



THE KENTUCKY RETAILER

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THE KENTUCKY RETAILER

July 2024, Volume 18, Issue 1

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The Kentucky Retail Federation is the "Voice of Retailing" throughout the Commonwealth, representing retailers of all types and sizes since 1939. From Main Street to the mall, retailers enhance Kentucky's communities and provide a better quality of life for Kentuckians everywhere. Kentucky's retail industry employs over 400 thousand Kentuckians and pays more than \$11.7 billion in wages annually. Retailers collect over \$2.8 billion in state sales tax and pay millions in other taxes to state and local governments.

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More than a Convenience Store



On the cover:
New KRF Chairman
Travis Farmer at the
Lexington Hamburg
Target location,
one of the stores
he serves as Senior
District Director.
(KRF Photo by Steve
McClain)

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KRF continues to advocate for retailers in 2024



Tod Griffin
KRF PRESIDENT

The 2020 Legislative Session has come and gone. While lawmakers were in Frankfort it was a whirlwind of activity and the KRF Government Affairs team was working on multiple bills that impacted the retail industry.

Organized retail crime (ORC) earned some attention from lawmakers and leaders in Frankfort alike. Federation members and staff joined Attorney General Russell Coleman and legal and law enforcement officials from across the state for a roundtable discussion on how to combat the rising incidents of ORC. One of the biggest takeaways from the meeting was the need to communicate better among all the different parties in making an ORC case, and educate judges that it is not a victimless crime. At the same time, legislators passed a crime bill that included increasing the aggregation period of misdemeanor thefts to reach a felony level from three months to 12 months, an important tool for retailers and law enforcement.

While lawmakers continue to tinker with Kentucky's tax system, there was a bill filed once again proposing a constitutional amendment authorizing the General Assembly to give local governments the ability to levy any taxes, including local sales taxes. Fortunately, the bill didn't move although there is the expectation supporters of loosening restrictions on what local governments can tax will continue to try.

Because of the urgency of having our voices heard on those bills, members received calls to action to contact their legislators. I want to thank those members who answered these calls and sent messages to their legislators. When legislators hear from their constituents, it really does make a difference.

The difference hearing from constituents was evident during the debate over a bill that would have limited SNAP eligibility. Members who serve SNAP beneficiaries were able to tell lawmakers the impact of reduced benefits would have on their customers, their business and workforce, and the bill was killed in committee.

Even though the session has ended, the advocacy efforts do not stop. Much of the work to shape future legislation goes on during the interim. The interim period between sessions features legislative committee meetings where a variety of issues are discussed. This gives the KRF government affairs team the opportunity to educate lawmakers about retail issues, and also to hammer out details on potential legislation that could be introduced in the next General Assembly Session.

Also, during these summer months, KRF is working to schedule more meetings with the Attorney General on funding and putting together an organized retail crime task force to better align partnerships in combatting ORC.

The first-hand accounts retailers were able to tell attendees about organized retail crime at the Attorney General's roundtable will go a long way to helping put forth a plan to deal with this increasing problem for Kentucky retailers.

As we go through the year, we will continue to keep an eye out for issues impacting members and we will continue to help members navigate these changing times. As always, thank you for your membership, and please let us know how we can help. ■

Large or small, Kentucky retailers facing similar issues



Travis Farmer

District Senior Director, Target
KRF Board Chair

One of the things I enjoy about being on the Kentucky Retail Federation Board of Directors is hearing from the different members about their operations and what they deal with on a daily basis.

And one thing that has been clear is that regardless of the size of the retail business, whether it is the store in downtown Shelbyville to the national chains such as the one I work for – Target, we all share common issues. Of those, two quickly come to mind – theft and workforce.

I think people believe organized retail crime predominantly happens at your big chains. But every retailer – large or small – can

be a victim of theft whether it be shoplifting or the more elaborate and bigger organized retail crime operations.

This has been an issue that KRF has been working on for several years, but the challenge has been in getting our legislators to understand the impact organized retail crime has on their constituents and that it is not a victimless crime.

It's easy for them to brush off our concerns when they think of us as faceless entities and just a building where people shop. But when they start to understand that theft from retailers leads to higher prices and yes, even lost tax revenue for the state, we can begin to get their attention.

And when we can also show them the impact on our employees, who are constituents with the power to cast votes in elections, then we can really show them how these thefts impact retail. It does not feel good to our store teams when they see somebody come in and load up a cart full of electronics and then bully their way out the door without paying. Imagine being a 16-year-old working the front of the store and you see this person charging out the store stealing

stuff. It's scary.

I do think we have to continue working to educate lawmakers and other leaders in Frankfort. Recently, I had the privilege of representing the Federation along with some other members in a roundtable discussion on organized retail crime with our new attorney general. It sounds like he is on board with the seriousness of the issue, and the Federation will hopefully be able to continue to work closely with him to make that a priority.

The second issue that is a priority for retailers is how do we help retailers in creating a workforce. One thing I always tell my store teams is when a guest walks in your doors, they don't ask, "Are you staffed? Are the shelves stocked?" They walk in and expect all that. We have to be able to help retailers adequately staff their stores.

I think that is where the relationship between the Kentucky Retail Federation and the Kentucky Retail Institute comes in by helping bring awareness to the careers that are available in retail. I think people are probably turned away from working retail knowing they may work weekends and holidays, but in every profession and job people make sacrifices. It makes me think about how we can better promote the career opportunities in retail, including this year's Next Gen Conference which you can find details about in this issue. Not to mention the entrepreneurial aspect of retail. Even your Main Street retailers are finding success and growing their businesses because now they are not just selling to people in their town; but thanks to e-commerce, they are able to reach customers beyond the confines of their town or even their state.

Finally, I could not end without acknowledging the advocacy work the Federation does. Shannon (Stiglitz) and the team do a really good job taking the issues that are impacting retail and helping legislators understand how they impact retail, either positively or negatively. They do a good job fighting for what's right and what's best for retailers.

The Federation board and staff is here for its members. If there are issues you are dealing with, we are here to help. Don't hesitate to reach out. ■

Stay connected to the Kentucky Retail Federation

Kentucky Retail Federation members will vouch for the valuable information that comes from staff to keep their businesses up-to-date with changes from Frankfort and other benefits that help them run successful businesses. If you are not getting emails from the Federation, please contact Steve McClain at smcclain@kyretail.com to make sure your email is on file.

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New KRF board chair took a unique path to retail career

By Steve McClain
KRF

Travis Farmer, the new Kentucky Retail Federation Board Chair, can thank a chance encounter at a job fair for his career at Target where he is now the District Senior Director overseeing 12 Target stores in Kentucky.

Farmer graduated from the University of Kentucky with a degree in Biosystems and Agricultural Engineering, planning to go into biomedical engineering. But that required graduate school and he decided that was not what he wanted to do.

“My secondary focus was water, so I actually went to Frankfort and worked as a wastewater engineer,” Farmer said. “About two years in, I realized I didn’t want to be a civil engineer for the rest of my life.”

So, he started an MBA program at Bellarmine, and when he was getting ready to graduate, he decided to go to that fateful career fair at UK.

“I had researched all of the companies that were going to be at the career fair and created resumes and cover letters specific to each company I was interested in. My goal was to get on the business side of engineering, building marketing plans, meeting with clients, procure their business and then hand it off to the engineers,” Farmer said. “I had no interest in retail.”

As he made his way through the fair, focusing on the booths he prepared for, Farmer said a gentleman at the Target booth just happened to step out and introduce himself as Rodney Branum.

“We exchanged pleasantries, and I, in a very polite way, said I’m not really interested in Target or retail but it was nice meeting you. He asked for a resume, and I told him that I only had a generic resume. He said, well, give me the generic resume and here’s my card, I will call you tomorrow,” Farmer



Travis Farmer did not start his professional career wanting to work in retail, but a chance meeting at a job fair led to his career with Target. (KRF Photo by Steve McClain)

said. “He told me to do some research and go to [Target.com/careers](https://www.target.com/careers), and I’ll call to see if you are interested in learning more about our company.”

So, he went home, started working on his thank-you notes and got to Rodney’s business card. He started looking around the Target website, and he kept coming back to one thing.

“Of all the companies and recruiters that I talked to that day, he was the person who seemed to love his job and the company he worked for,” Farmer said. “You could tell he genuinely loved what he did. He called the next day just like he said he would and set up a shadow day with a Store Director at a Target. I went and did it, and ended up going through the interview process.”

He was interviewing with several other engineering companies and got to the point he was getting offers. Target made their offer and asked what he was looking for. He gave them a number and they just said they could meet that number.

“I was like, ‘Woah!’ There was no negotiating,” Farmer said. “So, I called my parents and told them I was going to

go work for Target. And they were not happy. They did not understand, saying you have an engineering degree and an MBA and you are going to work for a big box retailer. But I saw the potential of the company and felt they had the same values I did."

The rewards of a retail career

So, in January of 2011, Farmer started as an assistant store manager and worked his way up to where he became the district senior director in 2018. He can really speak to how people with varied backgrounds can have a successful retail career.

"You get an opportunity to work with all aspects of running a business and with people from all walks of life. Yes, we have 16-year-old cashiers working their first job, but we also have 75-year-old cashiers who are retired and just want to get out of the house for a couple hours a week. My direct reports are Store Directors running \$30-\$70M businesses! And then there are all the jobs in between," he said. "It's a great opportunity to develop yourself as a leader and as a manager.

"The one thing that I really enjoy about retail is there is strategy, there is planning. But every day you have to be able to react to what the business needs are. There's never a day that is identical to the prior day or to the next day, because once the doors open, and guests are coming into our buildings, you don't know what's going to happen when you throw that variable of 4,500 people walking in your building and having different needs and shopping patterns. What I've enjoyed the most is that yes, we strategize and we create plans, but we also are resilient and adaptable to meet the needs of the business, our guests and our team."

Retail demands adapting

Farmer's engineering background made him a natural for digging into data to understand trends.

"I love the business side of retail. With my engineering background I tend to approach the business in a very analytical way, digging into P&Ls, utilizing reporting to understand the trends that are going on," he said. "Not only across the retail landscape but getting into the details of what's going on in our communities."

If there is one thing that could be said about retail over the last four or five years, it has seen fundamental changes through and post COVID pandemic.

"I think the cool thing about Target specifically and retail in general is we really were essential workers during the pandemic. We quickly adapted to the situation and how we could show up best for our guests to provide them with the essentials that they needed to function or to live. Literally overnight," Farmer said. "Our business went from predominantly in-store transactions, and for about a two-month period from say April of 2020 to June or July of 2020, our business dramatically shifted to a fulfillment business doing online orders, and either shipping them, or we're doing drive up where we're placing it in the trunk of the car, and we're having zero contact with guests."

He credited the Target teams for adapting to the situation. For example, when the in-store Starbucks closed down for a period of time, they taught the baristas how to pick online

orders so they could continue to have a job.

Another change he has seen in the Target stores is the evolution of the food business, that again grew out of the pandemic.

"Whenever I first started, not every Target store had an open market with fresh produce, fresh meats and expanded frozen and dairy departments. And now predominantly every store has that. And that business has grown exponentially specifically through the pandemic because again those were essentials that our guests were needing and everyone was trying to consolidate trips," Farmer said.

Another trend has been the development of small-format Target stores that are being built in urban areas. Lexington has one of those stores near the UK campus, and Farmer said it has been successful in getting students and residents downtown to shop there.

"The idea is smaller basket sizes. We're not selling a lot of apparel or home decor but getting students to come and grab something to eat and drink on their way to class. They may not be loading their car up with groceries, but they may be shopping multiple times to get two or three bags on their way home," he said.

On the flip side, while home décor sales spiked when the pandemic began, those numbers have slowed down with higher inflation and people buying more essentials, so Farmer said they have had to adapt by being smarter with inventory management and different promotions.

Continuing the legacy

While Target may not have been his initial landing spot when he went to that job fair, Farmer said it has been a rewarding detour to a career he loves.

"The most rewarding part of my career at Target has been seeing potential in people and helping them to grow and develop and to progress in their careers," he said. "It's so rewarding to find somebody that starts out as cashiers when they're 16, and now they're an assistant store manager and on track in a couple of years to have their own store."

All because Rodney Branum stepped out from behind the table.

"One of the store directors that interviewed me said they didn't want to make me an offer, because he didn't feel like I was going to stick with Target," Farmer said. "But Rodney fought for me. He saw something in me and wouldn't let the hiring manager turn me down."

"I always think about him whenever I have a tough decision. He was my mentor first and eventually became my boss. I learned so much from him about running a successful business through building connections with your team, and just respect the person and leader that he was so much. I constantly find myself, if I'm in a conundrum, of just thinking what would Rodney do in this situation."

As for his parents, he said they still may get frustrated with his work schedule around the holidays, but they are proud of the career he's built with Target.

"I think I've probably surprised them. When you sit back and you think about what I actually do, I oversee a \$550 million business with 12 Store Directors and 2,000 employees under me. That's pretty cool." ■

REALITY OF RETAIL CRIME

KRF joins with Attorney General Coleman for Roundtable Discussion

By the Office of the Attorney General
and Steve McClain, KRF

Attorney General Russell Coleman convened a roundtable discussion on the reality of retail crime in Kentucky. The panel included retailers, County and Commonwealth's Attorneys and local, state and federal law enforcement. Among the retailers was Kentucky Retail Federation Board Chair and Target District Senior Director Travis Farmer, Home Depot Senior Manager of State and Local Government Relations Brian Gamberini, Walgreens Regional Vice President of Government Affairs Sally West, Ahmed Young with Walmart Public and Government Affairs, and Rob McGlone, Loss Prevention Manager for Newcomb Oil in Bardstown, along with loss prevention specialists.

Coleman highlighted the serious threats shoppers, retailers and employees face amid rampant theft.

"I am proud to be part of this effort not just as Attorney General, but as a dad who wants my family to be able to shop without fearing for their safety," said Attorney General Coleman. "The volume of 21st century major retail crime feels like lawlessness, and we can't accept turning a blind eye."

In 2020, American retailers lost more potential revenue to retail theft than ever before. Nearly nine out of 10 retailers say these criminals are getting more aggressive and more violent. Several big box retailers have closed stores because theft and violence made

them too dangerous to run. And recent shoplifting data suggests that it's a surging problem with no end in sight.

Retailers said organized crime has cost them tens of billions of dollars a year and appreciated Attorney General Coleman convening the first of many discussions to combat the rampant shoplifting problem.

"What we don't want to do is talk about shoplifting as a petty theft," said Tod Griffin, KRF President. "We want to talk about organized retail crime. Shoplifting has become the scourge of the retail industry, and I know Kentucky retailers have been impacted. It's been linked to some of the drug issues and cartels we are seeing, linked to human trafficking and terrorist organizations. It's more than what we see at the store level."

That opened the door for everyone from retailers to law enforcement to share their first-hand experiences with organized retail crime.

"Across the Commonwealth, organized crime continues to be a challenge facing retailers. We know the impact is significant, costing tens of billions of dollars a year," said Farmer. He pointed out that at Target stores in Kentucky since the pandemic theft had increased 75 percent and the number of violent incidents of assaults or threats had increased 105



Kentucky Retail President Tod Griffin kicks off the roundtable with Kentucky Attorney General Russell Coleman. (KRF Photos by Steve McClain)



Home Depot's Brian Gamberini talks about the measures the home improvement chain has taken to reduce theft during the Attorney General's roundtable discussion on organized retail crime.

percent. There was also 300 documented repeat offenders last year alone.

"We mention the impact (ORC) has on our team, but it also has an impact on our customers. According to one poll, 38 percent of consumers have changed their shopping patterns over the last 18 months because of what they're experiencing in the store," Farmer said. "They see the theft and the violent acts toward our teams, and because of that, they are changing their shopping patterns."

Gamberini mentioned online marketplaces that are a popular venue for thieves to sell the merchandise they have stolen, especially from Home Depot.

"Thieves can get around the state pretty quickly in the course of a couple days and steal from multiple Home Depots, and as we've said, by the time that those products are walking out the door, they're typically either already sold online through a marketplace, or they're kind of going in the back of a parking lot through a peer-to-peer network," he said. "I think there's something we need to look at in terms of this peer-to-peer Facebook marketplace where there can be cash transactions and people back up to parking lots."

"We may not have the same resources as the big box stores, but we feel the same straining impacts of retail crime," said Rob McGlone, Loss Prevention Manager for Newcomb Oil in Bardstown. "I look forward to continuing this conversation

about protecting our workers, customers and the communities we serve."

McGlone said they have had groups pump fuel using "reincoded" credit cards to dispense fuel and refilling tanks and then selling them to large construction companies. They have also had groups of teen-agers go on social media bragging about being the bandits of Five Star. He said they may not be big ticket items but it adds up to thousands of dollars.

West with Walgreens said they have a big Hallmark section and had to start keeping gift bags behind the counter because people would use the bags to stuff them with items and walk out. Gift cards have had to be moved behind the counter as well.

Discussion during this roundtable focused on how retailers, law enforcement and judicial agencies could communicate better as retail thieves cross county lines and change their tactics. Prosecutors also said there was a need to educate judges that ORC is not a victimless crime and perpetrators should be treated accordingly.

"These criminals don't recognize county or city lines, and neither should we," said Chief Jeremy Thompson of the Elizabethtown Police Department. "Law enforcement, prosecutors and retailers large and small across the state and the country need to work together to deter this crime. It's great to see that leaders like Attorney General Coleman are paying attention to this real issue." ■



"According to one poll, 38 percent of consumers have changed their shopping patterns over the last 18 months because of what they're experiencing in the store. They see the theft and the violent acts toward our teams, and because of that, they are changing their shopping patterns."

— Travis Farmer, KRF Board Chairman and Target District Senior Director



MORE THAN A CENTURY OF SERVICE



Hinton Mills has been a fixture for farmers in the Mason and Fleming counties area for over 100 years.

(Top) Customers come in to place orders for farm supplies during the annual Seed Days event at the Mays Lick location.

(Above) Adam Hinton, KRF board member and one of the vice presidents of Hinton Mills along with his brothers, made the rounds with local radio stations to talk about how the business has served the community, including Jeff Ray from Gateway Radio Works, Inc. His great-grandfather started the business in Goddard, Ky., and the story of the family business is on the feed bags (Opposite page, top)

Hinton Mills serves area farmers

By Steve McClain
KRF

Hinton Mills has been a fixture around Fleming and Mason counties for over 100 years. And while the farming business and Hinton Mills have both evolved throughout the years, it continues to serve the agricultural community.

In fact, on a sunny February day too cold to be out in the fields, Hinton Mills continued a 41-year tradition of holding Seed Days at its locations.

“When Seed Days started, it was an opportunity that started informally for farmers and seed salesman to have a bologna or ham sandwich to talk about the upcoming planting season,” said Adam Hinton, a vice president of the family business along with his brothers. They are the fourth generation to run the business. Their dad, Frank but known better as Bud, is the president and third generation of the family business.

Dave Mitchell and Ferman Perkins were instrumental in starting Seed Days. Dave was the seed salesman, and Ferman was the manager at the Flemingsburg location and married to Frank “Bud”’s sister. They set up Seed Day meetings in the late winter over those sandwiches to make a plan for a successful spring. They would pick out the field, pasture and row crop seed.

Today, Seed Days has grown to include grilled burgers hosted by the local FFA chapters and radio interviews, but from the crowd that was at the Mays Lick location, it still draws local farmers to discuss seed, pick up fencing supplies and other things to do maintenance and get ready for the planting season.

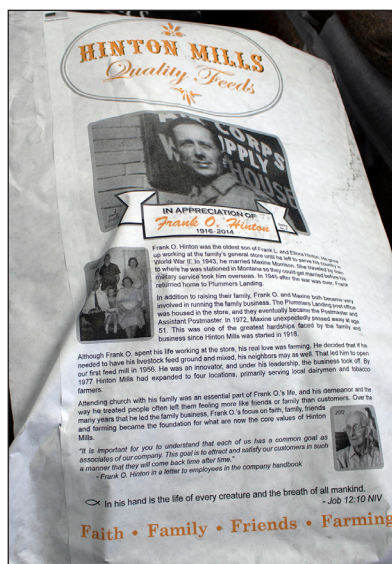
It's that kind of community outreach that has helped Hinton Mills expand from Goddard, Ky., to six locations – Plummers Landing, Flemingsburg, Ewing, Mays Lick, Cynthiana and Mount Sterling. Each location now hosts a Seed Day event to serve their local customers.

Humble beginnings

Adam's great-grandfather, Frank L. (for Lambert), opened that first store near the famous covered bridge in Goddard in Fleming County. It served as the community general and grocery store, but Adam said the story of Hinton Mills goes back before that.

"When (Frank L.) was a young boy, he was 9 years old, both his mother and father passed away, so he, his brother Ed and his sister Nell, moved in with their grandparents. Not long after, his grandfather passed away, so at the age of 12, Frank L. found himself in the role of the man in the family and dropped out of school in the third grade.

"To provide for the family, he raised baby calves. We don't know how he started because we know they didn't have money. We assume someone probably gave him a baby calf. He started raising calves, and at some point, he sold it and he probably bought some necessities in groceries," Adam said. "The good thing was he reinvested in his business and bought another calf and started raising eventually two calves at a time, then three



calves at a time. And that was kind of the seed money for what became Hinton Mills.

"And that's how he started. The official business logo, this little calf logo, represents that little bottle calf that he raised."

The business continued along until the 1950s, when the second generation of Hintons, Frank O (for Owen), got involved. He had served in World War II, and when he came home all he wanted to do was join the family business and be a cattleman like his dad.

"We figure some cold December or January night when he was having to drive after work to pick up corn that they could ground that could be sold at the store and to feed his own cattle," Adam said. "He decided to take a risk to start milling their own feed. And that's how we got into the milling business. He decided if he had this need to have feed for his own cattle, his

neighbors might as well."

And they opened their first mill at Plummers Landing, and as Adam said, they haven't looked back.

They may not have looked back, but they have had to evolve as the farm economy has changed. At first, their customers were a lot of dairy and tobacco farmers. But the numbers of dairies in Fleming County have declined from 330 in the 1980s to less than a handful now, and of course tobacco has declined over time. So now it is more feed, seed and fertilizer for beef cattle, row crops and hobby farmers.

"The real bread and butter is the feed we manufacture that we sell at our locations, but at other locations as well," Adam said.

Now instead of grinding corn farmers bring in themselves, they buy the corn and grind it and package it. He said when they

"Hinton Mills" continues on page 17

HOT OFF THE GRILL

Kentucky Retail Federation staff took part in the Hinton Mills Annual Beef Month Cook-off in May at the Flemingsburg location.

Teams from the Kentucky Department of Agriculture, Kentucky Department of Fish and Wildlife Resources, KY Chamber of Commerce, and other organizations participated in a celebrity cookoff and prepared a beef-month featured recipe.



(Below) KRF was represented by Senior Vice President of Government Affairs Shannon Stiglitz, Senior Vice President of Operations Cassie Grigsby, and President Tod Griffin.



KRF logs important wins during 2024 Legislative Session

The 2024 legislative session of the Kentucky General Assembly concluded its 60-day session on April 14. The 60-day session of the legislature is when the General Assembly adopts its biennial budget, and this year they passed a budget and a projects bill that spent \$2 billion on one-time funding of projects. There were no major tax changes in the 2024 legislative session, but the legislature did not meet the triggers for the automatic lowering of the personal income tax.

Retailers realized some successes in this legislative session, including expanding the availability of alcohol quota retail package licenses in communities with a population of 100,000 or more. Additionally, comprehensive data privacy legislation was adopted, making Kentucky in line with model states like Virginia. Another major victory for retailers was the passage of legislation to address organized retail crime. House Bill 5 increases the aggregation period of misdemeanor thefts to reach a felony from three months to a 12-month period. It also allows for these crimes to

be aggregated across counties and prosecuted in one county. Also, legislation passed prohibiting discrimination against gasoline fuel retailers, expanded pharmacists' legal authority to vaccinate those age five or older, and pharmacy benefit manager reform legislation was adopted.

Some of the greatest successes the Federation has in any legislative session is stopping harmful legislation. This includes a proposed constitutional amendment authorizing the General Assembly to give local governments the ability to levy any taxes, including local sales taxes. House Bill

14, sponsored by Rep. Jonathan Dixon (R-Henderson) would have asked voters to approve giving the General Assembly the authority to levy any tax not in conflict with the constitution, and removing any local government tax restrictions in the constitution, meaning that there would be none.

The effective date of legislation that doesn't contain an emergency clause or a delayed effective date is July 15, 2024. Below are some highlighted pieces of legislation from the 2024 session. ■



KRF Senior Vice President of Government Affairs Shannon Stiglitz and Rep. Killian Timoney listen to questions on alcohol retail quota licenses during the 2024 session. (KRF photo by Steve McClain)

Organized Retail Crime: Addressing organized retail crime was a legislative priority for KRF this session. One goal was to pass funding for an organized retail crime task force within the attorney general's office to encourage coordination with retail asset protection departments, law enforcement and prosecutors to prosecute crimes.

Unfortunately, the General Assembly did not fund the task force at this time, but the Federation will continue to work with the attorney general on the issue and to encourage coordination.

While the legislature did not fund the task force, they did propose and adopt legislation to help with the prosecution of organized retail crime. House Bill 5, the omnibus anti-crime bill commonly referred to as the Kentucky SAFER Act, included two provisions that were a priority for KRF. One

provision extended the aggregation period – the amount of time that a series of the theft crimes can be combined into one charge to reach a felony – from three months to 12 months. Additionally in the bill, thefts that occur in multiple counties could be aggregated and prosecuted across multiple jurisdictions.

House Bill 5 was a priority of the House Republicans, and passed the House after a long debate. The bill moved to the Senate where the contentious debate continued. The Senate filed a Committee Substitute that included a clarification that for multi-jurisdiction prosecutions a defendant can only be tried for any singular theft crime once. The Senate floor debate was contentious as well, but in the end, it did pass the Senate. The governor vetoed it, but the General Assembly overrode the veto, and it will become law. ■

Comprehensive Consumer Data Privacy: For several years, Sen. Whitney Westerfield (R-Fruit Hill) has pushed comprehensive data privacy legislation, including last session when his bill opposed by retailers passed the Senate. Westerfield once again filed SB 15 in 2024 that would have created comprehensive data privacy legislation which included definitions of targeted advertising and tracking, confusing two terms that businesses would have difficulty deciphering. It did not include a private right of action as in previous sessions, but for retailers' loyalty card programs, language would have hampered their ability to offer these programs. The bill never received a committee hearing and died as the 2024 session came to a close.

In the House, Economic Development Committee Chair Josh Branscum (R-Russell Springs) filed HB 15, comprehensive data privacy legislation that aligns with Virginia and other states that businesses and data privacy advocates came together to reach a compromise. House Bill 15 easily passed the House and the Senate, with Westerfield filing technical amendments to correct a couple of errors. The governor signed the bill.

House Bill 15 takes effect Jan. 1, 2026. ■

SNAP Eligibility Requirements: For a number of years an organization called the Foundation for Government Accountability (FGA), an advocacy organization out of Florida, has advocated for reform to public assistance programs, including the Supplemental Nutrition Assistance Program (SNAP), which provides temporary food assistance for individuals and families based on their personal income.

In the 2024 legislative session they again advocated for reforms to eligibility of SNAP recipients and waivers the state receives from the federal government to increase the number of beneficiaries. House Bill 367, sponsored by Rep. Wade Williams (R-Earlinton), would have prohibited the Cabinet for Health and Family Services from increasing the number of possible SNAP participants by changing gross income requirements or exempting assets beyond what the federal law allows. It would have also prohibited the cabinet from exempting beneficiaries from work requirements.

The legislation was met with opposition from food banks, grocers, and others. The bill would have also prohibited the cabinet from granting county waivers from SNAP eligibility requirements. Countywide waivers are for special situations such as natural disasters, high or persistent unemployment. The bill failed the committee vote, but that was not the end of the discussion as the General Assembly brought the legislation back to committee the following meeting.

An amended version of HB 367 was heard again and was narrowed to prohibit the cabinet from requesting a waiver unless they received permission from the General Assembly. The bill still died and was never brought up again. ■

Autonomous vehicles: Autonomous vehicle legislation finally passed after the legislature overrode the governor's veto. Some Republicans voted against the bill before Beshear vetoed it, but then voted to override the veto and there were just enough votes to push House Bill 7 out of the chamber and become law.

The Federation supported this legislation as autonomous vehicles could be a means to fill truck driving vacancies and help with supply chain issues. House Bill 7 survived being passed over on the Orders of the Day for multiple days, and five floor amendments were filed that were withdrawn or defeated. The Senate voted 21-15 and the House 58-40 to override Beshear's veto. He vetoed the bill on the grounds it did not fully address safety and security of AV vehicles and did not have a testing period requiring a human behind the wheel as other states have done. The Kentucky Retail Federation sent a letter to legislators requesting they vote to override the veto. Some legislators who voted no on HB 7 supported overriding the veto and it became law. ■

Local Tax Constitutional

Amendment: Once again, the Kentucky House prioritized HB 14, a proposed constitutional amendment giving the legislature the ability to give local governments the authority to levy "any tax not in conflict with the Constitution." What the language of the proposed constitutional amendment did not explain is that the amendment itself eliminates any constitutional restrictions on local taxes, meaning that the General Assembly could authorize any local tax they could imagine. Fortunately, while the legislation did receive some procedural advancements, it did not receive a committee vote and died as a result.

House Bill 724 was a companion to HB 14, in that it would have prohibited any local government from immediately enacting a local sales tax if the constitutional amendment had passed. Instead, it required the General Assembly to pass laws to give local governments such authority. This is a protection from overzealous local governments who may have tried to enact local sales taxes immediately after the passage of the constitutional amendment. Regardless, neither of the measures passed. ■

Alcohol Quota Retail Package

Licenses and Delivery Requirements: House Bill 439 addressed the fact that cities such as Lexington were out of quota retail package licenses, meaning that there could be no new wine and spirits licenses. The Federation testified about this concern in July of 2023 before the Interim Joint Committee on Licensing & Occupations. Another concern raised by retailers that was addressed was requiring third-party delivery companies delivering on behalf of retailers to display signage with the license number, but this was a safety concern for drivers and a liability concern for retailers. For communities with a population of 100,000 or more, the bill increased the retail quota package license parameters from one license to every 2,300 residents to one license for every 2,000 residents. The governor signed the legislation. The bill contained an emergency clause and is therefore in effect. ■

2024 Retail Next-Gen Student Leadership Conference scheduled for September 19

After a successful debut in 2023, the Kentucky Retail Institute (KRI), in partnership with the Kentucky Department of Education's Office of Career and Technical Education, will be holding the 2024 Retail Next-Gen Student Leadership Conference Sept. 19 at Spy Coast Farm in Lexington.

Nearly 100 high school students from across the state gathered in Elizabethtown last year to hear from retailers and the Community Education Development Initiative of Kentucky on the impact the retail industry has on Kentucky's economy, what careers are available in retail and how the skills learned working retail can translate into a successful career.

"The Retail Next-Gen Conference is the perfect opportunity to showcase the careers available in the retail industry and connect with students that are the talent pipeline for the future workforce," said Cassie Grigsby, KRI President.

There are many different paths a student can take in the retail



industry, and they can choose their path to success. Whether they choose to start their retail career right out of high school, earn a two- or four-year degree, or participate in the Retail Leaders Apprenticeship Program, the decision is theirs.

One of last year's speakers, Adam Hinton with Hinton Mills, said it was "energizing to meet many of Kentucky's young entrepreneurs, marketing prospects, and creative minds at the Retail Next-Gen Student Leadership Conference."

The agenda is still being finalized, and there are sponsorship opportunities available for retail businesses. The sponsorship includes a vendor table for students to visit, your company logo on the back of the T-shirts given to the students, your company logo on all marketing materials, and an opportunity to speak on the day of the event.

If you would like to be a sponsor, be involved, or if you would like to see a Retail Next-Gen event in your area, please contact Cassie Grigsby at cgrigsby@kyretail.com. ■

NRF Forecasts Retail Sales to Reach at Least \$5.23 Trillion in 2024

WASHINGTON – The National Retail Federation forecast that retail sales will increase in 2024 between 2.5 percent and 3.5 percent to between \$5.23 trillion and \$5.28 trillion. The announcement was made during NRF's fourth annual State of Retail & the Consumer virtual discussion.

"The resiliency of consumers continues to power the American economy, and we are confident there will be moderate but steady growth through the end of the year," NRF President and CEO Matthew Shay said. "Successful retailers offer consumers products and services when, where and how they want to shop with prices they want to pay."

The 2024 sales forecast compares with 3.6% annual sales growth of \$5.1 trillion in 2023. The 2024 forecast is in line with the 10-year pre-pandemic average annual sales growth of 3.6 percent.

Non-store and online sales, which are included in the total figure, are expected to grow between 7 percent and 9 percent year over year to a range of \$1.47 trillion to \$1.50 trillion. That compares with non-store and online sales of \$1.38 trillion in 2023.

NRF projects full-year GDP growth of around 2.3 percent, lower than the 2.5 percent in 2023 but strong enough to sustain job growth. Inflation prices are also expected to moderate to 2.2 percent on a year-over-year basis, due to a cooling economy, the labor and product market coming into better balance and retreating housing costs.

"The economy is primarily supported by consumers who have

shown much greater resilience than expected, and it's hard to be bearish on the consumer," NRF Chief Economist Jack Kleinhenz said. "The question for 2024 ultimately is, will consumer spending maintain its resilience?"

A tight labor market, with its robust job growth and wage gains fueling consumer spending, is expected to cool in 2024. With the pace of the economy slowing in 2024, NRF expects about 100,000 fewer jobs on average per month compared with 2023 and the unemployment rate to average 4 percent for the full year.

Kleinhenz also noted that consumer balance sheets and debt servicing levels remain in good condition. Rising home and stock prices in 2023 likely stimulated greater consumer spending via the so-called wealth effect and this should continue in 2024. Several surveys reveal that consumers appear to have a favorable outlook which should also support their willingness to spend. Yet, many consumers are feeling a pinch from tighter credit and inflation.

NRF's calculation of retail sales excludes automobile dealers, gasoline stations and restaurants to focus on core retail. The 2024 retail sales forecast is based on economic modeling that considers a variety of indicators including employment, wages, consumer confidence, disposable income, consumer credit, previous retail sales and weather.

NRF produces forecasts and other analyses using data from a range of U.S. government sources as well as the CNBC/NRF Retail Monitor, powered by Affinity Solutions. ■



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More than just a convenience store

By Cassie Grigsby
KRF

When you think about convenience stores and how they are incorporated in your everyday life, typically you would think about a convenient stop for a snack and drink or a fill up for your vehicle with gas while you are going about your day. Annville Town & Country is an exception to that image of a convenience store – it's a hybrid store that includes a grocery.

I spent some time with Brian Murray, owner of Annville Town & Country, talking about the convenience store business, what his days are like being a business owner, and all the twists and turns he experiences in one given day.

Brian has owned and operated Annville Town & Country, a locally owned independent store, for over 23 years. He is a second-generation convenience and grocery business owner. His mom was in the convenience and grocery business for many years, including the wholesale side. In 1993 the Annville store became available, and his mom decided to lease it with a business partner.

At the time, Brian was pursuing a successful career in radio and continued that career for more than ten years. In the fall of 2000, his mom told him she was buying out her partner and had the perfect person in mind to run the business. When he asked who, she told him she would like for him to run Annville Town & Country.

Fast forward several years, Brian and his wife Allison are still successfully operating Annville Town & Country. When Brian

agreed to his mom's request, he said one thing he remembers her telling him, "Work on relationships. If you work on relationships, the business will follow."

Just in the few hours I spent with Brian, it is evident he has built many relationships. Brian sits at the front of the store where each customer has access to him. Many of them stop by to say hello, they ask how he is doing, or even ask for help in a difficult time in their life. I experienced each of these examples in the time I was there.

Annville Town & Country offers other unique products you don't normally see in a convenience store. They employ three professionally trained meat cutters allowing them to offer fresh cut meat seven days a week. They also offer fresh produce. The store is designed around the customers and their needs. To the right is the quick pick-up such as a Hunt Brothers pizza or deli sandwich for lunch or to the left where the market portion is set up for grocery shopping.

Annville Town & Country has seen growth every year for 23 years. I asked Brian what has contributed to so many successful years. He said,



Brian and Allison Murray have served the Annville Community for 23 years, providing groceries, fuel and other items at the business his mom started leasing with a business partner in 1993. (KRF photos by Cassie Grigsby).

“There are many things from the operation perspective that I believe have contributed to our success. He said when running this type of business, the devil is in the details. Product knowledge is key. We also try to meet the customers where they are. It is important to learn what your customers want and if a customer comes to him asking for a certain product, I am willing to give it a try.”

Brian went on to say, “they invest in the community, and he believes this plays a huge role in their success as well.” He said, “I wake up every day asking myself what I can do better or what can I change to make something better and stay relevant in this community and industry?”

Brian is a member of the Kentucky Retail Federation. I asked him why it is important for them to be members and how has his membership been a benefit to him and his business. He said, “KRF is a recognized and respected entity in Kentucky that not only advocates for their members on retail and business issues, but also offers valuable member benefits.” He went on to explain, “Our business needed health insurance for our employees. We were in a situation where that carrier was leaving the marketplace and this situation had to be carefully navigated. KRF guided us through the change in our health insurance, kept us informed, found us the right policy, and I am just so grateful! In today’s environment, this is rarer than hens’ teeth,” Brian said.

I asked Brian, after 23 years in this business, how do you want people to remember you? He said, “I want to be remembered as someone who never quit, and I always want to continue to make a difference.”

If you are in the area, stop by Annville Town & Country. Fill up your tank, pick up a snack or something to cook for dinner, but don’t leave without stopping by the front corner and say hi to Brian and Allison. A friendly hello and a kind word will always make a difference in this world. ■



HINTON MILLS

Continued from page 11



put in a new mill in 2004 at Plummers Landing, smaller stores and mills started reaching out and asking if they would be willing to package feed for them.

“That was one of the milestones in recent years when we started producing the product and wholesaling it to other retailers,” Adam said.

Serving the community

A business has to meet the needs of their customers to still be relevant for more than 100 years, and that is what Hinton Mills has done. Besides feed, the stores carry a wide variety of fencing and feeding supplies, branded merchandise and other items needed around the farm.

“We know that somebody else can open up across the road and start selling things as well. We feel that we manufacture, select and sell quality products, but really, we are in the relationship business,” Adam said. “The customer service, business and product knowledge are important. We want to be a trusted source to people and sell what they want and get it to them. That’s what we do.” ■

Harrison Flora (left) fills a feed bag in the mill. Hinton Mills not only serves its local customers, but provides feed to other stores in the area once they put in their own mill. They have also automated some of the Mills features, along with providing fencing supplies, logowear and other items. (Photo by Steve McClain/KRF).



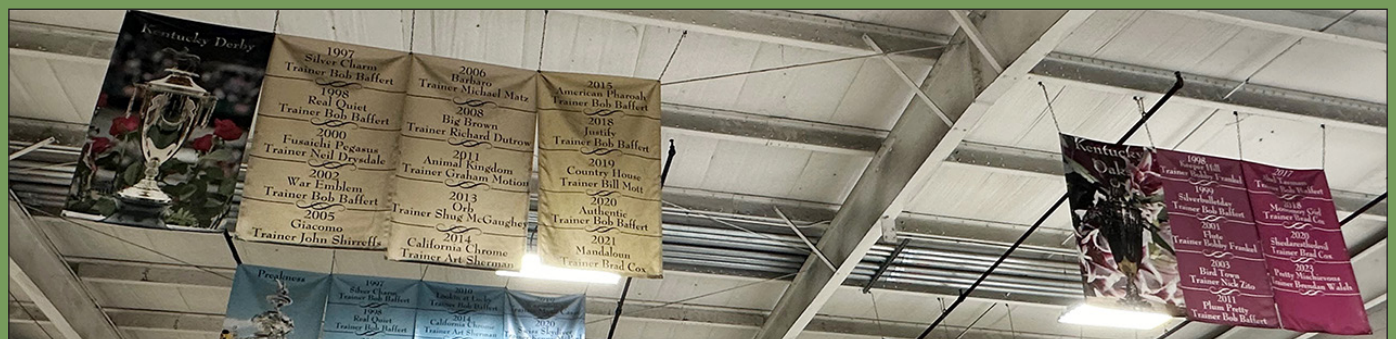
Kentucky Retail Federation Board meets at Hallway Feeds



The Kentucky Retail Federation Board of Directors held its spring meeting at Hallway Feeds in Lexington, including a tour of the facility by Jeff Pendleton, Hallway's General Manager and a KRF board member.

Hallway Feeds is a world-wide retailer of feed products for the equine industry. It prides itself on feeding numerous Kentucky Derby, Kentucky Oaks, and Breeders Cup winners, whose names are displayed in their production facility.

Pendleton also showed how Hallway Feeds has upgraded its technology to streamline the production process, including using robots to fill, stack and prepare products for shipping to customers. (KRF photos by Steve McClain)





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