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## SafeSourcing e-Newsletter

Have comments, questions, or suggestions about the new SafeSourcing e-Newsletter? Let us know what you think by emailing us at the following address. We look forward to hearing from you! [events@safesourcing.com](mailto:events@safesourcing.com)

### Trivia!

What does Open Source Initiative mean?  
[www.safesourcing.com](http://www.safesourcing.com)

## Industry News

### ***Wal-Mart has its Customers' Needs in the Forefront*** **Chip-Card Readers in Wal-Mart**

Wal-Mart Stores, Inc. has recently sued Visa Inc. for the right to choose how their customers verify their debit card purchases at the registers. Wal-Mart wants their customers to use their PIN (personal identification number) when using their chip-enabled debit card reader. "In a lawsuit, filed in New York state court Tuesday Wal-Mart said Visa has prohibited it from requiring PINs only, forcing the retailer to allow customers to use a signature in those transactions." The two companies have sued one another multiple times over payment issues.

Currently, shoppers and merchants are in a transition period at the registers. Some businesses have adapted to the chip readers and other businesses are still using the card swipe method. While 70 percent of customers typically use a PIN at the checkout, other customers opt to use their signature. "Visa also maintains control of the transaction with the signature method, since merchants have the ability to route PIN transactions through a non-Visa network. Visa's rules are different than those of MasterCard Inc. , which lets merchants decide how they want customers to verify payments, according to people familiar with the matter." Wal-Mart pays Visa about five cents more per signature transaction than a PIN transaction. ■

*Robin Sidel and Sarah Nassauer, WSJ, 5/10/16*

### **Wal-Mart's Grocery Business is Saving the Day!**

Apparel retailers and department store operators might be having a difficult time in today's economy;

*Continued on page 2*

## INSIDE THIS ISSUE

<b>1</b>	What's new with Wal-Mart
<b>2</b>	Road bumps in the Driving industry
<b>2</b>	May Trivia! Answer

## COMING NEXT ISSUE

<b>July</b>	Answer to our Trivia!
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## Recent Savings

### **Register Paper**

Savings were 43% of total spend. ■

### **Can Liners**

Savings were over 42% of total spend . ■

\*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

## Wal-Mart's Grocery...Cont.'d

however, Wal-Mart Stores may have a saving grace in their grocery business. Wal-Mart's grocery business makes up half of its revenue. "Analysts expect earnings for the period ended in April of 88 cents a share, down 14% from a year earlier. Profits have been pressured by heavy spending on store improvements, e-commerce operations and wage increases. Revenue is estimated to have dropped 1% to \$113 billion." As a public company, Wal-Mart's revenue fell for the first time last year.

Analysts are predicting Wal-Mart to report a seventh consecutive quarter of positive same-store sales. This is driven by their grocery business which is holding steady at 56% of Wal-Mart's annual revenue in the past three years. The Commerce Department reported that in the past three months, grocery store spending has increased by 3% while department store spending has fallen by 2.4%. As retailers continue to struggle, Wal-Mart isn't looking too bad. ■

*Steven Russolillo, WSJ, 5/18/16*

## Employee Status Dispute in the Short-Haul Trucking Industry

The nation's busiest ports in Los Angeles are legally battling it out on whether truck drivers should

be considered employees or independent contractors. Several trucking companies that operate in Long Beach and Los Angeles have filed for bankruptcy protection recently in an effort to settle mounting legal claims. The short-haul truckers that haul containers from docks to rail yards and freight depots just a few miles from port allow retailers and manufactures to get their imported goods to stores and factories quickly.

"Ride-hailing service, Uber Technologies, agreed to pay as much as \$100 million to the drivers last month, and delivery company FedEx Corp. reached a \$228 settlement last year. On Wednesday, Lyft Inc. said it has agreed to pay \$27 million to settle a case filed by California drivers." The \$12-billion-a-year port-trucking business, known as drayage, where hundreds of small operators compete on thin margins, the cost to settle similar claims can be devastating. Ongoing legal battles with drivers and the high cost of full-time laborers could force drayage operators to charge more and could potentially put them out of work completely. "Since 2011, 799 complaints have been filed against port-trucking companies with the California Labor Commissioner's Office, alleging drivers were misclassified as independent contractors and denied the wages and benefits afforded to full-time employees." ■

*Erica E. Phillips, WSJ, 5/11/16*

### QUESTIONS AND ANSWERS

**Q:** How can I subscribe or unsubscribe to these newsletters?

**A:** You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option "e-Newsletter" or by contacting us directly at [events@safesourcing.com](mailto:events@safesourcing.com)

**Q:** I have run events in the past, is there any chance I could be saving more?

**A:** Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

**Q:** I want to know more about what SafeSourcing does. Who can I talk to about this?

**A:** You can contact a customer services representative who can help you with any further questions by calling us at 1-888-261-9070 or by going to our [website](#) and trying our "Risk Free Trial" offer today.

### Trivia! From May 2016 Issue

What is Photovoltaic?

**ANSWER:** The term photovoltaic (PV) is the production of the electric current, with implementing the connection of two substances exposed to light. Photovoltaic or PV is a field of technology and research related to the application of solar cells for energy. Products would include: photo panels, shingles, paint, and windows. PV implements this process by converting solar energy into renewable energy.

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