



**national bulk vendors association**

**n e w s l e t t e r**

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*Special points of interest:*

- Official first release of George Washington coin to occur on February 15, 2007
- CPSC announces voluntary recalls of products with lead
- Waxman/Obama join efforts to ban lead
- Convention changes announced
- Future Newsletters to be sent electronically

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## New Hope With New Presidential Coins?

Now that the release date is rapidly approaching on the new Presidential coin series, the U.S. Mint is issuing more Press Releases and newspaper interest and attention have increased. From what we see and sense, there is at least some glimmer of hope that the sheer volume of the new Presidential coins will increase circulation and even eventually – dare I say it – result in the elimination of the \$1 bill!!! This is still a huge leap of faith at the moment, but is based on recent editorials and press coverage.



First, some background. The U.S. Mint released the

designs of the first four Presidential \$1 coins on November 20, 2006 and the official first release of the George Washington coin will occur on February 15, 2007. Then new releases will follow quarterly through 2016. At the release ceremony in Washington, Representative Michael Castle (R-De) announced that the goal of the program is to increase circulation, promote history and save billions of dollars for the U.S. Treasury. So far so good.

By January 1, 2008, all federal agencies are required to “take appropriate

actions” to ensure that all their business operations involving coins or currency are fully capable of accepting and dispensing \$1 coins. This includes coin changer equipment and signage announcing acceptance of the \$1 coins. This will apply to all agencies and instrumentalities of the U.S., the postal services, military exchanges, transit systems and all entities that operate any business, including vending machines, on any premises owned by the United States or under the control of any federal agency or instrumentality. Vending machines must display signs and notices regarding the ability of the machines to dispense dollar

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## Gallup Poll Shows Love of Dollar

Before you get carried away with uninhibited enthusiasm on the imminent prospect on the demise of the dollar bill, remember that prior efforts to doom the dollar bill have been consistently unsuccessful through Democratic and

Republican dominated Congress. The main reason consistently given publicly is the continued support of the general public for the one dollar bill, primarily because Americans don't like a lot of heavy coins in their pockets or purses. Our As-

sociation sponsored a poll ourselves about ten years ago and we came up with more public support when the question was posed in terms of favoring the new \$1 coin if the Federal government could save more

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United Effort for Individual Security

# Gallup Poll Shows Love of Dollar Bills

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than \$500 million annually by switching to coins.

But here is what Americans now think about \$1 coins. According to a USA Today/Gallup Poll announced on November 21, 2006:

- 54% believe the Presidential coins are a good idea, while 37% think it's bad.
- 79% are opposed to replacing the \$1 bill with a \$1 coin, while only 17% favor.
- the numbers change slightly when the participants are told the U.S.

government could save over \$500 million per year:

- 69% - oppose the \$1 coin
- 26% - favor it
- 5% - undecided

So now you have the full picture. The Mint will be producing tons of new \$1 Presidential coins that may find their way into circulation, especially in transit systems, on government property and in many vending machines both on and off government property. Is the Mint silently in favor of the \$1 bill being re-

placed by \$1 coins, even though the public is strongly against it? After all, the government will save a lot of money every year with coins. Will retailers support – and make room in their cash drawers – for the new \$1 coins? The answers may take shape in time for our 2007 convention. Stay tuned.



## Lead Recall News

Almost monthly the CPSC announces voluntary recalls of products with lead. These are some of the December announcements:

- Children's butterfly necklaces made by U.S. Toy Co., Inc. – clasps have lead, announced December 13, 2006. No incidents of injury reported.
- Powderpuff girls necklaces with high levels of lead, announced December 13, 2006. No injury reported.
- Gemco(R) Lemonade Jars imported by Lifitime Brands, Inc. The metal spigot contains high levels of lead; also announced on December 13, 2006.
- Children's Mood Necklaces and Diva Necklaces announced December 4, 2006, imported by Really Useful Products, Inc., sold in children's dollar and discount stores.
- Gigantic Gemstone Rings imported by Celebrate Express Inc., made in China. Announced December 19, 2006.
- Bendable animal toys in Indiana given to children as prizes in reading programs, prompted by Indiana Department of health test.
- Similar recalls of bendable toys with lead levels above 0.06% followed in Oregon and Washington.

## Future Convention Site and Dates

Jim Hinton, our Convention Chairman, has negotiated favorable terms with Caesars Palace for the next two years and contracts have been signed.

Here are the dates so you can mark them on your calendars:

2008 – April 17 – April 19

2009 – April 23 – April 25

# New Hope With New Presidential Coins?

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coins. The Mint is presently working on artwork for this program.

The imminent release has prompted other comments about our coinage. That, together with a recent court decision, could generate further discussions on replacing the dollar bills.

There have been a few editorials around the country calling for the elimination of dollar coins, and not just in coinage magazines. For example, in the LA Times on November 25, 2006, there is an editorial that says: "As we hope the U.S. Mint knows, there's no better way to replace the outdated dollar bill than with the commemorative \$1 coin introduced this week." And then: "The coins, which bear the images of U.S. presidents, are being touted as educational. But is there a new numismatic hidden agenda? The Mint is discouraging any such speculation." Of course the Mint can't directly encourage elimination of the \$1 bill,

but it certainly can and, by law, is required to promote the new presidential coins. As the LA times editorial noted, "if they catch on, it will be easier to retire the dollar bill..."

Another fortuitous decision could also speed the elimination of the dollar bill. A Federal District Court in the D.C. District ruled that the U.S. system of paper currency discriminates against blind Americans because all of the bills are the same size and otherwise indistinguishable by touch. This litigation was instituted by the American Council of the Blind. In his ruling, the District Court Judge ordered the Treasury Department to begin discussion of possible remedies which could include the different sizes of notes or different denominations, raised numerals and/or perforations. All of these measures are costly and, at least as it relates to the \$1 bill, could be avoided easily by eliminating the \$1 bill and replacing it with a variety of dollar coins that are now on the market and will be coming into the market in vast numbers within months. Meanwhile, the U.S. government has

appealed the decision and NAMA joined in the appeal, citing the enormous cost of retrofitting vending machines to recognize bills with different sizes.

Finally, the cost of zinc (which makes up 97% of the penny) still exceeds the face amount of the penny and therefore there is continued pressure to discontinue the penny. A nickel also costs more than 5 cents to produce. We reported earlier about the Coin Act of 2006 introduced by retiring Congressman Jim Kolbe (R.AZ). He will be gone when Congress returns and progress on the Bill is unlikely. If the Treasury continues to sustain losses, expect the metal content of the penny and nickel to change unless Congress passes a law making it illegal to melt down pennies and nickels. A Bill was introduced to ban the melting.

Elimination of the penny could really help our cause by opening up a slot in cash drawers for \$1 coins. It doesn't hurt to dream, does it?

## Proposed Rule to Ban Children's Jewelry With Lead at 0.06%

The Sierra Club has prompted the CPSC to consider adopting a formal rule to ban all children's jewelry with lead levels in excess of 0.06%. We expect an official announcement will be published in the Federal Register that will request comments from industry.

Our products are already subject to the 0.06% lead level pursuant to a "Guidance" in an Enforcement Policy. From a legal standpoint, a guidance is less than a binding rule or law. If the CPSC issues a more formal "Rule," the

Rule would be binding on us and the States. In that respect, the issuance of a Rule setting an acceptable lead level of 0.06% would preclude a State (like California) from adopting a more stringent standard.

Please let us know if any of you oppose the proposed Rule since our

proposal is to go on record to support the Rule that fixes the standard of 0.06%.

***Let us know if you oppose the proposed Rule.....***

# Waxman/Obama Report to Ban Lead

You may recall that during our lead recall, Representative Henry Waxman (D;CA) wrote to the CPSC and criticized them for being “too soft” on lead regulations. He said the CPSC 0.06% standard was too lax — but that was before his home State of California and the State of Illinois adopted the 0.06% standard.

Representative Waxman will be the chairman of the Committee on Government Reforms in the new Congress, with oversight over the CPSC and many other governmental agencies.

In December 2006, Representative Waxman and Senator Barack Obama co-authored a Special Report on Lead

in Jewelry and Other Products Sold in Capitol Gift Shops. The report refers to their prior “repeated” requests to the Bush Administration to address the lead hazard by banning the use of lead in children’s products — all of which were “rejected” by the CPSC.

To demonstrate the widespread problem and the urgency for action, the authors had sampling and testing of products bought in the four gift shops in the U.S. Capitol. Out of the 13 items tested at an independent laboratory, seven had lead levels in excess of 0.06%! The highest level of lead was found in a silver bracelet with a lead content of 384,594 ppm, or 640 times greater than the 600 ppm standards of

the CPSC, Illinois and California. Another pendant was almost as high with 363,463 ppm.

We have not heard the last from Representative Waxman and Senator Obama on this subject. The question is whether they will take steps to prevent the codification of the 0.06% standard in the proposed Rule.

## Caesars Palace in 2007

First call for our next trade show – April 19 through 21, 2007. Now is the time to make room and travel arrangements. Attached is the hotel reservation form for your use.

The room rate for the “run of the house” rooms are \$175 per night for both single or double occupancy, plus tax. For those interested in suite prices, here are the rates:

Petite	\$285
Deluxe	\$550
Double Bay	\$750
Royal	\$850
King	\$2,500

Reservations can be made directly to the Room Reservations Department. The direct phone number is **(702) 731-7222** or **(800) 634-6661**. Make sure to identify yourself as a member of the NBVA in order to receive the negotiated group rate. Reservations require a one night deposit, plus tax, by check or credit card for each room reserved. Cancellations received up to 72 hours prior to arrival will receive a refund of the deposit. Cancellations within 72 hours prior to arrival and “no shows” will be charged one night’s room rate and tax.



The cut-off date for accepting room reservations is March 17, 2007. Any requests after that date may be accepted by the hotel on a space available basis at the then prevailing rate. Based on past experience, **these rooms will all sell out and latecomers will be forced to pay a much higher rate.**

Check-in time is 3:00 p.m. on Monday through Thursday and 5:00 p.m. on Friday through Sunday. Check-out time is 11:00 a.m. Guests checking out after 11:00 a.m. may incur late charges.

Caesar’s Palace is located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109. The phone numbers for reservations are (702) 731-7222 or (800) 634-6661. The fax number there for room reservations is (702) 731-7172.

# Advance Registration For Convention

While you are making hotel and travel arrangements you can also pre-register for the show and avoid long lines. Please complete and return the attached Advance Registration form to this office along with your check. Remember, our registration rules and rates have changed – especially for non-members.

The \$75 one day pass for non-members was eliminated and is replaced with a flat fee of \$150 for all three days for non-members and the Friday night Exhibitors' Party. This pass will not entitle a non-member to attend the Saturday night members' banquet or the Saturday morning member meeting.

This change is also intended to encourage non-members to join the Association, or at least extend the stay of non-members beyond a single day.

Given the choice of registering for a three day pass for \$150 or joining the Association for \$100 for the lowest dues category and registering for \$100 (that includes the Saturday

night member banquet and the Saturday morning members meeting), more people are likely to join the Association. For the extra \$50, the small operator can go to the Saturday dinner, get newsletters, the mailing list and get the new coupon book. Sounds pretty attractive and the convention desk personnel will explain this to interested registrants.



Pre-register now and avoid the lines.

## Golf Tournament

The golf tournament will start at 1:00 p.m. on Wednesday, April 18, at the Silverstone Golf Club in Las Vegas. Ken Recker of Vendomatic is our golf chairman. Green fees and carts will be sponsored by Concord Confections, a division of Tootsie Roll Industries, while transportation will be provided by Brand Vending Products, beverages will be



provided by L.M. Becker/Toy 'n Joy, the \$20,000 hole in one by A&A Global Industries, closest to the pin by Flatline Corporation and longest drive by SSM Vending. Sponsors are still needed for hole prizes, giveaways for carts and team prizes. Please contract Ken Recker for sponsor information.

Please complete the attached Golf Registration form if you are interested.

## Convention Changes

As stated in our previous Newsletter, convention schedule changes were adopted at the recent Executive Committee meeting in September. Some key items are:

### **CONVENTION SCHEDULE REVAMPED**

Instead of all seminars on Friday, the seminars will be split between Thursday and Friday, with the very popular video presentation on Saturday morning to precede the Gen-

eral Meeting and elections. Here is what the schedule will look like:

### Thursday

8:00 a.m.

Executive Committee Meeting

10:00 a.m. - 10:50 a.m.

Legislative Committee Meeting

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# Convention Changes

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11:00 a.m. - 11:50 a.m.	Ways and Means Committee Meeting
1:00 p.m. - 1:50 p.m.	Workshop
2:00 p.m. - 2:50 p.m.	Workshop

## Friday

9:00 a.m. - 9:50 a.m.	Workshop
10:00 a.m. - 10:50 a.m.	Workshop
11:00 a.m.—11:50 a.m.	Bull Session (not just for operators)

## Saturday

9:00 a.m.	Video presentation
10:00 a.m.	General Meeting and Election

## **COUPON BOOKS TO BE DISTRIBUTED**

The Coupon Books will be distributed at the convention, but only to members in good standing. Since the NBVA switched to a calendar year, rather than a fiscal year, dues invoices will be mailed in early January, 2007 and must be paid by March 15th to remain a member in good standing. Operator members in good standing will be given the discount coupon books at the convention if they attend the convention. If not, the coupon books will be mailed to them about a month after the convention. If dues are not paid by the convention date, the member will cease being a member in good standing, will not receive any membership newsletters, mailing lists or other benefits until the delinquent due are paid.

# Email Address and Electronic Newsletters

This is another reminder that we will soon start sending our newsletters by email, although we will continue for now to print and mail the newsletters as well. Eventually we will consider reducing or eliminating the printing and mailing.



So if you have not furnished us with your email address,

please do so now by sending it to us at [nbva@muchshelist.com](mailto:nbva@muchshelist.com). We will also provide reminders with our 2007 dues invoices.