

...START A BUSINESS *continued from page 4*

likely built up a nice retirement fund. When you start a business, it's tempting to want to cash out so you'll have start-up capital. Be very cautious about making that decision. About half of all business start-ups fail in the first year.

Write a Business Plan. It doesn't have to be fancy, but you need to go through the exercise. The process will help you answer important questions about what you need to get the business moving forward. Plus, it should serve as a way to measure your progress. Keep in mind business plans are never written in stone. They should be updated and revised periodically as your business grows and matures.

Susan Wilson, CEO, www.SBTV.com: Solovic Newsletter, Small Business Newsletter

Mandatory Sales Tax Proposal Raises Debate in the Industry

The Direct Marketing Association is cautioning legislators about a bill introduced late last month that would allow states to force online sellers to collect sales taxes for all state and local taxing jurisdictions.

The bill, S. 34, introduced by Sen. Michael Enzi (R-WY), would mandate provisions of the Streamlined Sales and Use Tax Agreement, a voluntary agreement that 21 states are currently participating in. The bill's co-sponsors are Sens. Dianne Feinstein (D-CA) and George Voinovich (R-OH).

SSTA claims to streamline the country's more than 7,600 diverse sales tax jurisdictions by permitting states that become voluntary members of the Streamlined Sales and Use Tax Agreement to require remote sellers to collect and remit sales and use taxes.

But the DMA said it in fact would only add a new layer of complexity, expense and burden for businesses around the country. Sen. Enzi unsuccessfully pushed a similar bill in 2005.

In decisions in 1967 and again in 1992, the Supreme Court ruled that in order to be able to tax sales originating outside their boundaries, states must remove the burden placed on retailers by the complexity of having to comply with the requirements of thousands of different taxing jurisdictions.

Currently, only businesses with a physical presence or "nexus" within a state are required to collect taxes for the jurisdictions within that state.

The DMA also cautioned that the bill does not lay out strong enough requirements for creating consistent definitions of taxable goods.

The bill has been referred to the Senate Finance Committee.

From the June 4th, 2007 Issue of DMNews

PWA

Interest in Motorsports Parts & Accessories Climbs 47% Since September

Perhaps it's the winter period of test and tune, teardown and analysis, but parts and accessories for auto racing is currently one of the hottest categories in online auction sales. From its 2007 peak in the last week of February, the category slowly declined throughout the spring and summer, reaching its lowest point in late August, according to data from Terapeak, a developer of market-focused research software that monitors online sales and auctions.

But the category jumped 14% by the end of September, climbed an additional 16% a month later, then another 16% by Thanksgiving. As of the second week of December, the entire segment was only 3% off its spring peak.

Driveline and transmission parts helped drive much of the growth, hitting a 2007 high during the last week of November. Rear-ends specifically jumped dramatically, up 55% from November 2 through December 6.

Fuel systems also spiked in convincing fashion, a jump of just more than 100% between the period of November 23 to December 6.

Patti Freeman Evans, a senior analyst who monitors the retail industry for JupiterResearch, explains that the Internet is a key influencer in buying decisions.

"We see online retail plateauing at 10%-15% of total retail down the road," she says. "But that growth will really be organic, not dramatic. We look to the Internet to remain a highly influential channel for retailers to affect customer purchasing regardless of what channel the actual transaction occurs in."

Terapeak's Motors P&A Research provides sellers with access to comprehensive research on the past year of online auction data and allows users to get in-depth research reports on the competition and themselves.

More at www.terapeak.com/motors.

2008 Industry Directory Correction

Please note that Hansen Sales, Inc. was listed incorrectly in the 2008 Industry Directory. The correct company information is listed below:

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