



June 2007

ERA, Northern California Chapter  
Airport Office Park  
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### Upcoming events:

Dinner meeting (Tuesday), **June 5, 2007**, at Michael's Shoreline Restaurant. No host bar at 5:00, dinner at 6:00pm.  
We will have our choice of: Blackened Tilapia in a peach salsa or London Broil with a mushroom sauce  
Please RSVP with your choice for dinner by **May 30, 2007**.  
If you haven't called in your reservation, call today! 408 243 3372, or send an email to: [officemanager@ncalera.org](mailto:officemanager@ncalera.org)  
Our speaker will be Terry Lanier from LMGW Certified Public Accountants in Saratoga



**Tharan J. Lanier, CPA**  
**Principal**

BSC - Santa Clara University, Accounting 1964  
MBA - Santa Clara University, Accounting and Finance 1974

CPA - California 1971  
Public Practice over 30 Years  
Lecturer - Santa Clara University, Graduate & Undergraduate  
Accounting Programs  
Lecturer - University of California Santa Cruz Extension  
Lecturer - De Anza College, Business and Industry Program, Small  
Business Institute  
Speaker for Various Seminars  
Author of Articles for Local News Papers  
Accounting Manager, Controller in industry  
Expert Testimony for Business and Income Valuation



## **Campo di Bocce**

*of Los Gatos, Ca* Save the Date: Campo De Bocce, in Los Gatos, August 15, 2007. Bocce from 4:30 to 6:00pm and dinner from 6:00 to 7:30pm. Come for the Bocce, stay for the dinner.

ERA Tip of the Month - May 2007

HERE'S THE NAICS CODE FOR REPS

ERA receives frequent inquiries about the correct NAICS (North American Industry Classification System) code that reps should be using on IRS forms (which request a principal business activity code) and other business documents, so here's the information for all. ERA suggests you SAVE this information for future reference.

NOTE: The more detailed and more expansive NAICS codes (there are 400+) have replaced the obsolete Standard Industrial Classification (SIC) codes, and, as the name makes clear, they apply throughout North America.

The correct NAICS code for REPS is 425120. This category includes many types of agents, brokers and other sales businesses, including manufacturers' representatives.

Why is the NAICS important? The IRS consider the NAICS code the most critical identifier to determine the peer group for comparison in

its audit screening programs. IRS computer programs compare financial ratios of an individual business with the same ratios for a comparable grouping of businesses in the same industry and within a general size range. Companies that show substantially different ratios from the average for their industry are more likely to be flagged for further scrutiny.

For further information, go to <http://www.naicrcode.com>



Gordon Mack at Bounty

Hunter





Jim Minyard from Dataforce

To those at our luncheon on May 24, 2007, we had two speakers on different ways of managing your businesses. Thank you all for attending and our wonderful presenters. I look forward to seeing all of you and then some, at our next dinner meeting on June 5, 2007, Michael's Shoreline Restaurant in Mountain View.

#### ERA's 43rd MANAGEMENT & MARKETING CONFERENCE

February 27-29, 2008 \* San Diego Hilton Del Mar

May 29, 2007

SPECIAL MEMBER COMMUNICATION TO ALL ERA REPS -

This is a reminder that just a FEW MINUTES of your time and YOUR INPUT are needed to plan the program of ERA's 43rd Management & Marketing Conference.

Our committee has begun building the conference program, and now we need YOUR INPUT via an on-line survey. There are only FOUR QUESTIONS ... so if you have not already responded, please do so TODAY ... or no later than MONDAY, JUNE 4.

As always, your responses will be highly valued and will remain CONFIDENTIAL.

ABOUT THIS CONFERENCE:

The 2 p.m. Wednesday through noon Friday time frame is more

compact than in previous years, so this event will deliver MORE value in LESS time at LOWER cost. Since 2008 is a LEAP YEAR, we intend to make that 24 EXTRA HOURS really count by delivering a program that's sure to boost your business.

Here's the link to the survey. Please just click on it or copy and paste the link into your browser.

<http://www.zoomerang.com/survey.zgi?p=WEB226FA7MYQAJ>

To All ERA Reps:

Whenever the federal government seeks new (or old) ways to increase its tax revenue, one particular issue that could significantly affect manufacturers' reps keeps surfacing ... and it's happening again.

The "misclassification" of independent contractors as employees is once more being debated in Washington, and ERA is keeping a close watch on this activity on your behalf.

This past Tuesday, May 8, John Satagaj, president of the Small Business Legislative Council (SBLC), testified before the House Ways and Means Subcommittees on Income Security and Family Support and Select Revenues, reinforcing the fact that independent contractors are often the critical first step in the "ladder" of small business ownership. He emphasized, "Public policy should be built around the presumption that Americans should be encouraged to start, own and manage a business, not the presumption that they are 'misclassifications.' "

Mr. Satagaj also stressed that forcing independent contractors to be classified as employees would cause a decline in the creation of successful small businesses and would damage their proven potential to provide numerous jobs and opportunities for other individuals.

ERA is a long-time member of the 30-year-old SBLC, which develops legislation, testifies before Congress and monitors federal government activities on behalf of its member associations. We will continue to watch and keep you posted on activity regarding the independent contractor issue.

If you have any questions, please do not hesitate to contact me.

Best regards,

Tom Shanahan  
Executive Vice President & CEO  
Electronics Representatives Association  
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May 30, 2007

### QUICK LIST

Add-Plus Electronic PTE, Ltd.

Product Group: Components, Consumer Electronics, Computer Products, Communications, Materials, Assembly & Production  
Advanced Power Electronics Corp., USA

Product Group: Components

Allied International

Product Group: Components

BluTek Power, Inc.

Product Group: Components, Instrumentation, Automation & Controls, Materials, Assembly & Production, Electronic Systems Integration Group

DNH Speakers

Product Group: Electronic Systems Integration Group

Dongguan KunYing Computer Products Co., Ltd.

Product Group: Consumer Electronics, RF/Microwave, Electronic Systems Integration Group

FE Technology Inc.

Product Group: Components, Consumer Electronics, Computer Products, Communications, Materials, Assembly & Production

FRALOCK

Product Group: Components, Consumer Electronics, Computer Products, Communications, Instrumentation, Automation & Controls  
Inter-Technical Group

Product Group: Components, Consumer Electronics, Computer

Products, Communications, Instrumentation, Automation & Controls,  
Materials, Assembly & Production, Electronic Systems Integration  
Group

King Cord, Inc.

Product Group: Consumer Electronics, Computer Products,  
Communications, Instrumentation, Automation & Controls

United Pro, Inc.

Product Group: Components, Consumer Electronics, Computer  
Products, Communications, Instrumentation, Automation & Controls,  
Materials, Assembly & Production, RF/Microwave, Electronic  
Systems Integration Group

Wellex Corporation

Product Group: Consumer Electronics, Communications,  
Instrumentation, Automation & Controls, Materials, Assembly &  
Production