



Newsletter

November, 2015

Welcome to new members

I am pleased to announce that **Peter Lamanna of North Park Cleaners of Woodbridge, Rod Baker of Baker Cleaners, Coburg; Eric Hamilton of Parsons Cleaners, Belleville; Barbara & Darlene Jovanovic of Peter's Drive – In Cleaners, London; Robert Burns & Karen Charette of Rideau Cleaners, Smith Falls, Stephen Flomen of Milestone Insurance Agency, Markham; Kosta Borovilos of Brite Star Cleaners, Toronto; Charles Goodfellow of Goodfellow Cleaners, Ottawa; Zack Pabani of Zackary's Restorations and Zackary's Fine Cleaners Ltd., Concord, Kok-Kwon Tang of French Dry cleaners in Midland** have joined our association.

President's Dinner

The annual President's Dinner will take place on Saturday, November 28, 2015 at the Octagon Steak & Seafood Restaurant. We had a great response and the evening is sold out. This is a fun social evening and everyone has a great time and a great meal.

Membership Dues 2016

Enclosed in this package is your renewal notice for the year 2016. For those who have not remitted payment for 2016 as yet, please make your payment as soon as possible as all dues are payable by December 31, 2015. In order to keep your Free Legal Insurance Benefit and DLI membership in good standing, we must receive payment by the end of this year. You can either mail in a cheque or remit your credit card information for me to process. There has not been any increase in dues in many years and the Executive has authorized a slight increase of \$40 this year. Do not forget that we are a Not for Profit Association and we must keep pace with our expenses, which includes the cost of membership in the Dry Cleaners and Launderers Institute, which has increased due to the value of the Canadian dollar compared to the U.S. dollar. As well, the cost of the Free Legal Insurance does not come cheap and accounts for a good percentage of your dues.

You will be receiving two OFA and one DLI decals with your membership (one placed on the inside and one on the outside of your door or window). If you require additional decals for your door or window, please add \$1.00 + HST = \$1.13 for each decal, which only covers our cost.

Consumer Report

I am pleased to report that since I have taken on the position of Executive Director, I have not receive one complaint from the public against one of our members that has not been dealt with internally by the member and the customer. We should all be very proud of

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9
905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •
www.fabricare.org

this achievement. As well, during this time, I have received numerous complaints about other nonmember dry cleaners and have tried to mediate these disputes in order to have the public not think badly of all dry cleaners. These calls were referred to me by the Ministry of Consumer Affairs (Ontario), the BBB, and the Toronto Star. I was successful in most of the cases and had hoped that we would get a new member from this action, but sadly, to no avail. Congratulations to each and every one of our members for their good performance with the public.

Message to members and especially Allied Trades

Do not forget that I welcome any submissions for any special events or promotions that you may want to offer to our members. Please submit sufficient copies of letter size pages with your ad, which I would include in our newsletter, or email me a copy and I will circulate it via our email for you. There is no charge to Allied Trades members for this service. It is our way of showing our appreciation for your support of OFA.

Although our next conference is not scheduled until June 17th and 18th of next year, it is important that you let me know if you will want to reserve a Table Top for the event. Space may be limited and we will allot tables on a first come basis. As well, our association would be very appreciative if any of you would come forward and sponsor some of the events that are planned. This financial help alleviates the cost of putting on a great conference and will help keep the cost of registration down and increase attendance. Lists of Allied Trades who have agreed to sponsor some of the events are listed below. As well, we are looking for sponsors of events not taken.

Coffee Break Saturday morning– Robert Kuenzlen of GreenEarth Cleaning
Luncheon Saturday - Clark McDaniel of Fabricare Cleaning Centers
Wine for the table at gala dinner Saturday night - Bruce Miller of Sparkle Solutions
Gift Certificate – Crystal Granish and Kathy Kelleher of Cleaners Supply

Still available: Please contact Sid Chelsky

Golf Tournament on Friday (Prizes, after game cocktails, etc.)
Cocktail Party Friday Night (estimate \$500)
Breakfast Saturday morning (estimate \$750)
Coffee break Saturday afternoon (estimate \$400)
Cocktail hour prior to dinner at gala dinner Saturday night (estimate \$500)
Overall main sponsor of Conference - \$2,000

Table Tops

Please reserve your Table Top Display for the upcoming Conference in June ASAP and not be disappointed.

Moore's Clothing

Included in this package are 50% discount cards for Moore's Clothing Stores. I would advise you to consider handing these out to your best customers and / or your staff. Both will provide good will for your company.

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9
905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •
www.fabricare.org

Conference Speakers scheduled

I have been fortunate in securing a number of excellent speakers for our next conference on June 17th and 18th next year. Among the speakers are Kermit Engh of Methods for Management, who will talk about what is discussed and the benefits of belonging to a Cost Group; Jaqueline Stevens, who will bring us up to date on current and upcoming legislation on environmental issues that affect our industry; Michael Ballard, who will include in his presentation a Business Development Plan; Ellen Roseman, the Consumer Affairs Editor for the Toronto Star; and Jordan Cohen and Christine Jonathan from MacDonald, Sager, Manis LLP, who will talk on various legal issues that affect your business and our industry. As well, Stephen Flomen who will present a talk about “Who will take care of me when I can no longer take care of myself?”

Staples

I noticed a lot of emails from Staples advertising sale items. I called them and inquired about whether or not the discount applied to sale items. The answer is that they will honour only the lowest price whether it is a sale price or 60% off the catalogue price.

Written by:

Sidney Chelsky,
Executive Director, OFA.

The Source of a Happy Customer

Three Basics to Customer Satisfaction

Quality is undeniably the single most important facet involved in retaining your clientele.

Improving satisfaction is critical to boosting profits and quality is the key to keeping customers happy. But how do you define quality and inject it into your relationships with customers? By living it.

Your company's commitment should be to meet or exceed your clientele's expectations. Make that the first topic discussed at weekly staff meetings. Do everything to ensure that your staff always offers superior service.

The best leaders know that quality and a successful business are synonymous. Practice these three steps to pay attention to detail and people will believe in your commitment to excellence.

1. Hone in on customers' needs. Understand what your customers require and be uncompromising in responding to them. Send out frequent questionnaires to take the pulse on how your customers feel about every aspect of your business. Even if they don't respond, they'll see that you care.

2. Contact former customers. Ask them why they left and how you can win them back. Educate yourself and your staff about the cost of losing a customer. Train employees and verify they are paying attention. Listen in on telephone calls and monitor face-to-face

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9

905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •

www.fabricare.org

interactions with customers to ensure that staff members are always courteous. Make sure they know exactly what you expect. A ruffled customer can become a lost customer.

3. Don't rest on your laurels. If your company is already successful with your clientele, congratulations. But don't forget that paradigms change. Just take a look at cell phones. Every year they change in speed, size, applications and accessories. Consumers' tastes and needs fluctuate. Today's next best thing is tomorrow's dead idea. Stay focused on the trends and you'll remain on top of your industry.

When you take quality seriously, success will follow. It takes time and effort, but the payoff is a clientele that remains intact and a balance sheet that keeps improving.

Push Customer Service to Stand Out from Competitors

Canadian retailers are feeling more confident than they have in years, despite the contracting economy.

That finding comes from the third annual Canadian Retail Insights Report done by American Express Canada. The recently released survey of 375 decision-makers in gas, grocery, restaurant, fast food and general retail sectors nationwide, was conducted by Nielsen.

The increase in confidence in the retail sector is supported by recent data from Statistics Canada. In June, Canada had a year-over-year increase of 0.6% in retail trade, with total sales reaching \$43.2 billion, according to StatsCan. Sales increased in eight of 11 retail subsectors, with electronics and appliance stores seeing one of the largest increases with 9.4%.

The American Express Canada report focuses on what's on the top of the minds of Canadian merchants, including:

- The state of the industry,
- Challenges and pain points,
- Growth strategy,
- Customer loyalty and acquisition, and
- Competition and strategies for attracting customers.

"In today's market, consumers have more options than ever before, and to stay competitive we're seeing businesses make customer service a major priority," said Jennifer Hawkins, American Express Canada vice-president and general manager of merchant services.

With that in mind, if you plan to focus on customer service over the coming months to make your business stand out from the pack, here are 10 tips:

1. Get back to the basics. It may seem obvious, but be polite. Use the customer's name. It helps build rapport.

2. First and last impressions count. Walk up to and into your business, or sign onto your website, with the eyes of a consumer. A first impression tends to linger in a customer's memory. Once a transaction is completed, don't rush on to the next customer. That can

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9
905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •
www.fabricare.org

eliminate all the good will that was just created. Saying goodbye is an important stage as it also tends to linger in a customer's memory. Get these moments right so customers will remember their time with your business pleasantly.

3. Respond promptly to customer feedback. The information your clientele gives you should never be considered an interruption to your day. Don't batch surveys or comments and then review them at the end of the month — scan them right away to see who needs to hear from you immediately. This is possibly even more important online, where customers expect fast, Internet-time responses.

4. Consider the customer's time. A perfect product or service delivered late may be considered a defect. If a defective product or service is delivered, make it easy for the customer to return it or be compensated. On the phone, offer callback times at the customer's convenience if you can't answer immediately.

5. Be accessible. Your customers must be able to contact someone in your company if they require service or have a question. When talking to a customer on the phone, give out your name and a way to get in touch with you if you're inadvertently disconnected. Offer different ways for your customers to communicate: phone, email and social media. But keep in mind that if you provide many contact points without increasing resources and staff, you may spread your business thin and find customer service dwindling.

6. Eliminate fine print. To a customer, fine print is where a company hides things that will protect it from unsatisfied customers.

7. Offer self-service options. Many customers want to handle issues themselves. Even if your business is open 24/7 in several time zones, customers today may just want to deal with transactions themselves or at least be able to check up on orders. However, make sure your self-service options include an alternative. If the option is out of service or the customer isn't in the mood, there should be an easy and obvious way to contact a person.

8. Never argue with customers. You'll never win an argument with a customer. Even if you do, you'll alienate the customer and may lose the person's business. Instead of going on the defensive with a customer, focus on the issue and how you can best resolve it. And when your business does make a mistake, admit it, apologize and do whatever it takes to make the situation right. Your customers will appreciate it.

9. Know where to draw the line. Some customers might be extremely difficult and you might have to 'fire' them. Your complaint management system should have limits and you should communicate them as clearly and politely as possible. It's a difficult task, but you have to keep your eye on the big picture, which is balancing customer satisfaction while still running a profitable business.

10. Train your staff. When employees are properly trained to provide excellent customer service, they feel empowered to make on-the-spot decisions. Make it clear what their authority levels are, and ensure they understand the customer service principles that apply to your business. When dealing with demanding customers, if employees are unsure how to proceed, you may want to instruct them to get a supervisor.

Final Thought: Always say thank you. A good rule of thumb is to end every interaction with a word or two showing appreciation. Even when customers complain, you can thank them for bringing the problem to your attention.

Promote Your Company's Uniqueness

Every company has its good and bad points, yet some business owners spend so much time trying to eliminate weaknesses that they never capitalize on their strengths. Take the time to identify your company's unique selling proposition (USP) -- the element that differentiates your business from the competition. It may be something as complex as developing a state-of-the-art computer system or as simple as having warm, friendly employees.

Failing to communicate the attributes that make your business special is like entering a boxing ring with one hand tied behind your back. The odds are against you coming out the winner.

So get employees from every level in your company involved in some brainstorming sessions to come up with an appealing USP that shows how your business stands out from its rivals. A USP should be a powerful, concise statement that prospective customers understand.

To start, ask the following four questions:

- What elements make our products or services unique?
- Which elements are most important to our growth?
- Which elements are the most difficult for our competitors to copy?
- What is the Number One Reason customers should deal with us?

Here are examples of some successful advertising USPs you may have heard:

- "When it absolutely, positively has to be there overnight."
- "The nighttime, coughing, achy, sniffing, stuffy head, fever, so you can rest medicine." (Nyquil)
- "Pizza delivered in 30 minutes or it's free." (Domino's Pizza)

However, steer clear from adopting a USP that your company cannot deliver, and analyze the market potential of various USPs in terms of volume, profits and return business.

Remember that you can't appeal to everyone. USPs are generally meant to appeal to just one part of a huge market. For example, there is a wide divide between upscale customers and those who are looking for bargains. Look at your revenue streams. While your company's highest marketing niche could be customers looking for exclusivity, its biggest revenues may come from bargain hunters. Determine which segment you want to stake out.

Final note: USPs can become stale over time. So periodically look at your current USP to determine if it needs refreshing. A fresh USP can bring new life to your bottom line by adding new interest and appeal and making your business look new again.

Screen Job Applicants for Security Purposes

Canadian employers are increasingly running security checks on new hires. In fact, more job applicants are being subjected to that type of screening than medical exams.

Over the years, screening practices have changed for several reasons, according to the Statscan study, including:

- Changes in the industry and occupation job mix.
- Improvements in detecting health conditions and drug or alcohol abuse.
- Increased access to personal, financial, criminal, and other records.

Of course, hiring decisions aren't always based on intense screening. In some instances, finding the right person for the job is a simple matter of an interview and a test of knowledge or skills. But more rigorous screening may be required for other positions, such as drug tests for truck drivers.

As an employer, you have a duty to check backgrounds for the sake of your customers, other employees and investors. In addition, solid background checking practices can help decrease employee turnover and the costs of hiring, training and internal fraud.

In Canada, background checks are generally legal as long as they comply with:

- The Personal Information Protection and Electronic Documents Act (PIPEDA).
- Rulings of the Privacy Commissioner of Canada.
- Canadian federal and provincial human rights codes or acts.

Background assessments are also legal provided they are not influenced by race; religion or ethnicity and all applicants to a similar position are treated equally.

With that in mind, it is essential that everyone in your company follow a consistent hiring process. Discrepancies in the process can lead to damaging risks such as negligent hiring suits and dishonest workers' compensation claims.

Consider a hiring reference guide for managers that includes interviewing techniques, employment screening policies and lists of questions that can and cannot be asked.

Your company's reference guide can also include red flags that may be uncovered during a background check. Here are some guidelines for handling the following eight red flags when considering applicants:

1. Previous Employment

- The applicant quit his or her most recent job without notice.
- The former employer hesitates to answer the question: "Would you rehire this person?"
- Title and wages of previous job differ from what the applicant reported.
- The previous employer is looking for the return of merchandise or repayment of a loan.
- The applicant is in litigation with a previous employer.

Try to get references from three to five previous employers. But keep in mind that if you ask for references and don't check them, you risk liability. In cases when it was

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9
905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •
www.fabricare.org

reasonably necessary to check references and an employer failed to do so, courts have held the employer liable for the improper acts of the employee.

2. A Criminal Record

You can check past criminal activity by contacting local police or law enforcement agencies, but you must have the candidate sign a release to obtain the information. You cannot, however, deny a position because of:

- A conviction under a federal law, such as the Criminal Code or the Narcotics Control Act, for which a pardon has been granted, or
- A conviction for a provincial offence, unless the conviction will affect the applicant's ability to do the job.

You can refuse to hire someone based on criminal convictions when there is no pardon.

3. Driving Record

- A revoked or suspended license.
- An applicant lies about his or her class of license - for example claiming to have a license to drive a bus with more than 24 passengers while in fact having only a license to drive passenger cars and light trucks.
- An applicant held a license in another province but failed to mention that province on the job application or resume.

4. Education

- A verified grade point average is discovered to be 0.5 or more points lower than the applicant's claim.
- There is no evidence of a degree the applicant claims to have.
- Dates of attendance claimed by the applicant differ by more than two months.

5. References

- References are contacted and say they don't know the applicant.
- No references can be reached.

6. Professional Licenses and Credentials

- A license was never granted or is no longer valid.
- The applicant's license is restricted.
- Records indicate that legal/civil action was taken against applicant.

7. Social Insurance Number (SIN)/ Address

- A SIN that does not match the one provided by the applicant.
- An indication that the SIN was used fraudulently.
- Addresses don't match data on the application.

8. Credit Report

A problematic credit history may be inappropriate for employees in certain positions. You can conduct credit checks but you are required by law to notify applicants or current employees in writing and provide the name of the consumer reporting agency

Avert Penalties, Confirm Customer GST Registrations

When your company sells a commercial property, one party must pay a Goods and Services Tax (GST). And occasionally, the burden of responsibility can create a problem. If the buyer isn't registered for GST, it's your company's responsibility to collect the GST on the sale

The GST Advantage

Even if your company qualifies as a small supplier that may not have to register for GST, it can make economic sense to get a number. But if the buyer is registered, the responsibility shifts to the buyer who must report the tax and can claim any available Input Tax Credits to offset the GST (see right-hand box). On the face of it, this is an uncomplicated transaction and your company is in the clear.

Generally, a business doesn't have to register for GST if it is a sole proprietorship, partnership, or corporation whose total taxable revenues before expenses are \$30,000 or less annually (\$50,000 for such public service bodies as charities, non-profit organizations, municipalities, or universities.)

However, registration may give your company a tax advantage: It can claim tax credits for the GST/HST paid on such operating expenses as commercial rent, utilities, office supplies, as well as meal and entertainment expenses, reimbursements to employees or partners and capital property. And that can lead to a GST refund.

But a Tax Court ruling suggests that you might want to double check the accuracy and validity of GST numbers to avoid an unpleasant surprise.

In the court case, the buyer of a commercial property claimed the company was registered for GST and provided a number. During an audit of the sale, however, the number was discovered to be invalid. The CRA had cancelled the purchaser's registration.

But it wasn't the buyer who wound up having to pay the GST -- it was the seller. The Tax Court ordered the seller not only to pay the tax that should have been collected, but also to pay penalties and interest, despite the buyer's misrepresentation in the deed of the sale about the validity of its GST number. (*Lee Hutton Kaye Maloff & Paul Henriksen v. The Queen*)

In theory, of course, the seller could bring a civil court action against the buyer to recover the GST it was forced to pay. In practice, however, that would mean incurring more expenses for legal fees. Moreover, the seller would still be liable for the penalties and interest. The Excise Tax Law doesn't provide for the recovery of those costs.

A simple way to avoid this problem is to request CRA confirmation of a purchaser's GST registration status.

There are other tax and GST issues involved in the sale of real estate and other commercial goods, so consult with your professional advisor before your company

120 Promenade Circle, Suite 910 Thornhill, ON L4J 7W9
905-881-5906 • Cell: 416-573-1929 • email <chelsky@sympatico.ca> •
www.fabricare.org

completes a major sale to make sure everyone understands the consequences of the transaction.

Many thanks to Segal Partners for the above information.

Please study each word slowly. FOR CLEVER PEOPLE

1. ARBITRAITOR : A cook that leaves Arby's to work at McDonald's
2. BERNADETTE : The act of torching a mortgage
3. BURGLARIZE : What a crook sees through
4. AVOIDABLE : What a bullfighter tries to do
5. EYEDROPPER : Clumsy ophthalmologist
6. CONTROL : A short, ugly inmate.
7. COUNTERFEITER : Workers who put together kitchen cabinets
8. ECLIPSE : What an English barber does for a living.
9. LEFT BANK : What the bank robbers did when their bag was full of money
10. HEROES : What a man in a boat does
11. PARASITES : What you see from the top of the Eiffel Tower
12. PARADOX : Two physicians
13. PHARMACIST : A helper on a farm
14. POLARIZE : What penguins see through
15. PRIMATE : Remove your spouse from in front of TV
16. RELIEF : What trees do in the spring
17. RUBBERNECK : What you do to relax your wife
18. SELFISH : What the owner of a seafood store does
19. SUDAFED : Brought litigation against a government official
20. PARADIGMS : 20 cents