

SOUTH DAKOTA RETAILERS ASSOCIATION
ANNUAL REPORT



Celebrating
125 YEARS

CELEBRATING
125
YEARS
1897 - 2022



HISTORIC STRENGTH, *Dynamic Impact*

Cheers to 125 Years! (And counting.)

Throughout 2022, we celebrated 125 years of providing useful information, unmatched advocacy for businesses, and money-saving services.

We hosted an elegant reception at Custer State Park in June and a huge bash at the Washington Pavilion in Sioux Falls in September, with more than 300 people in attendance.

We enjoyed participating in and sponsoring a variety of events, from Boss Cowman in Lemmon to Czech Days in Tabor, the Chislic Festival in Freeman, Gold Discovery Days in Custer, the Lake Area Band Festival in Chester, and many others.

We reached record membership, climbing above 4,000 members for the second time in our history. More than 500 new businesses became members and 90 percent of our members remain with the Association beyond their first year.

More than 60 new South Dakotans received checks through our \$1,000 Workforce Incentive program, working in 50+ businesses in two dozen communities across the state. These new employees came from more than 20 different states.

A dozen speedsters competed in our second annual “Best Grocery Bagger” competition at the State Fair, entertaining another large crowd. Come join us again in 2023!

And we maintained our robust media presence, enjoyed a successful legislative session where we tracked upwards of 200 bills, expanded our ProStart culinary training program to 21 high schools, provided ServeSafe food service training to more than 1,000 people, and printed nearly 6,000 copies of our comprehensive Legislative Lineup.

As we start our 126th year, we continue our commitment to providing strong support, timely information, and effective advocacy. If we can be helpful with anything, please give us a call at 605-224-5050.

-Nathan



CHEERS TO **125 YEARS!**

To celebrate our quasiquintennial anniversary, we hosted a celebratory social event at the Washington Pavilion's Mary Sommervold stage in Downtown Sioux Falls. At the September 19 event, over 300 guests enjoyed delicious appetizers, Vesselager 125 (a beer made by Dempsey's in Watertown, named after Retailers Association founding member Governor R.S. Vessey), desserts from Oh My Cupcakes! and One Smart Cookie, and live entertainment from Goodroad, voted the #1 local band in Sioux Falls nine times!

Available for guests to enjoy was a photo booth and a plethora of free 'swag' items, including oversized mink-touch blankets, keychains, stickers, beer mugs, lowball glasses, ice scrapers, and more. The party favors were a favorite among the crowd, quickly clearing off shelves.

Combining the themes of retail and our historic past, the venue was decorated as a downtown. There was a diner, studio, bakery, mercantile, beer cart, retail store, post office, Montgomery's Furniture store, and extra decorations, like light posts and an animated backdrop with twinkling stars and lights of Winner's downtown in the 1940's. Some booths were named after prominent staff members in our history, including past Executive Director Jerry Wheeler and Carol Nowak, the longest-serving employee in SD Retailers history.

An event this large and successful does not happen overnight, and required many months of planning and marketing. A special thank you to our new member, Serendipitous Events, for event planning, the Washington Pavilion for hosting, Events Coordinator Carrie Wheelhouse for envisioning and executing, everyone who provided food and drinks, Montgomery's for furnishing a lounge space, and all the members who showed up to celebrate our 125th year!

2022

CELEBRATING 125 YEARS!

4,000 MEMBERS STRONG!

91% MEMBERSHIP RENEWAL

570 NEW MEMBERS IN 2022

125 YEARS OLD

One of the oldest, largest and most influential state retail associations in the nation.

DIVERSE MEMBERSHIP

Representing everything from Mom & Pop shops to large multi-unit businesses.

OVER 160 BUSINESS CATEGORIES, INCLUDING:

- 758 | Restaurants, coffee shops, & juice shops
- 308 | Convenience Stores/Car Washes
- 178 | Auto Parts/Repair/Service
- 148 | Grocery Stores
- 142 | Hotels/Motels
- 142 | Bars
- 98 | Insurance Agencies
- 91 | Clothing/Boutiques
- 78 | Pharmacies
- 65 | Associations/Foundation
- 61 | Gift Shops
- 61 | Building Materials/Supplies
- 51 | Doctors/Clinics
- 48 | Hardware Stores

YOU'VE GOT MAIL!

We like to keep in touch and make sure if there is something going on in the business world - you know about it. In 2022, we sent an email update every other week, or as important information was made available, many that included a brief video focusing on the most important topic of the week.

REACHING YOU AND YOUR CUSTOMERS

In 2022, we were in the news A LOT! We highlighted happenings at the Capitol during the legislative session, carried out a poll on South Dakota's taxes, spoke prominently about the workforce shortage, and acted as a historically trusted source during uncertain times.

In some cases, we asked you to help speak on behalf of your business - thank you!

SOCIAL BUTTERFLIES

This year, our following on Facebook grew to nearly 4,000! Meanwhile, our Instagram gained over 200, putting us at just over 1,000 followers!

The 2022 Best Bagger Competition winners post on Facebook had a reach of **more than 9,800 people!**

Our Monday morning Cup of the Week posts remain popular with all our friends on Facebook, with the **200th post** in September!

STAYING INFORMED

RETAIL PROPHET

Our bimonthly magazine is sent right to your door and inbox six times a year and is always available on sdra.org. Its content keeps you up-to-speed on laws and regulations, as well as what's being debated in South Dakota and in Washington, D.C. Each issue features answers to frequently asked questions, sales tax numbers, trends, and best business practices. In 2022, a few topic-specific issues included: marketing, our 125th anniversary, alcohol laws, and the unexpected, which shared how members found unique ways to boost business.

ANNUAL MEETING | JANUARY 10, 2022

BUSINESS FORUMS HIGHLIGHT HOT TOPICS

The 2022 Annual Meeting featured educational business forums led by our members and Dennis Daugaard, 32nd Governor of South Dakota. Our 2022 topics included Creating a Strong Workforce Culture, Employment Law Guidance, and Understanding and Practicing Leadership.

LEGISLATIVE LUNCH

United States Representative Dusty Johnson kicked off our Legislative Lunch with a recap and insight about the current issues at a federal level. Following Representative Johnson, Executive Director Nathan Sanderson and contract lobbyists Bill Van Camp and Doug Abraham explained some of the legislation the Association expected to surface in 2022.

MAKING CONNECTIONS

The evening concluded with a social attended by our members, legislators, state constitutional officers, cabinet secretaries, and our service providers. The event allowed retailers an opportunity to get acquainted with their legislators, network with business owners statewide, and celebrate the year's South Dakota Retailers Association award winners.



ADVOCATING FOR YOU!

SUCCESSFUL LEGISLATIVE SESSION

Our legislative team is there every step of the way, advocating for laws that make it easier for you to run your business and defending you from burdensome red tape. In 2022, we tracked 189 bills and joint resolutions – or 34% of all legislation introduced.

Most notably, we successfully supported passage of legislation to amend alcohol licensing laws to better reflect population changes in the state, helped defeat several proposals that sought to limit the right of employers to establish employee policies, and successfully opposed legislation to create new county taxes.

LEGISLATIVE UPDATES SDRA ADVOCATE

2022 was our third year of a fully digital Legislative Bulletin. Each week the most current legislative session information was delivered straight to your inbox, including bills we're tracking and important updates that could affect your business. A member-only section of the website included bill summaries that were updated as the bill progressed or was killed. We also provided a weekly recap video highlighting the top topics of the week, which are also available anytime at sdra.org.

A SEAT AT THE TABLE

SDRA gives your business a seat at the table when lawmakers consider new taxes, expanded regulations, and policy changes that impact your business. We monitor meetings of state boards and commissions, enact policy changes during rules hearings, and serve on task forces and work groups that discuss topics important to business. For example, this year we were instrumental in killing proposals that sought to carve out property tax breaks for certain groups of taxpayers.



LEGISLATIVE TEAM

Executive Director Nathan Sanderson and legislative team had a successful 2022 session for the Association. Contract lobbyists Bill Van Camp and Doug Abraham assisted Sanderson throughout the session.

While the lobbying team is at the Capitol, Policy Director Donna Leslie and Training Program Coordinator Tammy Harmon are back at the office monitoring committee and floor action online, tracking legislation and compiling voting records for each legislator.

The team includes: (L-R) Doug Abraham, Executive Director Nathan Sanderson, and Bill Van Camp.

BELOW:

On December 6, we continued our tradition of hosting new legislators in our office conference room, right across the street from the capitol building. Nearly 30 NEW legislators rang in the 2023 legislative season by joining our building's tenants for drinks, appetizers made by T.F. Riggs High School ProStart® students, and networking.

FINANCIAL YEAR IN REVIEW

OUR RESERVE FUND MAINTAINS A HEALTHY BALANCE

Officially established by the Board in the mid-1990s, the fund protects SDRA against unforeseen expenses or unexpected loss of revenue.

The reserve funds are invested and managed by our Finance Officer and Investment Committee. Use of the money requires approval from two-thirds of the full Board of Directors.

RELIABLE RENTAL INCOME

Rental income from seven tenants (five trade associations, a law firm, and a psychologist) cover the cost of property taxes and maintenance. The South Dakota Retailers Association constructed the building across from the Capitol in 1992 and was able to pay off the loan a year later.

This year, we added a new sign to the front of the building!



The South Dakota Retailers Association offers money-saving services to help you in today's competitive retail marketplace. Through group buying power, we're able to provide big savings for our members. We bring the strength of 4,000 members to the table when negotiating rates on key business services. That means greater savings and better services for you.

401k Plan Option

We offer a 401K plan through our partner Hahn Financial Group, Inc. in Sioux Falls. 401k plans through an RIA (Registered Investment Advisor) platform provide timely, accurate, and responsive retirement plan services. Plan design includes low cost and fee transparency.

Music Streaming

Soundtrack Your Brand makes it easy to play the music you want. Their music catalog has more than 58 million fully licensed songs for background music. Both BMI and ASCAP fees are included at considerable savings. Members receive up to 20% discount and a free 14-day trial period.

DirecTV Discounts for Business

Save big with a two-year promotion price guarantee, and save \$20 per month when you sign up for auto bill pay, plus one receiver fee waived for 2 years.

Safety and Security Training

Our endorsed security service by Armament Consulting & Training provides protective services based on your individual or company needs. Their experience within the asset protection, safety training, firearms and physical security industries spans over 25 years. Members receive a free initial assessment of your security needs.

510

Members process credit cards through SDRA.

\$105.1 million worth of credit card sales and nearly 1 million transactions through SDRA's program with Worldpay (in the first 11 months of 2022).

We offer low, competitive rates, upfront pricing, 24/7 customer service, free programming, EMV, POS, e-commerce, gift/store card, and virtual terminal. Members love the superior personal support from the SDRA office. **Ask for a free credit card cost comparison today!**

287

Enrollees in our
Dental Insurance Program

Offered through Delta Dental of South Dakota, dental insurance is one of the most popular employer-sponsored benefits. Available for groups as small as two employees, plans include orthodontics and 100% coverage on preventive services.

151

Enrollees in our
Vision Benefit

Offered through Optilegra Vision Plans of Sioux Falls, this popular employee benefit is accepted by 98% of South Dakota's vision centers. Group rates for 1 to 50 employees, and individual ratings for large groups with more than 50 enrollees.

67

Businesses are saving with our
Health Plan

We offer health care coverage options through Hahn Financial Group, Inc. Groups as small as two employees can participate in a self-funding plan, using a third party administrator and referenced-based pricing with stop loss coverage.

71

Members utilized our
Employment Law Service
in the first 11 months of 2022

Our members can contact the Jackson Lewis law firm at no cost to get answers to basic employment law questions, thanks to our retainer agreement. This member benefit has a value of \$565 an hour!

Members can receive answers on issues such as: minimum wage, overtime, tip credit, employee discipline and termination, harassment, vacation and sick leave, FMLA and ADA issues, unemployment benefits, workers' compensation, marijuana use on the job, and other issues.

113

Members receive
Shipping Discounts

In the last year, members saved more than \$14,000 using the services of PartnerShip LLC, an independent freight broker that manages shipping programs for associations. Small and large businesses are eligible for discounts when utilizing the services of FedEx, UPS Freight and YRC Freight.

62

Members save with our
BMI Music Licensing

Our retail, restaurant and bar members save 10% - 20% off their BMI music licensing fees. (Note: Federal law requires most businesses that play music to be licensed by the three music licensing agencies, including BMI.)

6

Members utilized our *new*
Social Media Marketing Service

This fall, we introduced social media marketing services through Black Hills Social Media Management. Members receive discounted, fully customized social media management to grow an audience with minimal effort.

41

Members are protected with
Data Security

Every business needs protection from computer viruses, spyware, data theft and other threats. SDRA offers protection through Infotech Solutions, LLC of Madison. They will perform a free analysis of your current system and offer real-time monitoring and detection of threats to your network security as well as multi-level protection against outside threats.

Phishing Email Training

If one of your employees receives an email asking for private company or customer information, would they send it out, putting your company and clients at risk? This service from Infotech Solutions, LLC is designed to find out, and help train your employees what to look for.

SERVSAFE® FOOD SERVICE TRAINING

We have been providing state required foodservice training for 26 years. SDRA offers live instructor-led classes for both the eight-hour National Certification and the four-hour State Recertification training. The coursework for both of these options is also available online. SDRA members receive discounts on the training.

IN 2022:

1,036 people attended one of our eight-hour and four-hour food service classes

42 classes were held in Aberdeen, Pierre, Rapid City, Sioux Falls and Watertown

38 online ServSafe® exams were proctored by SDRA

Employees also have the option to use an online remote proctoring option that allows them to take the exam at a computer at the business or home.



SOUTH DAKOTA **BEST BAGGER** COMPETITION

FAST-PACED FUN!

In 2022, the South Dakota Best Bagger Competition came back for a strong second year. Kicking things off in February, our 2021 champion Natasha Artz of Fair City Foods in Huron traveled to Las Vegas to compete in the National Best Bagger Competition (pictured left above).

Then, at the South Dakota State Fair in September, 8 skilled grocery baggers from across the state competed to take the title of South Dakota's Best Bagger.

Elijah Schipper of Fareway Foods in Harrisburg took the top prize (pictured left below). He received \$200 cash and an expenses-paid trip to compete at the National Grocers Association's National Competition in Las Vegas, NV this February for a chance to win \$10,000.

Mary Peters from Buche Foods in Wagner took home second place and \$150, and defending champion Natasha Artz was awarded \$100 and third place.

WIDENING YOUR WORKFORCE

This year, we awarded over 60 checks to out-of-state workers who moved to South Dakota via our \$1,000 Workforce Incentive Program. Since its January launch, this program has helped bring workers to over 50 different employers in over 24 South Dakota communities! For additional information on eligibility, visit our website at www.sdra.org.



2022 AWARD RECIPIENTS



RETAILER OF THE YEAR
TRAV'S OUTFITTER
WATERTOWN



RESTAURANT OF THE YEAR
CATTLEMAN'S CLUB
PIERRE



COMMUNITY SERVICE AWARD
PIZZA RANCH, 41ST ST
SIOUX FALLS

Each year, SDRA presents the Retailer of the Year Award to recognize a business or business owner who is committed to excellence while making a difference in their community.

Launched out of Uthe's garage in late 2003, Trav's Outfitter soon opened a small store and began operating a boot truck that provides onsite sales of work boots at manufacturing facilities. The business continued to grow, leading to construction of a 28,000 square foot store in July 2018. A staff of 40 sells apparel and footwear for the working person, as well as hunting, athletic and motorcycle clothing and footwear.

The focus on quality products, personalized customer service and honesty has brought a loyal following.

The award recognizes a restaurant that has earned a reputation for excellence with its food, service, and atmosphere.

The late Myril Arch developed a loyal fan base when he opened the restaurant on his ranch east of Pierre in 1986. Using his personal recipes for prime rib and sirloin, he emphasized the key was to properly age, cut and prepare the beef.

Myril's daughter Cindy Arch carried on the tradition when she took over the restaurant in 1994. She has expanded the restaurant to accommodate regular overflow crowds, but has maintained the standards and atmosphere her dad created – including sawdust on the floor.

The SDRA Community Service Award recognizes a business that goes above and beyond to give back to the citizens of its community.

When a tornado destroyed the 41st Street Pizza Ranch in September 2019, the owners knew they would be closed for an extended period. A good insurance package meant they could continue paying their staff of 105 during the rebuild. Wanting to keep the team engaged during the downtime, the owners decided to boost their volunteer efforts in the community.

"We took a bad situation of being closed and said we're not going to be able to see each other, but let's get together once a month and do something for the community," said co-owner Todd Pharis.

WHAT IS PROSTART®?

ProStart® is a nationwide, two-year program for high school students that develops the best and brightest talent into tomorrow's restaurant and hospitality industry leaders. From culinary techniques to management skills, ProStart's® industry-driven curriculum provides real-world education and builds practical expertise for a foundation that will last a lifetime.

21 PROSTART® SCHOOLS

- Aberdeen A-TEC
- Alcester-Hudson High School
- Brookings High School
- Canistota High School
- Clark High School
- Harrisburg High School
- Huron High School
- Madison Central High School
- Mitchell CTE Academy
- Mobridge-Pollock High School
- Northeast Technical School (Watertown)
- Rapid City Central High School
- Rapid City Stevens High School
- SD Virtual School
- Sioux Falls CTE Academy
- Sturgis Brown High School
- T. F. Riggs High School (Pierre)
- Todd County High School
- Wagner High School
- Webster High School
- Vermillion High School

ProStart® SOUTH DAKOTA

FEEDING DREAMS. BUILDING FUTURES.

Teams of high school students from across South Dakota put their culinary skills to the test at the 13th Annual South Dakota ProStart® Invitational, held March 24th in Pierre.

The Invitational is an intense, fast-paced event where students demonstrate food preparation and safety procedures, hospitality management, public speaking, and other valuable job skills. Competitions include culinary, management, and cake decorating.

The Mitchell CTE took the top prize in both culinary and restaurant management divisions, earning them a place in the National ProStart® Competition in Washington, DC on May 6-8. Abby Bitterman, Alivia Siegel, Haylie Von Eye, and Alex Spell were the winning culinary team members, with Bitterman and Siegel also taking the top spot in the management competition. Both teams were instructed by Cindy Gerlach.

(L-R) Alex Spell, Haylie Von Eye, Abby Bitterman, Alivia Siegel



Congrats! 2022 Scholarship Recipients

\$3,400 Scholarship Mesa Bartman | Montrose

Mesa studies Digital Imaging with a minor in Entrepreneurial Leadership, and plans to graduate from Dakota Wesleyan in December of 2024. In the future, she hopes to own a graphic design business and boutique in Sioux Falls.

\$3,200 Scholarship Cole Van Zee | Parkston

Cole studies Accounting with a minor in Finance, and plans to graduate from USD in December 2023. In the future, he hopes to assume ownership of his family's grocery store, Parkston Food Center, a member business.

\$3,000 Scholarship Kyler Meyer | Britton

Kyler studies Entrepreneurial Leadership at Dakota Wesleyan, and plans to graduate in May of 2023. In the future, he hopes to assume ownership of his family's hardware store and member business, Meyer Hardware Hank in Britton.

\$2,500 Scholarship Meghan Drury | Rapid City

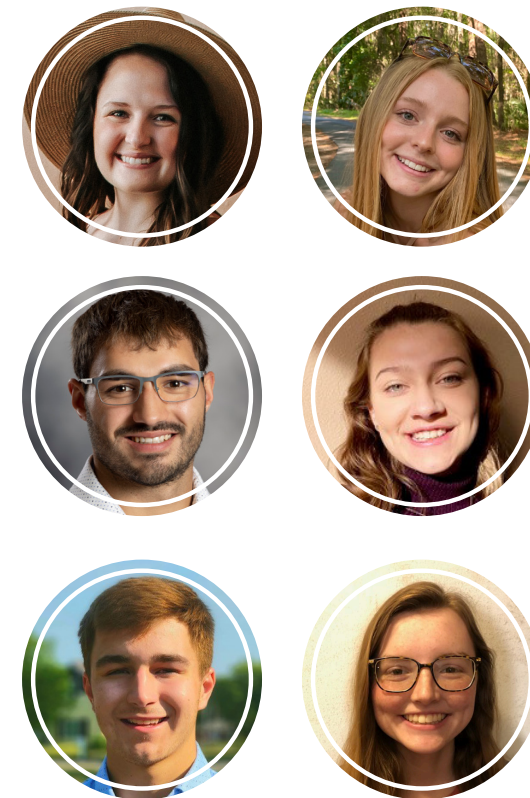
Megan studies Business Administration at National American University in Box Elder, and plans to graduate in December of 2023. In the future, she hopes to own a coffee shop in South Dakota.

\$2,400 Scholarship Raina Carter | Watertown

Daughter of members Heather and Bradley Carter of Slumberland Furniture in Watertown, Raina studies Hospitality, Tourism, & Event Management at SDSU, and plans on graduating in December of 2022. In the future, she hopes to own/manage a wedding and event planning business in Watertown.

\$2,200 Scholarship Aunna Cloos | Big Stone City

Aunna studies Business Administration and Graphic Design at Northern State University, and plans to graduate in December of 2024. In the future, she hopes to own a sip and shop business in South Dakota.



Selected by our Scholarship Committee, these six students were chosen for their impressive accomplishments and promising futures. We're proud to support the future business owners of South Dakota. Good luck to all of you in your future endeavors! To learn about the scholarships we offer, visit www.sdra.org/scholarships.



2022 BOARD

How do you become one of the leading Retail Associations in the Country? It takes time! As we close on our 125th year in S.D. we finish the year in a position of strength. It starts with our highest membership in history; add in an extremely strong financial position, a great leadership team, and the results will take us forward for years to come.

We continue to pride ourselves in advocacy, information, and services for our members. Our team does this well and are the experts on retail not only for our members but also our state leaders.

Being president for the South Dakota Retailers Association's 125th year has been the highlight of my career. I am proud to be part of such a respected organization and look forward to its continued growth.

Eric Sinclair, Montgomery's
2022 Board President

SELECTING BOARD MEMBERS

The President, President-Elect, Past President and Executive Director develop a list of potential board members. They look for a diverse range of successful business people who are active in their communities and have an interest in public policy matters. We also aim for geographic balance and a mixture of business types. The membership votes on the list of nominees at the Annual Meeting in January.

SDRA'S BOARD OF DIRECTORS:

- Sets general policies
- Oversees the budget
- Establishes goals and objectives
- Determines legislative positions
- Implements membership services
- Meets three times annually

Below: 2022 Board President Eric Sinclair and wife Neala Sinclair of Montgomery's Furniture. At the 2023 Annual Meeting, Eric will pass the gavel to Travis Anderberg of Miller Rexall Drug.



2022 OFFICERS

PRESIDENT OF THE BOARD

Eric Sinclair | *Montgomery's Furniture, Sioux Falls*

PRESIDENT-ELECT

Travis Anderberg | *Miller Rexall Drug, Miller*

SECRETARY-TREASURER

Kevin Nyberg | *Nyberg's Ace, Sioux Falls*

PAST-PRESIDENT

Steve Beck | *Beck Motor Company, Pierre*

BOARD OF DIRECTORS:

Jenny Behlings | *Jenny's Floral, Custer*

RF Buche | *Buche Foods, Wagner*

Gary Cammack | *Cammack Ranch Supply, Union Center*

Shane Conger | *Hy-Vee, Watertown*

Scott Cross | *Lewis Drug, Sioux Falls*

Sean Dempsey | *Dempsey's Brewery & Restaurant, Watertown*

Brett Hanson | *Tri State Building Center, Sisseton*

Sarah Husted | *Wall Drug, Wall*

Debra Jensen | *Black Hills Bagels, Rapid City*

Nate Kessler | *Lamont Companies, Aberdeen*

Clancy Kingsbury | *Who's Hobby House, Rapid City*

Charlotte Kvale | *TK Diesel, Inc., Lemmon*

Angela Leiferman | *Mid Dakota Meats, Winner*

Scott McMacken | *Papa John's, Brookings*

David Mickelson | *Graham Tire, Sioux Falls*

DeLon Mork | *Dairy Queen, Madison*

Susan Peterson | *Scott Peterson Motors, Belle Fourche*

Nancy Savage | *Child's Play Toys, Sioux Falls*

Scott Stern | *Stern Co. Freeman*

Chris Verhoek | *Country Corner, Estelline*

Hillarey Warner | *HH Design, Britton*

2022 STAFF

Nathan Sanderson
Executive Director

Karin Hansen
West River Regional Rep

Tammy Harmon
Training Program Coordinator

Corey Hybertson
Eastern Regional Rep

Jaime Hybertson
Minnehaha & Lincoln Regional Rep

Tiffany Langer
Northeast Regional Rep

Donna Leslie
Policy Director

Caleb Nugteren
Communications Director

Brenda Paul
Finance Officer / Human Resources

Seanna Regynski
Membership & Services Director / ProStart

Kelley VanLith
South Central Regional Rep

Carrie Wheelhouse
Card Services and Events Coordinator



Thank You
FOR A GREAT 2022!



Our attentive and welcoming team is comprised of seven talented in-office staff members and five resourceful regional representatives... Look out for two new regional reps in 2023, as Tiffany Langer and Kelley VanLith pursue new endeavors!

While the seven, Pierre based office staff work hard to provide information, services, and advocacy to our 4,000 members, the five regional reps are out in the field serving and representing the interests of every member business in their respective territories.

Have a question or concern? Reach out to your regional representative for an in-person visit, contact the office at (605) 224-5050, or email us at info@sdra.org. We look forward to assisting you!