



Member Newsletter  
January 2008

© 2007 National Association of Publishers' Representatives' Inc.



**January President's Message**

By  
**Everett G. Knapp III**

Dear Members,

2007 went by really fast for me. What's up? Where's my flying car and my summer home on the moon? And the robot maid they used to tell us we'd have by now??? Anyway, let me be the first to wish all of you a Very Happy and Prosperous New Year!

On January 25 we will have Josh Gordon's seminar titled "Utilizing the Web to Increase Sales." This upcoming seminar is his 2nd in a series of six seminars. As you all know, Josh is a super good speaker and he knows our business well.

As you can well imagine, the closing of the NAPR Annual Directory every year is not an easy task. After gathering all of the member information, you have to make sure everyone's ad and listing is letter perfect. I want to thank all who helped with the directory and applaud them for their hard work in assisting our efforts to reach as many Rep firms as possible before closing the 2008 directory.

ALL THE VERY BEST TO YOU IN 2008!!!

Ev Knapp

---

**BULLETIN BOARD MEMBER INFORMATION EXCHANGE**

**From time to time we all have networking needs to reach out to others for assistance so I've initiated this new monthly column for all members. If and whenever you need to reach other NAPR members simply email your request. I'll be happy to assist you. Raymond Coppola**

Hi Ray,

I am trying to recruit a couple of retired ad sales reps to work part time for Ad Sales Associates. (you can only play so much golf!)

I'd prefer a retired guy or gal as opposed to doing a sub-rep arrangement with another firm as I want all of the persons attention for the hours they are willing to devote. They can be located anywhere in the US. There would be no required travel, and I'd pay a straight 15% commission.

In particular I looking for someone who still has a contact database in either the Construction, Interior/Outdoor Design, Plant Engineering/Facilities, IT or the Consumer Electronics market.

Do you have any suggestions?

Best regards,

Craig Pitcher, President

**Ad Sales Associates**

*Global Media Representatives*

Office: 408-778-0300

Cell: 408-607-0529

Fax: 408-778-0339

[cpitcher@verizon.net](mailto:cpitcher@verizon.net)

Notes from the Executive Director

by  
Raymond Coppola

Dear NAPR Members,

Every so often we come across a book that is so worth the reading that we want to share it with others.

I am thrilled to review the following book for your analysis. Andrea Nierenberg is more than an author, consultant and seminar leader for companies like Zenith Media, Omnicom Group, AOL Time Warner, Citigroup, Estee Lauder, Georgia Pacific and Tiffany & Co. Besides all this, she is intimately aware of the publishing business from having worked for SRDS and other major publishing companies before starting her own business, The Nierenberg Group, [www.selfmarketing.com](http://www.selfmarketing.com).

I've read it, studied it and have already put a number of her 'tips' into practice. I hope it motivates you to get it for yourself. If you do and utilize what she has to say and it doesn't benefit your sales I'll buy it back from you and pass it on to one of my own clients!

Happy New Year, Good Reading, and All the Very Best in 2008!

Raymond Coppola...Executive Director...NAPR...913-708-8344

**SAVVY NETWORKING**

*118 Fast & Effective Tips for Business Success*

by Andrea Nierenberg

(Capital Books, Herndon, VA, 2007)

Go get this book! Go out right now or tomorrow at the latest before it sells out.

I guarantee you that if you apply even only 10 of Ms. Nierenberg's tips to your publishers and advertisers alike your business will grow and your sales will increase. You can put 'book' on that! (pun intended)

**But don't just take my word for it. The Wall Street Journal, The Journal of Financial Advertising & Marketing, The Washington Business Journal, Successful Meetings Magazine, BizBooks.com, Fortune Small Business Newsletter, Smart Money Magazine and Newsday have already said what I'm saying in their own ways.**

**Real learning is all about changing the hard wiring of our brains. It's not always easy. But Savvy Marketing makes it easy, especially for time-conscious, over-worked professionals in the publishing industry like us. What makes it such a great read and facile learning experience is Nierenberg's writing style and the formula she uses. Her book consists of multitudes of interesting personal stories, tales about business leaders, age old business wisdom, and an abundance of action orientated advice to put into practice immediately for your benefit.**

**If you take a little time to really get into what Nierenberg has to share you'll quickly realize that this very day gave you a few opportunities to easily put all this power to work for your benefit. Think I'm kidding?**

- 1. How about that client who just told you that he/she will finally see you in a month after your attempts for six months to make your presentation? Or how about the one who just gave you the order? Sure, any of us would send a 'Thank You' email immediately. But Nierenberg gives us a better idea. She says a written 'Thank You' note is received closer to the heart, it's unique, and positions you in a good emotion in the mind of the person you will be trying to sell, or re-sell, in the future. Or, if you wish to push the envelope a bit further, go buy an inexpensive desk top candy jar or artificial rose and vase or some other cute item and send it with a note of thanks.**
- 2. How many of us belong to our local Chamber of Commerce? Join and you'll meet other business people and before you know it they'll be introducing you to someone they know who might want your services.**
- 3. Under her 66<sup>th</sup> tip she shows she is intimately aware of our business of publishing when she writes, "when advertising, don't think big, as in circulation or exposure – think targeted."**

**Savvy Networking is also full of humorous wisdom. Some of my favorites include; "the opposite of networking is not working", and "if you put your foot in your mouth, make sure you are wearing nice shoes", and how to "develop your own 20 – second infomercial" when introducing yourself."**

**If I were her editor I would have opted for a different subtitle, something like "The Power Book of Everything You Need to Know About Networking", or "The Mini-Encyclopedia of Networking For Success in Your Business & Social Endeavors". But hey, what do I know, 'got-to-go', need to get to the post office and send something to a favorite client!**

**You can purchase "Savvy Marketing" by Andrea Nierenberg at amazon or barnesandnoble.com or by emailing her directly at [andrea@selfmarketing.com](mailto:andrea@selfmarketing.com) .**

**I'm sure you'll agree that it's the best investment you've made in a long time. And it could make a great "Thank You" gift for your own favorite clients.**

## **MARK YOUR CALENDAR!**

### **Second of Our Teleconference Seminar Series**

#### **SELLING INTERACTIVE PRODUCTS!**

presented by Josh Gordon

***“Selling online media is difficult because it is interactive. Understanding the interactivity part of the sale can make a big difference in how successful you will be. Learn the biggest pitfalls all print salespeople make before they go interactive!”***

**Because of the absolute importance of attaining expertise in the new millennium sales strategies of being thoroughly accomplished in online web advertising, NAPR is presenting an ongoing series of six (6) monthly teleconference seminars starting this November and going through 2008 every other month (Jan, Mar, May, July, Sept) by web expert Josh Gordon.**

**Date: Thursday, January 24, 2008, 4:00 EST**

**Instructions for attending.**

**Call 712-421-8465**

**Follow prompts, password is ‘4321’**



### **SALE OF REPRESENTATIVE’S BUSINESS – PART V**

**By Herbert W. Solomon, Esq.**

Also to be negotiated with reference to the sale is a consulting arrangement between the seller and the purchaser that may be utilized following the closing. The purchaser may want the seller to devote time to the business purchased after closing. The questions are for how long and how much time is the seller to devote to the purchased business. Time devoted may be for as little as a month and as much as a year or two. Critical is what is the seller to do. Further, is the seller required to spend any time at the place of business or can he devote his time by being available by telephone?

Also to be considered is the question of whether or not the money to be paid to the seller for consulting is to be considered paid as part of the purchase price or is the amount to be paid additional consideration.

Allocations of the purchase price relate to tax considerations and are to be negotiated separately. Some items may be considered ordinary income and other capital gains. Issues of allocation also relate to depreciation and how quickly the purchaser may write off and what he can write off from the consultation

paid. It is significant to note that the issues of allocation must be carefully considered and the income tax consequences carefully reviewed.

The last point I want to mention is the issue of restrictive covenants. The purchaser will want to make sure that so long as he complies with the terms of sale, the seller will not represent directly or indirectly the publications that have been sold. This is significant and a portion of the purchase price will be applicable to the restrictive covenant.

In conclusion, there are many aspects involved in the sale of a business and they must be carefully negotiated with all issues resolved before a closing takes place. This gets back to the call I received from the former NAPR member. His negotiations were long and involved. They were thereafter consummated in accordance with the terms of all the applicable agreements and the seller was paid in full. The seller is now enjoying his retirement.

<sup>1</sup> Herbert W. Solomon, Esq., P.C. of the New York bar is Counsel to the law firm of Meltzer, Lippe, Goldstein & Breitstone, LLP, 190 Willis Avenue, Mineola, New York 11501 (516) 747-0300 Ext. 152, e-mail: [hsolomon@meltzerlippe.com](mailto:hsolomon@meltzerlippe.com). He has served as Counsel to the National Association of Publishers' Representatives, Inc. since 1981.



# Money Talk

*Money Talk*  
By Michael J. Kelly



*Send your financial questions to:*

Michael J. Kelly  
Vice-President, Investments  
Oppenheimer & Co., Inc.  
[Michael.Kelly@opco.com](mailto:Michael.Kelly@opco.com)  
800-881-1585

## One-Person 401k's May Make Sense for Owner-only Businesses

"How can I set up my own 401k?" is a common reader question.

We suspect that most people who ask are rank-and-file employees who are dissatisfied in some way with their 401k at work. In that case, the answer is, "Sorry, you can't. You're stuck with the plan your employer offers."

But, if you are self-employed, rule changes contained in the 2001 tax bill may make a one-person 401k plan a viable alternative to other retirement plans for small businesses. One catch is that it likely wouldn't be cost-effective if your business has any employees who would be eligible for the plan.

Contributions to a one-person 401k plan are based on revenue generated by your business. If you participate in any other plan, with another employer, you must coordinate one-person 401k contributions with that plan so you meet the IRS limits described below.

Here's a look at the 401k plan for one.

### **Who It's For**

The solo 401k plan is suitable for businesses in which the owner or owners are the only employees.

This plan works in a situation where there are "no common law employees," said Hugh Bromma, CEO of Entrust Administration Inc. of Oakland, Calif., an IRA administration firm that also offers one-person 401k plans. This means the plan can be used by the business owner, his or her spouse if working at the business, and any partners in the business and their spouses who work at the business. It could work well for businesses such as sole-practitioner professionals, partnerships, manufacturer's representatives, small retail owners, freelance writers, computer consultants and electricians, to name a few.

"The big caveat is if the owner decides to hire someone -- the picture changes radically," Bromma added. That's because an employer-employee relationship adds new layers of administrative, fiduciary and financial responsibility. For example, for a very small firm with an owner-employer and a few employees, the employer will likely be required to make mandatory contributions to the employees' 401k accounts in order for the plan to pass its nondiscrimination tests. These tests determine if the plan is offered fairly to all employees.

### **New Limits**

The biggest reason why you might consider opening a one-person 401k plan is that it may offer higher contribution limits than other retirement plans available for small businesses. In this regard, the two most significant changes contained in the 2001 tax bill with respect to retirement plans were:

Raising the total individual contribution limit, including employer profit-sharing and/or matching contributions, to the lesser of \$40,000 or 100 percent of income. Previously it was the lesser of \$30,000 or 25 percent of income.

Changing the total plan contribution limit. In 2002, employer contributions to the plan may not exceed 25 percent of total payroll. The significance here is that employee contributions are excluded from this limit. Previously, total plan contributions (both employer and employee) could not exceed 15 percent of total payroll of eligible employees.

In a large business, with many folks eligible for the plan, the 15 percent total plan limit was rarely hit because many employees either didn't participate or contributed far below their maximum allowed limit. Some employers even capped employee contributions at 15 percent of salary to avoid exceeding this limit. But, for a one-person shop, it could be easy for the owner to hit the 15 percent limit with his or her contributions.

"With a one-person firm, that person is the company. They couldn't exceed the 15 percent limit," said James Kieckhaefer, senior vice president with Wachovia Securities in Brookfield, Wis. "The 25 percent of compensation limit didn't work for that person."

Prior to 2002, the only way a sole proprietor could contribute up to 25 percent of income was to maintain a 401k, a profit-sharing or SEP plan (in which the maximum contribution was 15 percent of payroll) and a money purchase pension plan (which could be used to make up the rest). Once

instituted, the money purchase pension plan contribution is required to be the same each year. If you want to reduce it you must notify the IRS. For a small business with uncertain income, this requirement is onerous.

Annual contributions are not required in the one-person 401k plan.

Folks with one-person 401k plans may also take advantage of the new age-50 catch-up contributions, provided they qualify.

The biggest benefits of this plan go to those who earn up to \$160,000, said Linda Brown, assistant vice president with the retirement and education product division of AIM Management Group Inc. This is because 25 percent of \$160,000 is \$40,000, the maximum limit. If you earn below \$160,000 you can contribute 25 percent of your income as the employer, plus up to \$11,000 (the maximum employee contribution) to get up to \$40,000, rather than simply being limited to 25 percent of salary. A person 50 or older could contribute an additional \$1,000 catch-up contribution, for a total of \$41,000 in 2002.

### **Advantages**

In addition to the higher limits, the one-person 401k has other advantages. These include:

Low paperwork requirements, including being exempt from discrimination testing as long as you have no eligible employees. The only annual paperwork you may be required to file is the IRS Form 5500, which applies when plan assets exceed \$100,000. The IRS provides a form 5500EZ that is suited to small 401k plans.

The ability to take a loan. SEP plans and SIMPLE IRAs, popular retirement plans with small businesses, don't allow loans, although a profit-sharing plan could.

### **Responsibilities**

Setting up a one-person 401k entails more responsibility than a SEP or SIMPLE IRA.

For one thing, the plan needs a trustee to hold the assets on your behalf. Many people act as their own trustee, but if you decide to do this you need to be very attentive to detail.

"If you are your own trustee, you need to follow the rules carefully," Bromma said. "What happens often is that people don't keep proper records."

If you set up a one-person 401k, you need to prepare and retain records concerning the plan and its activities. The plan also requires a plan document spelling out how the plan is operated. Most folks use standard plan documents, and many one-person 401k plan providers include these in the cost of setting up the plan.

You can hire services and firms to do the recordkeeping jobs to save you the time and hassle, but of course this will cost extra.

### **Setting One Up**

The one-person 401k is a fairly new retirement tool and isn't widely offered by financial services firms.

Take Charles Schwab & Co. Inc. for instance, one of the largest providers of IRAs. The one-person 401k "is something we are looking in to," said Rene Kim, vice president, retirement products with Schwab.

Still, an Internet search turned up a number of firms, such as Salomon Smith Barney, John Hancock Funds, AIM and Pioneer Investment Management Inc., that advertise these plans. You will need to do your own research to find the right plan for you.

A 401k, like any other financial service, does have a cost. And the cost rises depending on the services you purchase.

Most one-person 401k plans charge a one-time set up fee. This can range in price from \$150 to \$300 or more. And you will likely have to pay an annual maintenance fee, with the amount depending on the services you purchase from the plan provider.

For instance, if you decide you are willing to prepare all the paperwork and do all the recordkeeping for the plan, you could pay as little as \$10 a year. But, if you want another firm to do this job for you it can run \$150 a year or more.

*The information provided here is intended to help you understand the general issue and does not constitute any tax, investment or legal advice. Consult your financial, tax or legal advisor regarding your own unique situation and your company's benefits representative for rules specific to your plan.*

Source: Clifton Linton; Senior Writer, mPower

---

## Inquiries Received Since the Last Newsletter

publication: Hair's How Magazine  
company: Stanford Trident Publishers  
name: Roxanne Gillard/Director of Sales  
address: 11555 Heron Bay Blvd, Suite 200  
city: Coral Springs  
state: FL  
zip: 33076  
phone: 954 755-3428  
fax: 951 344-2240  
EMAIL: roxgillard@hairshow.us  
url: [www.hairshow.us](http://www.hairshow.us)  
year: 2006  
btob: checkbox  
standard: checkbox  
frequency: 10  
circulation: 50,000  
auditno: checkbox  
paid: checkbox  
coverprice: \$3.50,12/17/07  
subscription: \$24.00  
bwpage: \$4,950  
fourcolor: \$4,950  
editprofile: Interviews with professional stylist Business news - industry related  
articles, collections - step-by-step instruction  
demographics: Beauty salons owners, stylists, spas owners, barbers, beauty school students

geography: East Coast, West Coast -  
expertise: Beauty industry knowledge helpful - must be able to sell advertising, referral  
from a friend

---

publication: Yearbook of Experts  
company: Broadcast Interview Source  
name: Mitchell Davis, Publisher  
address: 2233 Wisconsin Ave. N.W.  
city: Washington  
state: DC  
zip: 20007  
phone: 202-333-5000  
fax: 201-342-5411  
EMAIL: expertclick@gmail.com  
url: [www.ExpertClick.com](http://www.ExpertClick.com)  
year: 1984  
btob: checkbox  
web: checkbox  
standard: checkbox  
otherformat: Press Room Page with News Releases on web, plus twice annual printed  
Yearbook of Experts.  
frequency: 2  
circulation: 2000 print & web site.  
auditno: checkbox  
qualified: checkbox  
coverprice: Free, 18/12/2007  
subscription: \$  
bwpage: 2795 w/residual  
fourcolor: \$  
editprofile: The Yearbook of Experts and the ExpertClick.com web site are "America's  
Favorite Newsroom Resource," We pay continued residuals on accounts.  
demographics: Journalists request the book and use the [www.ExpertClick.com](http://www.ExpertClick.com) web site to  
find experts for interview.  
geography: We cover many topics and suggest that that areas are better split by topic,  
not geography.  
expertise: Should be selling to those who welcome news media interview, send news  
releases, and want publicity, Infocommerce Show.

---

publication: AFTERMARKET INTERNATIONAL  
company: JABS Media LLC  
name: Bradley S. Glazer, President  
address: 25224 Brucefield Rd.  
city: Cleveland  
state: OH  
zip: 44122  
phone: 216 233-6943  
fax: 216 831-8070  
EMAIL: bsgrep@aol.com  
url: [www.aftermarketinternational.com](http://www.aftermarketinternational.com)  
btob: checkbox  
standard: checkbox  
frequency: 6X  
circulation: 20,000  
auditno: checkbox  
qualified: checkbox  
coverprice: \$, 12/22/07  
subscription: \$  
bwpage: \$  
fourcolor: \$5000

editprofile: Technical editorial on automotive service and repair  
demographics:  
geography: Latin America  
expertise: We have been receiving advertising inquiries from Mexico for our Spanish edition, AFTERMARKET INTERNATIONAL en ESPANOL and need a Spanish speaking representative to handle. Territory would be all of Latin America but can be handled by email from the USA if not located there.

Many major US suppliers have divisions in Latin American, primarily Mexico, where the ad decisions are made locally.,

---

publication: Premier Bride  
company: Premier Bride Arizona  
name: Stephanie Setzer/Publisher  
address: 3165 S Alma School Rd #29-188  
city: Chandler  
state: AZ  
zip: 85248  
phone: 480-330-3359  
EMAIL: premierbrideaz@gmail.com  
url: [www.premierbride.com](http://www.premierbride.com)  
year: 1976  
startyear: Spring '08  
consumer: checkbox  
digest: checkbox  
frequency: 2  
circulation: 45,000  
auditno: checkbox  
free: checkbox  
coverprice: \$,12/31/2007  
subscription: \$  
bwpage: \$2300  
fourcolor: \$3100  
geography: Phoenix Arizona and six additional markets will be bought within the next five years. Some of the markets will be west coast and some will be in the mid west/east coast. If you can handle all six it is preferable but if you can only handle Phoenix and possibly Tucson then ok also but please specify.  
expertise: Experience in bridal industry helpful but not a must,

---

publication: Travelhost Magazine of Suburban NYC  
company: B Hickey Enterprises Inc.  
name: Brian Hickey, Publisher  
address: 1517 Summit Avenue  
city: Peekskill  
state: NY  
zip: 10566  
phone: 914-804-7668  
fax: 914-739-6766  
EMAIL: Brian@NYTravelhost.com  
url: [www.nytravelhost.com](http://www.nytravelhost.com)  
year: 1967  
consumer: checkbox  
standard: checkbox  
srds: Travel  
frequency: 6X  
circulation: 12,000

audityes: checkbox  
auditfirm: ABC  
free: checkbox  
coverprice: \$3.95,12/27/2007  
subscription: \$24.99  
bwpage: N/A  
fourcolor: \$3000  
editprofile: Travel, business, dining, shopping, listings, reviews, entertainment, Broadway shows, maps, Golf, Real Estate, etc.  
demographics: Mostly business travelers, other travelers, middle aged men, avg 100k per year income, business owners/decision makers in larger companies.  
geography: Westchester, Putnam, Dutchess, Orange, Rockland Counties in NY, and Bergen County in NJ  
expertise: Restaurants, retail, services, travel, golf, real estate.,Referral

---

publication: On Earth Resource Guides  
company: H&S Publishing, LLC  
name: Rob Sanford/Publisher  
address: 1579 Kuhio Hwy. #104  
city: Kapaa  
state: HI  
zip: 96746  
phone: 800-835-0583 x1101  
fax: 808-822-2312  
EMAIL: bestplacesonearth@gmail.com  
url: <http://www.onearth.travel>  
year: 1987  
btob: checkbox  
standard: checkbox  
otherformat: The Resource Guide is Full-Color throughout, printed on high-quality glossy paper stock with a professional and upscale look and feel. Full-size magazine format, 20 pages, including Covers.  
srds: Custom  
paid: checkbox  
coverprice: \$ See site,03/01/2008  
subscription: \$ See site  
bwpage: \$ See site  
fourcolor: \$ See site  
editprofile: The Resource Guide is a comprehensive annual guide full of facts, figures, charts, graphs, and vital information about an area (city; county; etc.). The full-color annual includes information on employment, population, real estate, land use, taxes, weather, tourism, agriculture, construction, schools, vital resource contact information, and more.

Facts & Figures on these topics:

Employment

Population

Real Estate

Land Use

Taxes

Weather

Tourism

Agriculture

Construction

Specialty Industry (Film; Wine; etc., as applicable) Vital Resource Contact Information for above topics/economic sector.

Each Guide also includes:

Government Guide

Relocation Guide

New Business Guide

Schools Guide  
Visitor Information Guide  
Health & Wellness Guide

To see a sample in "flip book" format, visit: <http://www.hawaiidatabooks.com/sample>  
demographics: Key Buyers

Buyers #1 (users of OnEarth Resource Guides as a branded marketing tool) as first choice sales calls (in order of past sales successes):

1. Realtors (individually; or as a group buy with a group of agents; or as an office buy; or an office subsidy of an agent(s)' buy; etc.)
2. Mortgage Companies/Brokers (alone or as a co-op with their realtors)
3. Realtor Associations/Boards - (newsletter notice; presentation to realtors at Board of Realtor's meeting; group or subsidized sale possible; etc.)
4. Title Companies (group or subsidized/leveraged sale possible; place announcement in their newsletter to Realtors; etc.)
5. Escrow Companies (alone or as a co-op with their realtors)
6. Financial Institutions (banks; S&L's; credit unions)
7. Developers

Buyers #2 (users of OnEarth Resource Guides as a branded relocation piece) as second tier sales calls:

1. Schools
2. Executive Search Firms
3. Chambers of Commerce
4. Hospitals
5. Military bases

Buyers #3 categories as third tier sales calls:

1. Resorts/hotels (as branded in-room/gift publication)
2. Combinations of all advertiser categories/prospects above (as a team buy; for example, including in one book: realtor; mortgage broker; title company; appraiser; etc.)  
geography: Local; Regional; National; International.  
expertise: Proven ability to sell publications, preferably in the marketplace described under "Audience Profile/Demographics."  
Minimum commitment to sell 1 Resource Guide edition per year per destination at a 2% market penetration, generating projected annual commissions of \$96,900. Desire to sell 4 Resource Guide editions per year (one Guide quarterly each in 4 different destinations), generating projected total annual commissions of \$387,600. Ask for projections spreadsheet for details., Web Search

