

Let\$ Make Money

A MARKETING, FINANCIAL & BUSINESS PRACTICES GUIDE FOR FPP MEMBERS – Issue # 40, 2006

Disaster Planning

Hurricane season just started and you are probably already tired of hearing about it in the news. However, you most likely *STILL* have not taken reasonable steps to protect your business from a disaster. Exactly what are you waiting for?

Business continuity planning is essential:

- Minimizes damages and losses
- Promotes employees' (and pets') safety
- Reduces overacting and wasting resources
- Prepares business to survive and recover

It is a process that reduces risk and consists of four phases: (1) preparedness, (2) mitigation, (3) response, and (4) recovery.

Preparedness includes having a detailed inventory, stocking sufficient supplies, training employees on what

to do and how to communicate, and backing up and storing critical information.

Mitigation includes reviewing your insurance coverage, planning for contingency funds, identifying / protecting assets, and assessing your work location.

Response includes:

(a) an increased readiness period during a named storm, (b) a relocation / shelter period to ride out the emergency safely, and (c) an emergency operations period that extends from the start of the event until the recovery period begins.

Recovery includes all activities related to restoring your business to "normal." This may include assessing damage, restoring infrastructures, updating records, and filing insurance claims.

One overlooked area is appropriate insurance coverage for business interruption. Consider business continuity insurance, and take into account the income impact from damage that may occur offsite – to utility providers, suppliers, & customers.

Sources:

floridasmallbusiness.com,
[floridiaster.org/business survey](http://floridiaster.org/business_survey), floridiaster.org

FEATURES

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Professional Photographer High School Lock Out Contracts

Florida House Bill 1619 that would allow high school seniors to submit images for the yearbook taken by a photographer of their choosing passed 117 – 2. However, when it was sent to the Senate in May it died in committee.

One reason The TAPPA Tribune cited for the failure was two professional lobbyists hired by Herff Jones, a company with high school contracts to sell class rings, caps & gowns, invitations, yearbooks, and a photography division.

Give the anti-competitive / anti-choice environment that currently exists, there is optimism that this issue will be successfully addressed in the 2007 session. If you have the ear of your Florida politicians, speak up!

Source: The TAPPA Tribune, June 2006

Feds Cut Off Phone Tax After 108 Years

A pesky, century-old tax on your phone bill is finally being put to rest.

The Treasury Dept. said recently that it will no longer collect a 3% federal excise tax on long-distance calls and would refund about \$15 billion to taxpayers.

The tax was imposed in 1898 to help pay for the Spanish-American War. It was designed as a tax on wealthy Americans, back when phone service was considered a luxury.

Treasury said it was conceding its battle to uphold the tax after five appeals courts declared it illegal because of changes in the way long-distance calls are billed.

Phone companies and cellular carriers must stop billing for the tax Aug. 1. Individuals and businesses can file for refunds next year on their 2006 tax returns for excise taxes paid on long-distance calls since March 1, 2003.

Source: USA Today, May 26-29, 2006

Time Value of Money

The time value of money can have a direct and important impact on a firm's financial situation – both cash flow and profitability.

Simply, the time value of money means that a dollar paid or received today is not worth the same as a dollar paid or received in the future. This is primarily due to interest and inflation reasons.

One of the most common time value of \$ decisions made is whether to accept discounts offered by suppliers for early payment. For example, a supplier may offer a 2 percent discount if payment is made in 10 days or less, rather than the customary 30 days (2% 10 Net 30 terms).

When extrapolated out to a year, this 2% savings becomes annual savings of 36%. Few investments will give you an annual return even close to this amount. Net, take the discount!

Source: Toolbox, Analysis Tools, Dr. Judith A. Stimson

BUSINESS BAG

Most Workers Credit Training

Employees rated their training programs' use of time as:

- 26% - Great use
- **34% - Good use**
- 22% - Fair use
- 12% - Total waste

Source: Hudson Survey

3 Job Interviews Needed for Most

Number of interviews prospects went through *with one company* before a decision:

- One – 9%
- Two – 31%
- **Three – 37%**
- Four – 12%
- Five – 5%
- Six or More – 5%

Source: MRINetwork Survey

Comfort With Online Credit

Agreement with “I do not feel comfortable giving my credit card # online:”

- 39% - Completely / Somewhat *agree*
- 34% - Completely / Somewhat *disagree*

Source: Magid Associates Online Survey, March 2005

“Vision is the art of seeing what is invisible to others.”

Joe.com | Keyword: FloridaWild

Competition Tops Challenges

Major business challenges in the next two years:

- **83% - Increased competitive pressures**
- 67% - Responding rapidly to changing market conditions
- 60% - Failure to innovate
- 52% - Satisfying customer expectations

Source: Mercer Delta Executive Learning Center & Economist Intelligence Unit

Tuning Out Radio Commercials

How long adults listen to a radio commercial before changing station:

- **61% - Less than a minute**
- 29% - 1-2 minutes
- 6% - 3-4 minutes
- 3% - 5 or more minutes

Source: Omnitel for American Media Services

Wedding Lead Times

According to wedding resource site TheKnot.com, about 40% of the weddings taking place this year will follow engagements that began between the last Thanksgiving holiday and Valentine's Day.

Source: Wall Street Journal

1 in 3 Do Not Print Photos

According to Forrester Research Inc., one in three digital camera owners don't print photographs anywhere, for a revenue gap of \$1.6 billion by 2010.

Source: Marketing Management, May/June 2006

Do Not Call Registry Up

According to an online survey of adults by Harris Interactive Inc., 76% had signed up for the National Do-Not-Call Registry by Dec. 2005. Represents a significant increase from the 57% in Jan. 2004, and more than doubles the 32% in Sept. 2003.

Source: Marketing Management, May/June 2006

BUSINESS BAG (continued)

Curtains for Dull Showers

Izola, brainchild of NY photographer Neil Rasmus, offers an unorthodox alternative to traditional prints. "You see your shower curtain every day," Rasmus says. "It really is a blank canvas."

Izola's vinyl curtains (www.izolashower.com) depict numerous views.

Source: *USA Today*

Photo Cookies You Can Eat!

"Picture This" Cookies are now available from gourmet Good Fortunes (www.goodfortunes.com) to personalize special events (e.g., showers).

Source: *USA Today*

Visit Florida

In 2005, domestic visitors to Florida:

- 44.3% participated in culturally-based activities
- 44.4% participated in history-based activities

Source: *Florida Trend*

"Past a certain point of magnification, all portraits become landscapes."

France Bourely, Scientist / Photomicrographer, Hidden Beauty: Microworlds Revealed

Signature Scents

Scents as a contributor to brand loyalty has some root in science. Smell is processed by the same portion of the brain as memory and emotions according to Fragrance Foundation. It can affect moods and mental associations.

Signature scents are part of a practice called "sensory branding." And, photographers can take a page from high-end retailers (e.g., Coach and De Beers Diamonds) and hotels that are now counting on signature scents to bring guests back.

Las Vegas hotels have been creating scents for some time, and big hotel chains are now getting onboard.

Scents are pumped out by inconspicuous vaporizers.

Source: *USA Today, Money Section, May 30, 2006*

Pets Can Be Pals to Workplace

Pets at work foster a better work environment! According to a survey by the American Pet Product Mfgs. Assoc., of cos. that allowed pets:

- 20% had a decrease in employee absenteeism
- 96% said created positive work relations
- 58% said employees stayed at work longer

Source: *Kristen Levine, Fetching Communications, Pet Cetera, Tampa Tribune*

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