



AUGUST 2023

SMART DECISIONS



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FMS Participates in Washington DC NGA Fly-In

The NGA's Fly-In event provided a unique platform for independent grocery leaders to directly interact with policymakers, discussing crucial issues that impact their businesses and communities.

ONBOARDING



Streamline Operations with FMS' New Onboarding Portal

We proudly present Workhappy, our cutting-edge employee management app tailored exclusively to address the unique needs of independent grocery stores.

New Hire Checklist

- W-4 Federal Withholding Form
- I-9 Employment Eligibility Verification Form
- Copy of Social Security Card for tax reporting purposes
- State Withholding Form
- Direct Deposit Form (if applicable for company)
- W-2 Electronic Statement Consent Form (if applicable for company)
- Benefit Election Forms (if applicable for company)

What should be done with your new employee at time of hire for payroll?

E-Verify

What is E-Verify? This is an Internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify is fast, free and easy to use – and it's the best way employers can ensure a legal workforce. The use of this system is mandated by certain states so be aware of your requirements. FMS advises you to do this regardless of your state mandate.

Social Security Online Business Services

This system allows you to verify the SSN a new employee supplied is valid and that it matches the name, birth date to the Social Security Number. FMS advises this to be completed for all new hires. With the increase in identity theft and fraud it is imperative to make sure employees' data is correct.

Better Check Out Your “Help Yourself” Checkouts!

by Harold Lloyd



Isn't it odd that in most new employee orientation programs,

we stress how our business is a “1% Profit” business - how one dented \$3.00 can will result in a \$300 loss in sales? Then, we assign a diminutive 17-year-old cashier with four months of experience to supervise 11 self-checkout (SCO) registers. Crazy, right? I saw it. In person. That just doesn't make any sense at all! And while we all may be short-handed, we can't be short-sighted.

There are at least 10 exacerbating conditions that will be motivating people today, tomorrow and in the future to be less than honest at our SCO. Take a look:

1. Admit it, we **don't have enough help** to observe/serve our customers effectively.
2. We **do not offer enough time to teach** those who are working; what to look for and how to properly react when a questionable transaction occurs.
3. With the **proliferation of reusable bags**, who can tell if what the customer is leaving with was paid for.
4. Couple this with the **explosive growth** in the number of self-checkouts. The percentage of service lanes versus self-service lanes is shrinking quickly.
5. Many stores were **not designed to properly manage self-checkouts**. Entrances/Exits are too close to them, and our camera systems are inadequate to effectively observe each transaction.
6. Several **optional payment methods and “satellite” registers** reduce our security control and create more confusion for cashiers.
7. Many **changes in state and local laws** are minimizing the penalties for shoplifting.
8. **Law enforcement cut-backs** and attrition are forcing agencies to classify shoplifting as a very low priority.
9. **Consumers' economic stress** due to rising prices, is causing some shoppers to rationalize or justify “personal discounts” or theft.
10. **Relaxed cultural norms** portray shoplifting/theft as, “not a real crime.”



Given these foreboding conditions, here are some positive actions to take now!

1. To get a true perspective on the profound seriousness of this issue, please **work side-by-side with a SCO attendant** for 2 hours on a Saturday. (I suggest side-by-side because you couldn't handle it by yourself -and only two hours because you'd hate me if I suggested four.)
2. Then, make it a policy for ALL store managers (including assistant managers) to **schedule themselves for at least one, two-hour shift**, per month at the SCO.
3. **Redefine your job description** of a SCO attendant. “Young, polite, inexperienced” should not be on the list. Instead, think retired gym teacher or part-time law enforcement officer. After all, our new hourly rates of pay might be attractive to these folks.
4. On an ongoing basis, as you approach one of your SCO areas, **walk more slowly**. Pay attention to the control (or lack of) at the SCO and compare it to what you think exists. As we exit the store, we tend to blow by this area (saying our prayers).
5. Occasionally ask any of your SCO attendants what they think is the **most common way customers steal**. Don't be surprised when they instantly offer an answer. To them, it's no secret. They've accepted the fact that theft is just a part of the process.
6. Finally, **add ‘SCO management’ to the list of reoccurring, relevant topics** for your executive-level meetings. With the help of your Asset Protection Leader, establish one or two KPIs to ensure you're tracking and gaining control of this potential “black hole.”

Harold Lloyd's 50-year career has been committed to supermarket retailing. The last 20 years have been spent creating and facilitating seven executive-level share groups. One of them, the [Front Door/Back Door Asset Protection Share Group](#) is totally committed to reducing store shrink and protecting company assets.

FMS Participates in Washington DC NGA Fly-In

by Adam Deardorff, VP International Operations

The National Grocers Association's (NGA) recently had its highly anticipated Fly-In event in the heart of our nation's capital. This prestigious gathering brought together leaders from the independent grocery industry from across the country to engage with Washington policymakers and address the pressing challenges facing their local communities. I had the privilege of attending the event as a representative of FMS, one of the primary sponsors for this occasion.

The NGA's Fly-In event provided a unique platform for independent grocery leaders to directly interact with policymakers, discussing crucial issues that impact their businesses and communities. We were divided into about 30 separate groups, each engaging directly with policymakers and/or their staff. Due to the disparate nature of the groups, the importance of presenting a unified message to lawmakers was at the top of the agenda, and fortunately, NGA provided us with an exceptional overview of the important legislative priorities for independent grocers today. Expert guest speakers from the political world highlighted key points related to these priorities.

Our advocacy efforts focused on three key topics: the Robinson-Patman Act, the Credit Card Competition Act, and the preservation of current Supplemental Nutrition Assistance Program (SNAP) guidelines.



It is important for FMS to stay abreast of the issues of the day and be an active advocate on behalf of our customers.

-Adam Deardorff



From left: Stephanie Johnson (Vice President, Government Relations at NGA), Mike Voilette (President and CEO at Associated Grocers of New England), Russ Greenlaw (Senior Vice President at Associated Grocers of New England), Congressman Jim McGovern (MA), Adam Deardorff, Bob Rybick (President and CEO at Geissler's Supermarket)

- The **Robinson-Patman Act** prohibits sellers from offering different prices to different buyers for the same product in interstate commerce. Its objective is to prevent larger companies from leveraging their market power to gain an unfair advantage over smaller competitors. The act also prohibits manufacturers from providing discriminatory promotional allowances, services, or facilities to specific buyers. Our aim was to advocate for the enforcement of this existing law as well as bring awareness and clarity to how this law from the 1930's relates to independent grocers today.

- The **Credit Card Competition Act** was introduced during our time at the Capitol. This bill aims to address anti-competitive practices by the credit card duopoly of Visa and Mastercard, specifically regarding swipe fees. In many cases, independent grocers end up paying more in credit card fees than they earn in net profit. The goal is to promote market competition, similar to what has already been established in the debit card sector.

NGA Fly-in (cont.)

•Our final advocacy topic focused on the **SNAP section of the farm bill**. In recent years, fees on SNAP transactions have been temporarily suspended, but this measure is set to expire in September. We advocated for its renewal, as it benefits both retailers and customers. We also emphasized the importance of maintaining choices when using SNAP benefits and reducing administrative burdens to ensure continued industry-wide adoption of the program by retailers.

I considered myself lucky to be assigned to a group with fantastic industry leaders with a strong grasp of the content being discussed and varying perspectives on how the issues affect their businesses. Our group leader was Bob Rybick, President/CEO of Geissler's Supermarkets, a seven-store chain in Connecticut. He headed a team of first-year attendees that, along with me, also included Mike Voilette and Russ Greenlaw, respectively, the President/CEO and SVP of Associated Grocers of New England. Together, we met with staff members from several influential representatives from the Northeast and had the opportunity to spend time directly with Congressman Jim McGovern of Massachusetts and Senator Maggie Hassan of New Hampshire to discuss these issues. These meetings were very productive, and I felt that progress was made in explaining our industry's concerns with the pressing topics and how they impact the daily lives of their constituents.



From left: Robert Graybill, President & CEO of FMS, Stephanie Beck, Chief Legal Officer of AWG, Ashley Harris, Owner of Stepherson's Super Lo Foods, David Smith President & CEO of AWG, Senator Marsha Blackburn (TN), Daria Graybill of FMS, Chris Jones, SVP of Government Relations & Counsel of NGA.

In conclusion, I was proud to be able to contribute to the advocacy effort on these key challenges facing our customers and industry. It is important for FMS to stay abreast of the issues of the day and be an active advocate on behalf of our customers. It is equally important to bring these items to the attention of the rest of our FMS family so that we can also help spread awareness to our customers who may lack exposure to these events. As is often the case when FMS collaborates with NGA, the results are wins for the independent grocery community, with focused dedication to *Helping Retailers Succeed*.

Unlocking WOTC Benefits: Tax Credits for Retailers

The Work Opportunity Tax Credit (WOTC) Program is a federal tax credit program that rewards businesses that hire individuals from specific target groups, such as food stamp recipients, veterans, ex-felons, and those from economically disadvantaged backgrounds. For retailers, the benefits of the WOTC program are significant. Employers can hire the right employee for their particular need and also receive a federal tax credit ranging from \$1,200 to \$9,600 per eligible employee hired, depending on the new hire's target group and the number of hours worked.

A key benefit for retailers is that most businesses do not have to change their hiring practices to participate and receive value from the WOTC Program. On average, 10-20% of businesses' new hires fall into at least one of the ten targeted groups. This means you can continue to hire new employees in the same way or pattern while still taking advantage of the tax credits that the program creates.

Because the Work Opportunity Tax Credit Program was designed to spur the hiring of targeted groups, the credit can only be claimed on new hires and cannot be claimed on current employees or rehires. The new hire must complete IRS Form 8850 and U.S. Department of Labor Form 9061 on or before their first day of employment.



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Streamline Operations with Workhappy, FMS' New Onboarding Portal

The independent grocery store sector has been grappling with labor retention issues in recent years. This has prompted a need for quick hiring and efficient labor management costs.

At FMS Solutions, we strive to equip you with top-notch software solutions to conquer these challenges, improve operational efficiency, and boost profitability. We proudly present Workhappy, our cutting-edge employee management app tailored exclusively to address the unique needs of independent grocery stores.

Streamlining Hiring and Workforce Management

Workhappy is set to transform your hiring and employee management processes. The app eliminates the burden of paperwork, allowing new hires to submit their information directly, ensuring a seamless onboarding experience. Plus, it includes a tracking system for managing paperwork submissions, keeping everything organized and current.

Enhancing Communication and Scheduling

Workhappy fosters improved communication by enabling direct contact between employees and administrators, boosting overall efficiency. The app's smooth integration with Labor Saver transforms scheduling, allowing employees to submit their availability, optimizing your workforce, and slashing labor

Simplifying Payroll Integration

Our app's payroll integration eliminates manual data entry, ensuring accuracy and saving time. The future of Workhappy includes a host of new features like paystub, W2s, and 1090s viewing, time-off requests, shift swap requests, and more.



Complementary to Existing Software

Workhappy perfectly complements our existing software portal that integrates data from various systems for actionable insights. Together, they empower you to make data-driven decisions, enhancing your operations and profitability.

Be a Part of Our Beta Customer Program

Join our beta customer program for an early experience of Workhappy and share your valuable feedback. Limited slots are available! Contact us at signmeup@FMSSolutions.com.

You can preview the Workhappy app at the FMS regional conferences the week of November 6th. Stay tuned for more information.

We look forward to partnering with you to build a successful and profitable future for your grocery store. Let's Workhappy together!



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Back-to-School Hiring

The back-to-school season often prompts retailers to hire additional, typically younger, staff to manage increased demand. However, hiring minors necessitates careful considerations.

First, it's important to check with the appropriate government agency to ensure that you are in compliance with all federal, state and local laws. These laws often place restrictions on work hours and the type of work they can do. Non-compliance can lead to legal troubles and damage to the company's reputation.

Second, providing appropriate training is essential. Many young workers may be in their first job and will need clear guidance on their responsibilities and safety protocols. An effective training process ensures smooth operations.

Last, retailers must address the ethical aspects of hiring young workers. It's crucial to ensure that employment does not interfere with their education, and there's no exploitation.

By keeping these points in mind, retailers can successfully navigate the back-to-school season, simultaneously offering valuable work opportunities to the younger generation.



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