the operations all while supporting the family. They've experienced good times and tough times. Erin attends national trade shows and is deeply involved in small business organizations like the Retailer's Association of MA and the National Retail Federation Associations as an advocate for small businesses. Erin consistently brought that knowledge to the LACC to educate and empower our membership. She mentors young business people and hires interns from local schools and colleges. Lastly, she is community-minded and deeply involved in causes in her home town."

Looking for your RETAIL HISTORY

RAM is celebrating its 100 year anniversary throughout 2018. As we reflect on our past and begin to embark on how we move into our next century of serving the retail industry, we want to learn the histories of the businesses we represent.

Visit our website at www.retailersma.org and fill out a short survey about your business. Tell us when your business started and where. How has your business changed over the years? How are you adjusting to the new retail environment?

Some of our members have been in business as long as we have, and we want to know about them. The cover of the January/February edition of the Retail Review featured the Union Oyster House—the oldest restaurant in Boston founded in 1826. This issue we celebrate Rocky's Hardware store in Springfield which opened in 1926.

Help us celebrate industry success stories like these by sharing with us your piece of Massachusetts retail history.

Welcome 42 New Members

Accurate Automotive
Burlington

Arco Welding Supply
Malden

Bates Bar & Grill
Braintree

Bayline Boatyard and Transport
New Bedford

Boston Designer Jewelry Imports
Marblehead

Canal Auto Sales and Glass
Lawrence

Clinton Tire Auto & Truck Repair
Clinton

Coastline Enterprises
Shrewsbury

Continental Market
New Bedford

Country Farms
Pocasset

Deep Ellum, Inc.
Allston

Edible Arrangements
Fitchburg

Everett Sunoco
Everett

Four Winds Pub & Grill
Lynn

Framingham Ford
Framington

General Linen Service, Inc.
Newburyport

Goldwell Trading Corp.
Boston

Governor Prencce Inn
Orleans

JC Auto Sales
Ashland

LFR Enterprise LLC
West Boylston



Massachusetts Equal Pay Act Update:

Attorney General Issues Overview and FAQs

Amendments to the Massachusetts Equal Pay Act ("MEPA") take effect July 1, 2018. On March 1, 2018, the Office of the Attorney General issued Frequently Asked Questions (FAQs) on the amended law, defining key terms in the statute and providing further direction to employers. The FAQs may be found on the Attorney General's website <http://www.mass.gov/ago/>.

MEPA provides that "No employer shall discriminate in any way on the basis of gender in the payment of wages, or pay any person in its employ a salary or wage rate less than the rates paid to its employees of a different gender for comparable work." The law defines "comparable work" as work that requires "substantially similar skill, effort, and responsibility, and is performed under similar working conditions." "Minor differences in skill, effort, or responsibility will not prevent two jobs from being considered comparable." MEPA applies to nearly all employers in Massachusetts.

Important takeaways from the FAQs include:

1) Definition of key terms in assessing "comparable work":

- **Skill.** The requisite skill needed to perform a job includes factors such as experience, training, education, and ability required to perform the job. Skill is measured in terms of the performance requirements of a particular job, not in terms of the skills that an employee happens to have. Skills not necessary to perform a particular job are not relevant to determining whether jobs are substantially similar.
- **Effort.** The amount of physical or mental exertion needed to perform a job, including factors which cause mental fatigue and stress, must be considered.
- **Responsibility.** The degree of discretion or accountability involved in performing the essential functions of a job, as well as the duties regularly required to be performed for the job, are factors to consider when determining whether jobs are comparable to each other. Employers should consider whether the position involves supervision of other employees, and the degree to which the position involves decision-making such as developing policy and procedures, investments, or other such activities.
- **Similar working conditions.** Environmental and other similar circumstances customarily taken into consideration in setting salary or wages must be considered. This includes factors such as the physical surroundings and hazards encountered by employees performing the job.

2) Job descriptions are not dispositive in determining whether job roles are comparable. The FAQs emphasize that whether jobs are "comparable" depends on the "skill, effort and responsibility required to perform the job." Job descriptions can be helpful if they accurately reflect these criteria, but employers should not rely on job descriptions alone.

3) Differences in pay for comparable work are only permissible when based on: (i) a system that rewards seniority; (ii) a merit system; (iii) a system which measures earnings by quantity or quality of production, sales, or revenue; (iv) the geographic location in which a job is performed; (v) education, training, or experience to the extent such factors are reasonably related to the job in question; and/or (vi) travel, if the travel is a regular and necessary condition of the job.

- **System.** A plan, policy, or practice that is predetermined or predefined, used by managers or others to make compensation decisions, and uniformly applied in good faith without regard to gender. Employers may not retroactively apply the criteria to justify salary differentials.
- **System that rewards seniority with the employer.** A system that recognizes and compensates employees based on length of service with the employer. The time employees spend on leave due to pregnancy-related conditions and protected parental, family, and medical leave may not be counted to reduce seniority for purposes of MEPA.
- **Merit system.** A system that provides for differences in pay based on employee performance as measured through legitimate, job-related criteria.

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- Reasonably related to the job in question. An employee's education, training, or experience may justify a pay differential if, at the time the employee's salary or wages were determined, a reasonable employer could have concluded that the employee's education, training, or experience would help the employee to perform the particular job in a more efficient or effective manner.
 - Travel as a regular and necessary condition of employment. Whether travel is "necessary" will depend on the circumstances of the job, including whether alternatives, such as remote participation, are options offered by the employer. Travel will not be considered necessary because an employee prefers or chooses to travel when alternatives are reasonably available. Regular commuting to and from a work location does not constitute "travel" for these purposes.
- 4) Employers may not prevent employees from discussing either their own wages, their coworkers' wages, or from disclosing wage information to any other person or entity. This right may not be waived, meaning employers cannot include a requirement that an employee keep their wages (or a coworker's wages) confidential in an offer letter, employment contract, nondisclosure agreement, employee handbook, or similar document.
- 5) Employers may not ask a prospective employee for their salary or wage history. Employers may not circumvent this prohibition by using a third-party, such as a recruiter or a job placement agency. There are only two very limited situations in which an employer may seek a prospective employee's salary or wage history: (a) to confirm wage or salary history information voluntarily shared by the prospective employee; or (b) after an offer of employment with compensation has been made to the prospective employee.
- According to the FAQs, information will qualify as "voluntarily disclosed" if a reasonable person in the prospective employee's position would not think, based on the employer's words or actions, that the employer suggested or encouraged the disclosure.
 - Properly discovering a prospective employee's salary or wage history does not entitle the employer to pay that individual less.
- 6) Employer self-evaluations may be used as a defense to liability. Employers have a complete defense to a legal claim brought against them under MEPA if the employer has conducted a good faith, reasonable, self-evaluation of its pay practices within the last three years and before the claim was filed. To take advantage of this affirmative defense, the self-evaluation must be reasonable in detail and scope, and the employer must show reasonable progress towards eliminating any unlawful gender-based wage differentials that its self-evaluation reveals
- The FAQs include a "Self-Evaluation Basic Guide for Employers" which describes a six-step process for conducting a self-evaluation
 - The FAQs make clear that "what qualifies as a sufficient self-evaluation will vary depending on the size of the employer." The Attorney General offers a "Pay Calculation Tool" for employers with 30 or fewer employees. For employers with more than 30 employees, a more complex statistical analysis may be necessary for a sufficient evaluation.
 - Every male employee within a job category is a potential comparator to female employees within the job grouping. This means that a woman might establish an unlawful pay disparity by showing she is paid less than one of the men in the grouping (as opposed to comparing her wages to the average wage of all men in the grouping).
- 7) Penalties. If an employer is found to have violated the Act, it may be liable for: payment of twice the amount of the employee's unpaid wages, payment of the affected employee's reasonable attorneys' fees, and other costs of litigation.
- If an employer retaliates against an employee or prospective employee for exercising or attempting to exercise their rights under MEPA, the employer may be liable for additional damages.

For more information about MEPA, feel free to contact Allyson Kurker and Margaret H. Paget at Kurker Paget LLC.

For further assistance updating your organization's policies and procedures, or for further information about these developments, contact Margaret H. Paget at margaret@kurkerpaget.com and Allyson Kurker at allyson@kurkerpaget.com at Kurker Paget LLC



Kurker Paget LLC, 465 Waverley Oaks Road, Suite 205, Waltham, MA 02452



New MA Driver License and ID Cards

The Massachusetts Registry of Motor Vehicles will begin offering two types of identification cards starting March 26, 2018. They consist of the **REAL ID** driver's license which will be valid for federal identification purposes and the **Standard** driver's license which will NOT be valid for federal purposes. Both the current and new cards will remain valid until expiration, however, starting Oct. 1, 2020, Standard driver's licenses will no longer suffice for boarding domestic flights or entry to federal facilities. Also, there have been no changes made to the liquor ID format. Members requiring proof of identification for any purpose are advised to familiarize themselves with the new cards. Information regarding these new credentials, including a downloadable poster containing sample images of the new cards, may be found at www.mass.gov/ID.



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Massachusetts

COMPLIANCE ALERT: Action Required If You Have 6 Or More Employees

WHAT YOU NEED TO KNOW ABOUT MASSACHUSETTS EMAC SUPPLEMENT

What Is The EMAC Supplement?

On August 1, 2017, Governor Baker signed into law a quarterly Employer Medical Assistance Contribution (EMAC) supplement charge, effective January 1, 2018 through 2019. The MA Department of Unemployment Assistance (a.k.a. QUEST) will determine the tax due April 30, 2018.

Who Will Be Impacted?

Employers with more than five employees in Massachusetts, whose non-disabled employees obtained state-subsidized health insurance for at least 56 days during 2018 from either MassHealth or ConnectorCare, are liable for this supplemental fee of 5% of annual wages for those employees up to a maximum of \$750 per year.

Where Should You Look?

Employers will receive notification from the DUA either via mail or an email informing you of a correspondence within your QUEST account. Any required EMAC supplement owed will be added to your Unemployment Insurance (UI) liability.

How To Respond?

Make the EMAC payment by April 30th to avoid penalties. Or, if you disagree with employee information used to calculate your EMAC supplement, you may file an appeal within 10 days of receiving the notice.

Who Can Answer My Questions?

If ConnectPay is your payroll provider, expect the same attention to compliance and support you've grown accustomed to... we're standing by at 978-450-2900. If you are looking for more MAUI EMAC Notice details, please visit www.ConnectPayUSA.com/blog



Lender Match

Helps you find capital.

From the Desk of:

Robert Nelson, Massachusetts District Director
U.S. Small Business Administration



“SBA’s Lender Match connects small business owners and entrepreneurs with SBA-approved lenders. The updated online tool is easier to use, better matching you by industry type and financial need with interested lenders.”



Lender Match by the numbers:

Currently, about 850 lenders participate, covering all major SBA loan programs, including 7(a), 504 & Microloans.

The tool has made more than 2 million lender referrals, resulting in over 70,000 lender-borrower connections.

How it works:

1. Visit sba.gov/lendermatch

2. Describe your needs

Answer a few questions about your business and funding needs in as little as five minutes.

- Business contact, industry category & description
- Financial needs

Confirm your email.

3. Get matched in 2 days

You’ll receive an email with contact information of local lenders who are interested in discussing your needs. Get matched in 2 days or less in most instances.

4. Talk to the lenders

Receive information from SBA Lenders, compare offers and apply for your loan.

More and more lenders continue to sign up to be registered as Lender Match lenders.

Get guidance.

Before you meet with lenders, use the resources on SBA.gov to help you prepare. Watch videos and complete activities on these topics:

- Writing your business plan
- Calculating how much you need to borrow
- Preparing your loan proposal
- How to better express your industry experience

Also see how you can get free local counseling through the SBA’s Resource Partners.

Need help?

Reach out to the SBA Massachusetts District Office, visit sba.gov/ma
Email: MassachusettsDO@sba.gov



All SBA programs and services are extended to the public on a nondiscriminatory basis.

WEB-BASED TIMEKEEPING SO RETAILERS CAN FOCUS ON THEIR BUSINESS

The reviews are in ...
Easy. Affordable. Efficient.

“Convenient time clock to keep track of employee vacation and sick time. Love the accuracy and how easy it is to use.”

Cecelia L, restaurant equipment

“I’ll never look back. This app is economical - loaded with features that we don’t pay for if we don’t need them.”

Victor T, retailer

“RIP paper time cards – now my staff can’t add time. I cut out employee dishonesty and save so much time with payroll every two weeks.”

Louis F, T-shirt printer with 18 employees

**TAKE YOUR TIME BACK WITH PAYROLL
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FREE SOCIAL MEDIA TRAINING FOR SMALL BUSINESSES

Become your own social media manager at one of our daylong bootcamps. Free follow-up consultations offered.



Sessions are ongoing until June 2018 and are being held throughout the state.

After our last e-bootcamp:

- **100 % of participants reported that they learned new skills they could immediately apply to their businesses.**
- **100% of participants said they would recommend these interactive sessions to a friend.**

Topics covered:

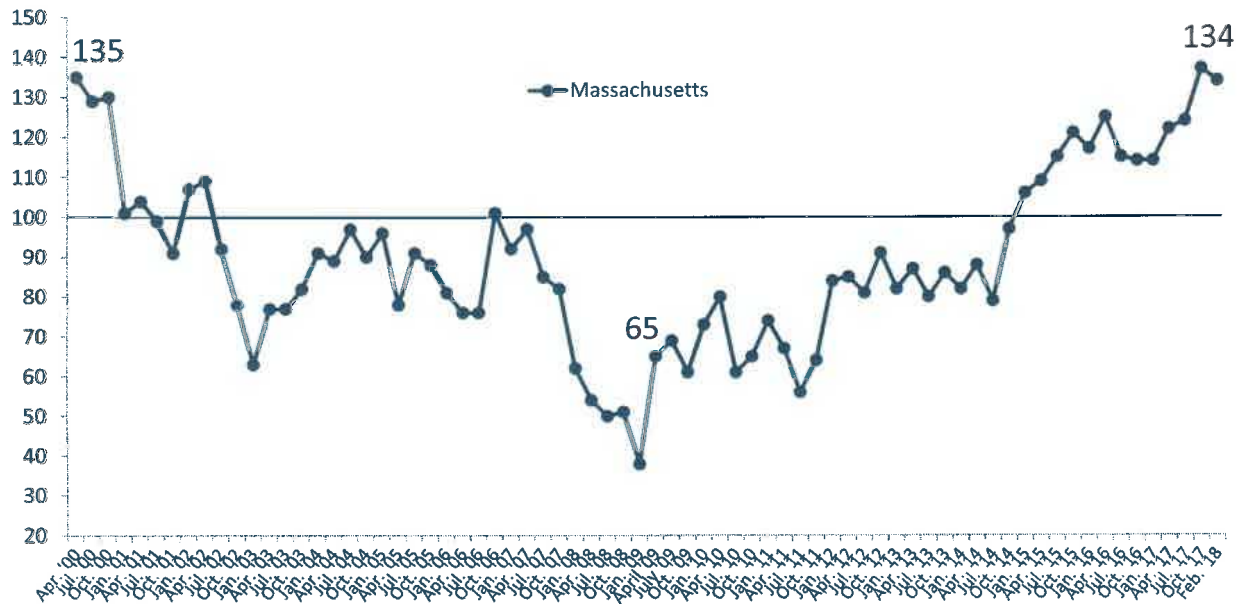
- Instagram
- Facebook
- how to go live
- live demos
- shortcuts to growth
- starting from scratch
- customer service on social media
- trends and tricks
- advanced users
- technical basics for beginners

To learn more, email Jessica Van Sack at Jessica@RetailersMA.org. This program is funded by grants issued by the Commonwealth Corporation and the Executive Office of Labor and Workforce Development.

WWW.RETAILERSMA.ORG/SOCIAL-MEDIA-TRAINING

The Massachusetts Consumer Confidence Index dropped 3 points from the previous quarter

Massachusetts Consumer Confidence Index



*MCCI methodology derived from the Conference Board (TCB)



New Members

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Lowell Auto Sales & Repairs
Lowell

Lynnway Auto Sales
Lynn

Mobil Mart Plus, Inc.
Somerville

Murphy Brothers, Inc.
Weymouth

Newbury Street Sunoco
Peabody

Palace Pizza
Chicopee

Philbrick Motorsports
Westford

Red Rooster Bar & Grill, LLC
Wrentham

Road Runner Muffler Shop, Inc.
Springfield

Sayar Food Market, Inc.
Revere

Seashore Park Inn
Orleans

Shiva Market
Franklin

Shiva Market
Needham

Speedee Oil Change & Tune-Up
North Attleboro

Sunoco Haverhill
Haverhill

Tasca Restaurant
Brighton

The Bowery
Boston

The Captain's Manor Inn
Falmouth

The Nahant Country Club
Nahant

Valley Motorsports, Inc.
Northampton

Whitehead Motors
Gloucester

Yankee Flea Market, Inc.
Palmer



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Hundreds of RAM members are saving on their health insurance premiums and taking advantage of additional money saving benefits by enrolling in coverage through the RAM Health Insurance Cooperative (RAMHIC). RAMHIC offers a variety of plan options from Fallon Health and Blue Cross Blue Shield of MA (BCBSMA).

All plans offered come with a 1% upfront premium discount and cooperative membership provides members with access to additional cost saving options not available in the open market. To start taking advantage of these cost saving options members may contact their broker or our providers directly to request a quote.

For more information regarding these offerings as well as additional ancillary benefits please visit our webpage at

www.retailersma.org/RAMHIC

or contact RAM's Insurance & Human Resources Director,
Larry Mulrey, at
(617) 523-1900 ext. 180.

