

Michigan Retailer

DEC 2020/
JAN 2021

The official publication of
the Michigan
Retailers Association

www.retailers.com

PIVOTING

Hand sanitizer helps
distillery weather COVID

Music stores find ways
to keep us in tune

Tips to embrace winter
and maintain sales

MRA's Shop 3 Challenge

A customer enjoys a beer
brewed by Michigrain,
a Lansing distillery that
changed course during
the pandemic.

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Retailers
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Volume 45 No. 6

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About Us

Michigan Retailer (USPS 345-780, ISSN 0889-0439) is published in February, April, June, August, October and December by Michigan Retailers Association, 603 South Washington Ave., Lansing, MI 48933. Periodical postage paid at Lansing, Michigan. POSTMASTER: Send address changes to 603 South Washington Ave., Lansing, MI 48933. The Michigan Retailer may be recycled with white office paper.



ON THE COVER



PIVOTING
page 8

Michigrain Distillery in Lansing, like a lot of businesses, had to pivot during the pandemic. Hand sanitizer came to their rescue.

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2020 had some positives

As we close out 2020 the phrase “good riddance” comes to mind. Undoubtedly, 2021 will be welcomed with open arms. Perhaps it’s COVID fatigue, but I simply couldn’t write a column about the ill effects of this pandemic, especially considering a new round of restrictions were implemented on Nov. 18. Instead, as I look back on this unprecedented year, there are many things for which I’m thankful. Here are ten that will hopefully boost your spirits:

1. Imports for this holiday season hit an all time high. The National Retail Federation recently reported that imports were 6.1% higher than last year, an indication that retailers are optimistic. I think we all need a little retail therapy this year.
2. Pharmaceutical companies are making significant progress on a vaccine. Initial results from Pfizer’s clinical trials showed that its vaccine was 90% effective in preventing the virus. Many other companies have vaccines that show promising results. Dr. Fauci said a vaccine could be available to all Americans by April.
3. With many non-essential retailers shut down in the spring, owners had time to work on the business not in the business. Instead of getting lost in day-to-day operations, owners could analyze long-term strategies and revisit business plans.
4. Many retailers were forced to develop new sales models, whether it was curbside delivery or e-commerce. Perhaps you needed more than a gentle nudge to update your website; well, the pandemic was a firm push.
5. If your business survived the pandemic you discovered that your business model could withstand significant stress, providing you with confidence to take on any challenge in the future.
6. The old adage that “absence makes the heart grow fonder” rings true. Many employees discovered that working from home is not that great and they missed the social interactions that work provides.
7. So often our lives move at a frantic pace; quarantining with family gave us an opportunity to slow down and appreciate quiet moments.
8. Faced with adversity, retail employees stepped up. When supply chains were pushed to the max, or government protocol required new procedures, retail employees showed up everyday, demonstrating adaptability and resilience.
9. Very few outbreaks have been traced to retail environments and shopping has proven to be a safe activity.
10. The sun still rises each morning. This pandemic will end, and we’ll get through these difficult times. And if you need some help, Michigan Retailers Association is here for you. Don’t hesitate to reach out.

The entire Michigan Retailers team wishes you a happy, HEALTHY, and prosperous holiday season. Stay vigilant, wear a mask, and may 2021 be a resounding success.



WILLIAM J. HALLAN
*MRA President and
Chief Executive Officer*



5 Tips

How to get through the winter

Strategies for surviving the winter of a pandemic.

DEC
1

Conduct Facebook Live shopping events with winter themes. No hard sells – instead, serve now to sell later.

DEC
2

Create virtual window shopping. Place QR codes or your website url on well-decorated windows.

DEC
3

Expand curb-side pick-up and delivery options. Throw in a cookie from a local bakery or coupon for a hot cocoa as a thank-you.

DEC
4

Sell a knit hat, scarf or mittens with your brand or your community's slogan.

DEC
5

Stir up some *hygge!* Create visual displays that enhance a warm, cozy store atmosphere. More tips, Page 17.

Source: MEDC's Winter Strategies Guide

Leaving MRA but still cheering on Michigan retailers



By **MEEGAN HOLLAND**

Vice President, Marketing and Communications

This will be my last Retailer magazine as editor. I'm seeking more flexibility, so I'm moving on from the Monday-Friday workaday world. I don't know what awaits me in the winter of a pandemic, but I'm not alone. I've heard of many people retiring, moving or altering their

lifestyle in some drastic way.

There's no doubt that a pandemic changes your priorities professionally and personally. Still, I will miss my colleagues and so many aspects about my job at Michigan Retailers Association. It's my first one in the trade association world and it was an eye-opening ride for my 3.5 years here – in a good way!

I'm going out during a fascinating, if not tumultuous, time. All of a sudden last spring, MRA was in the New York Times, Inside Edition and every major news outlet in the state. I went from focusing on our Buy Nearby campaign, the Retailer and marketing pieces to becoming a busy spokesperson, almost overnight.

The fact that the media was so hungry for MRA's perspective just goes to show how vitally important retail is to their readers.

At MRA, we understood that already. Retail is the heart of our communities. You help set your town apart. You provide expertise and donate items to local charities. You have many loyal customers, perhaps the most precious currency of any store.

Of course, I worry for all the wonderful retailers and community builders I've met, as we face an uncertain 2021. I am in awe of your work to make your communities and businesses better.

But I know MRA will be there for you, and I hope this pandemic convinced you that your membership is worth every penny. I've seen first-hand how MRA went to bat for retailers with the Governor's office and Legislature and answered scores of your questions during these confusing times.

That will continue. And this magazine, the Buy Nearby campaign and other MRA projects will be left in the capable hands of my replacement, Jennifer Rook. Read more about her on Page 20.

Maybe I'll get antsy and write a story or two. For now, I'm wondering how to spend time that seems more precious. Thank you for letting me into your world these past few years. It's been life-changing. And now life changes again.

COVID-19 employee screening made simple



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“Retail remains subject to a number of requirements. One onerous requirement is employee screening.”

Throughout the COVID-19 pandemic, retail has shown that it is equally focused on customer and employee health and business success and has proven that both can be achieved simultaneously.

Retailers have demonstrated, and the data proves, that they can follow the rules and keep business safe and open. In a sense, this has been recognized by the administration. One example is the Oct. 29, 2020 Emergency Order issued by the Michigan Department of Health and Human Services (MDHHS) director requiring contact tracing data collection from every patron of certain types of businesses. Fortunately, retail was spared from this requirement. This is due, in large part, to the low number of cases tied to the retail industry. MRA will continue its strong advocacy in an effort to keep retailers from this requirement.

Retail remains subject to a number of requirements. One onerous requirement, especially during a busy holiday season, is employee screening. Below are some answers to questions raised by retailers.

WHAT EXACTLY IS REQUIRED?

Pursuant to MIOSHA Emergency Rules 6 and 11, employers are required to:

- Conduct a daily entry self-screening protocol for all employees or contractors entering the workplace;
- Maintain a record of screening for each employee or visitor entering the workplace; and
- Retain those records for one year from the time of generation.

The self-screening must, at a minimum, include “a questionnaire covering symptoms and suspected or confirmed exposure to people with possible COVID-19, together with, if possible, a temperature screening.” Beyond the screening, employers must require employees to report signs and symptoms before or during their shift and isolate employees known or suspected to have COVID-19. Finally, when an employer learns of a positive case, they must immediately notify the local health department and, within 24 hours, notify co-workers, contractors or suppliers who may have come in contact with the person.

HOW IS COMPLIANCE MOST EFFICIENTLY ACCOMPLISHED?

Retailers, whether large or small, have already demonstrated their commitment to complying with the rules, but they want to do so in an efficient manner. In order to maximize efficiency, you should consider the state recommended MI SYMPTOMS, a free on-

line tool located at <https://misymptomapp.state.mi.us>. The website has an easy registration process for both employers and employees, requires employees to answer four questions each day, and automatically registers each response. Once fully implemented, the employer only needs to monitor employee compliance periodically.

Although this is the state-recommended application, some local health departments are making their own version available. Whether local versions comply with the rule requirements will need to be independently evaluated before being put into use.

A third option, if a technology solution is not for you, is to have each employee complete a hard-copy questionnaire and submit it to a designated human resources individual or in a locked depository, to protect privacy, before each shift.

WHAT PROBLEMS MAY I ENCOUNTER AND HOW ARE THEY BEST ADDRESSED?

Confidentiality and employee resistance are two issues that may arise when requiring and retaining this information. The Center for Disease Control and Prevention has confirmed that COVID-19 poses a direct threat to health in the workplace. Therefore, employers are permitted, and in many states, required to make these inquiries. Confidentiality, however, is a valid concern that your employees may raise. In order to meet your screening requirement while respecting employee confidentiality, there are several best practices that you should consider.

- Clearly communicate to your employees that their screening is confidential and explain the process used to maintain that confidentiality;
- Be honest and confirm that regardless of whether they use an application or hard-copy form, the screening can be accessed by state officials who may contact the employee if they are symptomatic or positive;
- Let employees know that the data is primarily used to anonymously create state and local maps of symptoms and positive cases;
- Be direct and indicate that the screening is required and that employees who refuse will not be permitted in the workplace.

The obligations imposed upon retailers during the COVID-19 pandemic have been a heavy lift and you have responded tremendously. The self-screening requirement is another substantial task, but hopefully this information will alleviate some of the burden.

A year without lame duck?



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“A ‘lame, lame duck’ as Gov. Whitmer is calling for, wouldn’t be such a bad thing for retailers.”

As December creeps closer, it looks more and more possible that the traditional “lame duck” session that follows the election may not happen this year. Lame duck is typically an extremely busy period of time when nothing is off the table. Bills and policies that appeared dead earlier in the year or session come back to life, new ideas get thrown out and everything happens quickly.

Typically, there are just three weeks to complete any loose ends, which means a lot happens and it happens very quickly. But 2020 could be different, partly because it seems each week there’s news of another legislator testing positive for COVID-19. With no changes in the power dynamic at the Capitol (Republicans retained control of the state house), few items must get done before the end of the year.

In past lame duck sessions, MRA has closely monitored and advocated for legislation, including our Main Street Fairness legislation, which passed the legislature at 2 a.m. the last morning lawmakers were in session in 2014. It’s a chance to wrap up loose ends and for lawmakers who won’t be returning to make their last mark on the legislative process. To stay involved in the process, MRA and other groups camp out at the Capitol to monitor legislative progress and stay involved in ongoing negotiations and discussions.

This year with social distancing requirements, that won’t be possible. So, a “lame, lame duck” as Gov. Whitmer is calling for, wouldn’t be such a bad thing for retailers.

Retailers have mostly been able to accomplish the policy goals we set out for at the beginning of this legislative session. Marketplace fairness and *Wayfair* codification legislation was approved and signed into law last December. A pharmacy priority to pass legislation preventing fraudulent prescriptions by requiring them to be sent electronically to the pharmacy was signed into law this spring. These overwhelmingly bipartisan policy priorities were accomplished early in the session

and both are beneficial in a COVID-19 world: creating tax parity between online and in-person sales and preventing unnecessary touches/waiting at the pharmacy.

In fact, the governor and lawmakers should be especially appreciative of this since by capturing sales taxes on third-party sales on marketplace websites, the state was able to bring in more sales taxes than usual. While MRA hated to see retail doors shut and pushed back hard to get all retail reopened, the state was still collecting taxes on those online sales where they hadn’t before, which helped bail out state tax revenues. You’re welcome, State of Michigan.

More directly on the COVID front, liability relief was signed into law in October, ensuring that businesses following COVID-19 guidance to the best of their ability could not be sued. With MRA’s priorities checked off, we’re mostly watching out and advocating against potentially harmful legislation instead. And a canceled or lame, lame duck prevents much of that from getting an opportunity to come up.

The only things really on the agenda that still need to be accomplished are focused on COVID-19: extending the temporary unemployment benefits, workshare flexibility and efforts to avoid businesses from being penalized for COVID-related unemployment claims. These reforms, passed in October, are slated to expire on Dec. 31 and need to be revisited by the current legislature before they adjourn for the year.

Also on our radar is the potential to codify some additional flexibilities for pharmacies that were granted via executive order this spring. Legislation was introduced this spring that could accomplish that goal and it’s uncertain if MDHHS has the power to extend those flexibilities via epidemic order.

In a crazy year with ever-changing rules, eliminating the chaotic legislative crush that is lame duck wouldn’t be so bad for retail.

HAND SANITIZER SAVES THE DAY

Michigrain Distillery pivots during the COVID shutdown

LANSING - It's a story we've heard over and over again during the pandemic – businesses that have figured out how to pivot to make the most of a dire situation.

It may have meant shifting inventory to meet customers' changing appetites or mounting an e-commerce site. In Scott Ellis' case, it meant creating from scratch, selling and marketing an entirely new product line.

Ellis, a man of many hats, is used to confronting change. In a past lifetime, he was a cop. He then stepped into the role of executive director for the Michigan Licensed Beverage Association, representing 2,000 liquor licensees, mostly bars. While still juggling that, he and partner Mike Bird in 2017 took advantage of Michigan's small distillers license and opened a distillery and craft cocktail bar, with the idea that their bread and butter would be producing and selling ethanol to other distilleries.

“My sales were down 65 percent before; now they’re down 100 percent. We get that numbers are climbing but we need to learn to balance and live with this.”

Scott Ellis

Michigrain Distillery

That didn't happen. “Everyone has a wonderful business plan and you think everyone will be running to your doors. Our business model was based on selling bulk alcohol to other distilleries,” Ellis said. “But people had their recipes, and they already had their sources of outside bulk alcohol. So that was our biggest shock. We ended up relying on our tasting room to help us get by, when we thought that would be just bonus money.”

Michigrain's cozy bar across from the cavernous Lansing Brewing Co. in Lansing's burgeoning Stadium District was

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Left, Michigrain Distillery partners Mike Bird (left) and Scott Ellis in the production area of the Lansing distillery. Above, they went from producing spirits to hand sanitizer, which became a big seller. Below, the exterior of Michigrain Distillery.



Michigrain distillery

continued from page 8

steadily gaining visibility, and like many other business owners, Ellis expected 2020 to potentially be a record-breaking year. But in early March, through his son's school, he heard concerns about the need for hand sanitizer if COVID came to Michigan.

He talked to his partner, Mike Bird, about making sanitizer so kids could stay in school. Little did they know that two weeks later, all but "essential" businesses in the state would be forced to shut down. With that, Michigrain went all in on sanitizer, "and (nine) months later, we're still doing it."

During the shutdown, 90 percent of their sales was hand sanitizer. As life normalized after the reopening, sanitizer makes up only 10 percent of their sales, thanks to a contract with a school bus company. (Side note: MRA contracted with Michigrain for sanitizer to hand out to its members.)

But their bulk ethanol sales have doubled, as the pandemic took Michigrain back to its original business plan. Ethanol became hard to come by; as a result, distilleries were looking for new sources – especially smaller distilleries, whose ethanol access dried up as their vendors focused on larger customers.

As the business refocused on regaining customer trust to return to the bar and serving up cocktails-to-go, it also innovated in other ways. A regular who works at Zingerman's in Ann Arbor thought of Michigrain when the beloved deli dreamed up a "Reuben Tour." They picked drinking establishments in Grand Rapids, Kalamazoo, Lansing and Toledo to park their food truck. Customers pre-ordered and paid in advance, and on the appointed date and time, pulled up to the truck, had their order handed to them and drove away. Luckily for Michigrain, many also stopped in for a drink or takeout cocktails.

Scott said he walked into Michigrain when Zingerman's visited in July "and we were at our 50 percent capacity – I couldn't remember that happening before. People were waiting for their food to



Top left: Michigrain patrons enjoy a drink in the bar. Top right, Michigrain partner Mike Bird checks the fermenter tanks. The mash solution bubbles from yeast producing alcohol. Right, Bird mashes red winter wheat. Above, owner Scott Ellis talks with customer Paul Brogan, before an MDHHS order shut down indoor seating for bars.

arrive.” The partnership resulted in their two best days for sales of drinks or cocktails to go.

When he takes off his distillery hat and dons his association hat, things turn more serious. Michigan Licensed Beverage Association members have been looking to him for leadership and advice in what is a downright panicky time for the industry.

“Our last survey showed that the average bar was down 65 percent in sales,” said Ellis. “And if the rules continued for another few months, 60 percent said they could close permanently. We’ve got to figure out how to live with this and still keep customers and employees safe.”

The situation is dire for many of Michigan’s 53 distilleries. A survey by the Distilled Spirits Council of the United States and the American Distilling Institute showed that 43 percent of distillery employees were let go or furloughed due to COVID.

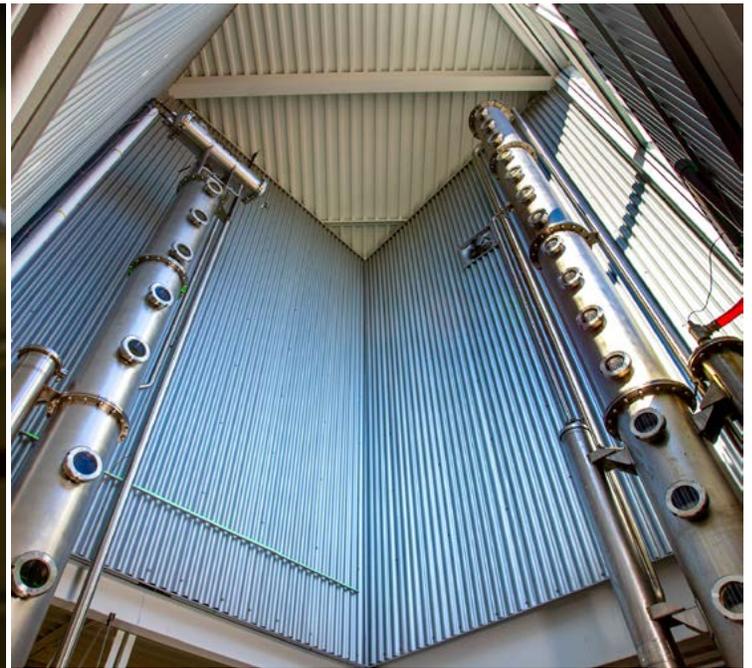
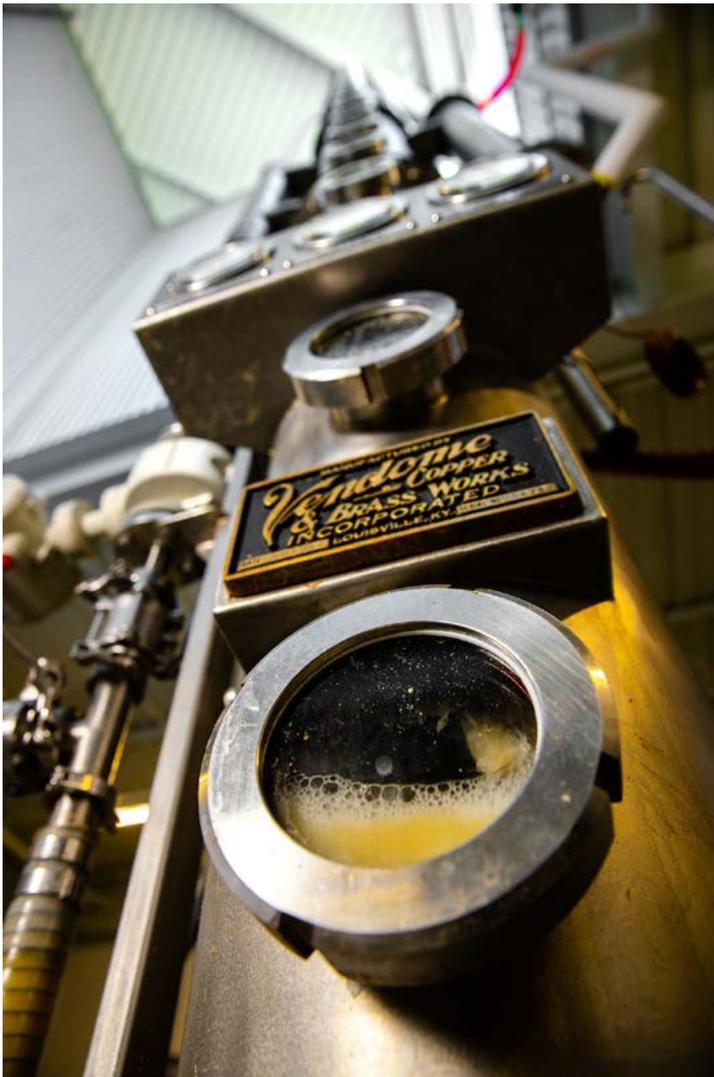
The Michigan Legislature has tried to ease the pain by allowing cocktails to go and outdoor drinking districts. But this winter poses

a challenge, especially now that the state barred indoor seating for bars and restaurants as of this writing. A minority of customers will be willing to adapt to outdoor seating – not enough for bars to make a go of it. The MLBA is advocating that the state allow bars and restaurants to open their indoor seating again, arguing that few COVID cases have been tied to restaurants and bars.

“Private events, schools and nursing homes are the problem – but we’re being shut down,” Ellis says. “My sales were down 65 percent before; now they’re down 100 percent. We get that numbers are climbing but we need to learn to balance and live with this.”

Despite these nerve-racking months, Ellis and Bird are reinvesting in Michigrain, adding beer to their mix and installing 13 new fermenters, which allows them to ferment 14,000 gallons of mash per batch (about every five days).

Like many retailers, restaurants and bars, they know that the ability to change, adapt and even grow is the only way to get through this pandemic.



Above, mash goes through the stripping column; as the alcohol vaporizes, it makes for a clear neutral spirit. Next stop is the pot still, left. Near left, Michigrain’s potato vodka.



Improvising through COVID

Music retailers find their rhythm in a pandemic





A customer tries out a banjo at Elderly Instruments, a store that specializes in stringed instruments in Lansing.

By **SHANDRA MARTINEZ**

Photos **STEVE JESSMORE**

A lot of people have been making music during the pandemic. Manufacturers of keyboards and guitars are reporting record sales. So, are music retailers among the bright spots in a struggling industry — like grocery stores?

Not exactly, according to retailers contacted by Michigan Retailer.

Eric Hanson, owner of Hanson Pro Music, reports a 10-15% uptick in monthly sales after he was able to reopen his Port Huron music shop in July, following the statewide shutdown.

“It’s not huge, but from what it was over the last few years, that’s really helped,” Hanson said.

He’s selling more low-end electric guitars than he did in the past couple of years. Most have been in-store purchases because he doesn’t do a lot of business online.

CHALLENGES

While the pandemic has been rough for brick-and-mortar retailers in general, those in the music trade have had their own set of challenges.

Marshall Music Co., which supplies students with instruments for school band and orchestra, has been hurt by school closures.

Nearly 40% of the company’s annual business usually happens in the spring, when beginning music students are recruited for fall programs. Co-owner Dan Marshall estimates the company rented out about half the number of instruments this fall because of school closures in the spring.

As a result of the drop in instrument rentals, the retailer has brought back only about half of its workforce — primarily repair techs and school service reps.

“Outside of the band and orchestra, we’re seeing customer traffic coming back. But because of the financial impact, we’re operating under reduced hours and reduced staff,” Marshall said.

MOVING LESSONS ONLINE

Another 20% of the business is selling instruments and accessories, like sheet music, and music lessons. Each store has eight to 32 private studios. Pre-pandemic, Marshall instructors taught more than 2,000 private lessons weekly. Now, only about a quarter of those 30-minute sessions are taking place — and they are online.

“We’ve rolled out online classes as a response to this challenge. I doubt we’ll ever go back to studio teaching,” Marshall said.

The retailer is considering making the studios available to private instructors who want to cultivate their own clientele. It is also evaluating the need for storefront space.

“We are reducing square footage and sort of reorienting our business to

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innovative music retailers

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our core competency, which is band and orchestra instrument rental and servicing the schools throughout Michigan. We call on about 650 music educators every week. The bulk of our business is transacted at music departments throughout the state,” Marshall said.

CONSIDERING CONSOLIDATION

The retailer has locations in Traverse City, Grand Rapids, Kalamazoo and Lansing, as well as three locations in the Greater Detroit area.

“There might be some consolidation. We still need to be close to those markets to provide repair service to all our customers,” Marshall said, adding the company does a significant portion of accessory sales and rentals online.

He thinks it will be a year before the workforce returns to its pre-pandemic level of 168 full-time equivalent employees. Many are part-time workers who teach classes.

BRIGHTER FUTURE

“We do know that the future is certainly going to be brighter than the current environment. We’ve got our eyes focused on that,” Marshall said. “Next year will be gangbusters because some schools will be starting two years — the fifth-graders and the sixth-graders — in the beginning band and orchestra,” he said.

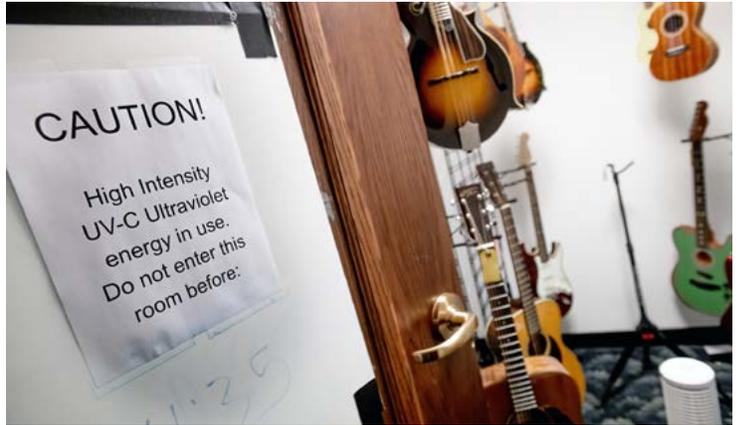
The pandemic is unlike anything he has experienced in his 35 years in the business. He joined the company at 30 when his parents, who started the business in 1948, wanted to retire. The next generation won’t be family, but will be led by two current executives who grew up in the business. They’re both avid musicians.

At 66, Marshall is semi-retired and provides mainly guidance. He and his two sisters own the company, and the transition to the next generation has been sped up by the pandemic.

OVERWHELMING

That has been the case for Lillian Werbin, the second generation of the family-owned Elderly Instruments.

The internationally known Lansing business was co-founded by



Top left, Lillian Werbin, second-generation owner of Elderly Instruments in Lansing, and her dad, top right, Stan Werbin, installed a UV light room to sanitize instruments that have been touched by customers.

her dad, Stan Werbin, in 1972. As the only child who grew up in the business, taking the helm of the family business during the pandemic has been overwhelming at times for Werbin.

The pandemic sped up transition plans because her parents — at ages 72 and 73 — are in the high-risk group for coronavirus.

“Aside from Elderly, my parents are the most important thing in my world. I was looking at the prospect of losing not only them but the business at the same time. I turned 30 in August, so the last couple of months have been unbelievable for me,” she said.

FOLLOWING PROTOCOLS

The business went dark for two weeks in March after the state shutdown. A small skeleton crew of five initially returned to handle online and international operations. Pre-pandemic, the company’s 40-person staff took care of warehouse operations, sales, purchasing, IT and marketing.

When their staff returned to work a couple months later, no more than 20 people at a time worked in Elderly’s 36,000-square-foot location, alternating shifts so all 40 could return. Currently, Elderly staff is back to full time and still wearing masks, socially distancing, and doing temperature checks daily.

The hardest part has been adjusting to the change in her parents involvement. Stan Werbin was still going to work six days a week

(every open day) leading up to the pandemic. Keeping him away has been difficult.

"I'm adopted, and so we often talk about how lucky we are that we got to do this whole thing together. They truly enjoy each other, and I think the laughing and the music is all it took to keep them going strong," said Werbin, adding that her mom, Sandy, is in remission for stage 4 cancer. "We really looked at this pandemic like we're not taking any chances."

LIVE-STREAMING CONCERTS

Elderly stopped doing lessons and in-store concerts and workshops. Concerts moved online to put money into artists' pockets after their gigs were canceled. Elderly set up the concerts to stream live on Facebook and YouTube without taking a cut.

The retailer's biggest innovation has been using UV light to sanitize the instruments to address concerns about the transmission of the disease by touching surfaces. Instruments can't be wiped down with sanitary wipes.

Converting one of the many unused lesson rooms to a UV sanitation room was crucial, so customers could still have an opportunity to hold and play instruments before purchasing them. The transformation involved painting the walls a reflective white and installing a UV light.

"We can hang 10 instruments in there at any given time, and



Eric Hanson, of Hanson Pro Music, hopes to keep the lights on at his Port Huron store for a few more years: "I'm too old to quit and do something else."

run it all day," said Werbin, adding that there are plans to add a second UV room.

CREATIVE THINKING

The company's niche is fretted instruments and everything else that pertains. The name of the store is a nod to selling high-end vintage pieces along with new and used string instruments.

Before Stan owned a music store, he was a student musician. He plays banjo, guitar and ukulele – and toured with Michigan's famed Lost World String Band.

Along with the UV room and online concerts (now called The Elderly Instruments Living Room Sessions), another change has been adding curbside service for in-store purchases and for repairs, which was done as a safety precaution. The convenience has proven popular with customers.

The business is also installing HALO-LED bulbs in its HVAC systems to help with air filtration and to decrease airborne transmission of germs.

"We've decided that this type of situation brought some great changes and some great creative thinking," Werbin said.

KEEPING THE LIGHTS ON

As Hanson heads into the holiday season, he's not sure what to expect.

"Retail has gotten so weird in this particular industry," Hanson said.

A decade ago, November and December were his best months. Now, peak months are January, February and March. Hanson suspects that is tied to customers receiving their tax returns.

The store carries a range of instruments, from \$120 guitars to higher-end ones priced between \$3,000-\$4,000.

"Being a small store in a small town is tough. I'm not selling 2,000 guitars a year. I'm selling enough to keep my lights on, my doors open, and pay my bills," said Hansen, 55. "I'm too old to quit and do something else."



Left, COVID signs instruct shoppers at Kalamazoo's Marshall Music Co. Below, Marshall repair technician Eric Cowles repairs an instrument. Bottom left, Marshall Music Co.'s Kalamazoo storefront.



Retailing in the winter of a pandemic

MEDC offers winter strategies to keep the customers coming

Three more months of wintry weather is a daunting prospect for many businesses and downtowns as they strategize on how to keep doors open during COVID-19 restrictions.

It's hard enough to do business during good weather in a pandemic, but luring people out into cold weather is yet another hurdle that could threaten closure for some stores and restaurants.

The Michigan Economic Development Corporation – or MEDC – has released a COVID-19 Winter Strategies resource guide (<https://bit.ly/2HCrPyo>) packed with ideas for events and design ideas for catering to customers outdoors.

“This guidebook provides creative ideas and resources for communities that will help them make the most of winter outdoor activity opportunities, making it more fun and safe to be outside and bolstering the community’s ability to retain and attract new businesses and residents,” said MEDC Senior Vice President of Community Development Michele Wildman.

Or as her Michigan Main Street colleague Joe Frost puts it: “Embrace the cold!”

Anyone who owns an outdoor sporting goods store can tell you they’ve had a very good sales year. The pandemic has created a surge of interest in outdoor recreation. And it’s driven people to outdoor restaurant patios and public spaces. But will that be the case when temperatures drop below 40?

Convincing Michiganders to bundle up and get out and shop is a must, Frost says. “We have to change our attitude about winter. We live in a beautiful state that’s beautiful in each of its seasons. We need our retailers, businesses and restaurateurs to message, ‘It’s winter and we’re going to embrace that winter.’”

That means offering seasonal changes to menus and product offerings, making winter patios hospitable and working with your city

and downtown to ensure that snow management is done smartly, to allow for curbside delivery and walkability.

Municipalities play a big role in how well a community responds to wintertime commerce. The guide suggests job No. 1 is setting up a local winter strategies task force.

“A key takeaway is that as a municipality, you need to bring together a group of stakeholders, figure out what your assets are in terms of season change and be able to make those shifts for your businesses,” Frost says. “Cut the red tape on the zoning side and manage snow removal. We can make it fun but at end of day we need to make it efficient.”

Downtowns should promote appropriate winter attire, so customers will be comfortable. Selling branded blankets, scarves and hats gets the message across in a fun way. As the guide says, “There’s no bad weather, only bad clothing!”

Consider promoting a large shopping event, but with restrictions. The guide suggests:

- Staging large events over a longer period of time;
- Encouraging staggered attendance by offering specials based on first letter of first or last name on different days;
- Spreading out events over larger areas (i.e. extended parade routes, for example);
- Using VIP, invite-only and RSVP events and sub-events that help to control the number of attendees at any given time.

Leigh Young, another Michigan Main Street specialist, advises that retailers need to get online to increase their audience. She and Frost acknowledge that all this will take innovation, but it’s the kind that will carry forward, beyond the pandemic.

“Once the holidays are over, we’re in the dead zone of January, February and March,” Young notes. “The challenge is, what creative things can retailers do to expand into the winter season?”



Downtowns and their patrons will have to embrace the cold this winter, says Main Street Specialist Joe Frost: “We have to change our attitude about winter. We live in a beautiful state that’s beautiful in each of its seasons.” Photo by Josh Vanderhaar.

EMBRACE THE COLD: Tips from the Michigan Main Street specialists

Here are ways you make your commercial district more inviting in winter to help bring in sales.

- Develop pop-up opportunities for holiday shopping, such as outdoor sidewalk sales and/or a winter market.
- Use a downtown public space, open area, or underutilized parking lot for food trucks and vendors.
- Coordinate business hours for winter operations.
- Extend the season of your farmers market or create opportunities for a pop-up winter market.
- Consider themed restaurant/pub crawl style events that can take place outdoors.
- Consider working with property owners to use large underutilized or vacant buildings to hold indoor events using social distancing and safety precautions.
- Enhance connectivity to existing winter attractions and develop partnerships with them, perhaps by offering visitors discount cards for downtown businesses.
- Create a winter activity guide for downtown highlighting attractions, special retail and dining experiences, outdoor patios, outdoor markets and other offerings.

MEDC wants to hear from you!

The Michigan Economic Development Corporation has launched a Support Local program to boost holiday sales and get stores through what promises to be a tough winter.

The campaign signals a pivot from attracting tourists to focusing on Michigan consumers who may be going online rather than understanding the need to “buy nearby” right now. Michigan Retailers Association is one of the partners in the program.

MEDC will run Support Local ads from Nov. 30 to March 31. How can you help? They are looking for content for the program’s website: Michigan.org/supportlocal. They want to get retail, restaurant and accommodations up on the site for a one-stop shopping guide for anyone looking for something to do in a Michigan town.

They also are encouraging businesses to submit their information.



This is the homepage of the new Michigan.gov/supportlocal initiative.

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Open Monday – Saturday.
Website www.theclothespost.com



“We would also love to continue to hear from you and your networks about any initiatives happening at the local level to support our restaurants, retailers, hoteliers and attractions this winter,” said Paige Wirth, MEDC’s business marketing director.

You can share information about your business and downtown events involving local small businesses with Travel Michigan’s Nicole Gaukel at gaukeln1@michigan.org. She is compiling and listing these resources on the Support Local website.

On social media, MEDC is using the hashtag #SupportLocalMI, and will even curate content off that hashtag. If you use that hashtag, we encourage you to use the #buynearbymi hashtag as well.

MEDC is also encouraging businesses to take the Pure Michigan Pledge, which shows your business has committed to maintaining disinfecting and social distancing protocols. You can take the pledge here: <https://www.michigan.org/puremichiganpledge>.



In her own words

Owner Jennifer Reattoir in front of The Mole Hole, a popular gift store in Sault Ste. Marie.

The Mole Hole

Opened: 1979

MRA member since: 1984

Location: 201 Osborn Blvd., Sault Ste. Marie, MI 49783

Specialties: Jewelry, collectibles, hand bags, apparel

Owner: Jennifer Reattoir

MRA Services: Bankcard, workers' compensation



Story by **RACHEL SCHRAUBEN**

Photos by **STEVE JESSMORE**

Does your business have a unique story?

Contact rschrauben@retailers.com.

In 1979, Jennifer Reattoir's grandparents finished construction of a building in downtown Sault Ste. Marie. Immediately after, her parents opened The Mole Hole, a store stocked with collectibles, unique gifts, apparel and décor. Thirty-one years later, Jennifer and her husband bought the business from her mother. She continues to run the store to this day.

Jennifer shares what it's like to transition ownership through the family and how different holiday shopping may look at The Mole Hole in 2020 compared to previous years.

My mom and I worked together for years...

while she owned the business. I started working here in high school and then I left and did my own thing for a while, also in retail. When my daughter was born I came back and started working part-time while she was little. Once both my kids were in school I started working full-time for my mom and then in 2010 I bought the business from her and she stayed on working for two years; we sort of flip-flopped roles. Around that time my daughter started to work for me while she was in high school. We had one year where all three of us were here together.

I didn't initially plan to take over.

I grew up here, but went away for college. My husband and I made

From top: Jennifer Reattoir showcases her store and the many goods inside, including the Wee Forest Folk (bottom right), a collectible line that she ships globally.

our way back and decided to stay once we had a family and I had the flexibility to adapt my schedule if my kids had something at school. We started talking about it and then making plans. . . . We had other opportunities to move elsewhere through my husband's work. So once we decided to stay, then the plan started running.

We're changing our annual customer holiday party up this year.

We typically do a big holiday party in-store - a big holiday kick-off and usually have an evening event where we serve appetizers and drinks. This year we plan to spread it out over a week. We'll have virtual elements, which is something we brought in due to COVID. We'll have a virtual kick-off party and we're planning to have specials every day highlighting a different line and do a promotion within that line.

Another thing we've done in the past, and I'd like to do this year, is tie holiday shopping into a charity, so sometimes we do a food drive at Christmas-time. If customers bring in something to donate, then they get a certain discount on an item of their choice. That's one of the reasons I love having a business; just being able to do things like that for the community. The customers seem very happy to donate and it's optional to do so, but I think they enjoy being able to contribute.

The week before Christmas can be busy.

We'll mark the floors and guide customers to the 6 feet rule. Right now the state is still under the mask mandate and we highly encouraged that even before that mandate came out. Our customers, for the most part, have really appreciated that and thank us for making the store a safe place to shop. You always get some push-back from some people, but we'll have to see how it is around Christmas. Another thing is that it's very cold here so you hate to make people wait outside.

I'm hoping people stay local to shop this year.

That could help us out. In the spring when things were closed down, our local shoppers really did make an effort to shop with us and we did virtual shopping via Facebook. We did Facebook Lives and we did curbside pick-up, and our customers were fantastic. They were really supportive of us and I'm hoping that'll carry through the holidays. I'm hoping people will remember that they still have to support the small stores.



Purses depicting the Upper Peninsula are a popular item at the Mole Hole gift shop, which is planning virtual shopping events and events tied to a charitable cause this holiday shopping season.



Jennifer Rook takes over MRA marketing, communications



Rook

Michigan Retailers Association has hired Jennifer Rook as vice president of communications and marketing. Rook succeeds Meegan Holland, who retired on Dec. 4. Rook began her new post on Nov. 2.

“We’re excited to have Jennifer join Michigan Retailers and she brings a wealth of experience to our team,” said MRA President and CEO William J. Hallan. “Our members need us more than ever, as they work to comply with ever-changing safety

protocols; Jennifer’s communications skills will be a valuable asset for our membership. Further, her passion for content marketing will enable us to vividly tell our story and engage new businesses through our services and advocacy.”

Rook brings more than 20 years of marketing and communications experience to the role achieved by working for large organizations, including Elkay Manufacturing, OfficeMax, the Chicago Board of Trade, Harley-Davidson Financial Services, and Edelman Public

Relations Worldwide. Rook joins MRA from Meijer where she worked in the communications department developing content and publicity programs that best promoted Meijer products and services.

Rook credits her successful track record to her ability to find the opportunity in every situation, lead great teams, and her analytical approach to understanding customer behaviors and shopping patterns. Rook earned an MS in Strategic Communications from Northwestern University, a BA in English-Writing from the University of Illinois at Chicago, and is a veteran of the U.S. Air Force/Illinois Air National Guard.

“I am thrilled to join such a dynamic organization like Michigan Retailers Association,” said Rook. “Since 1940, MRA has focused relentlessly on developing products and services that help local retailers grow and contribute to Michigan’s economy. I look forward to helping MRA connect with its members in new ways and attract more consumers to channel their dollars towards Michigan merchants through MRA’s Buy Nearby program.”

Rook resides in Ada with her husband and two children.

SHOP 3 CHALLENGE

MRA encourages consumers to visit 3 local shops to stay afloat this holiday season

Michigan Retailers Association (MRA) on Nov. 24 kicked off a promotional campaign calling on Michiganders to join the Shop 3 Challenge by adding at least three local merchants to their list of shopping destinations.

“Michigan retailers have worked very hard over the last eight months to meet safety guidelines enacted by state and local health officials to help stop the spread of COVID-19 and the data shows that contracting the virus in a retail environment remains very low thanks to their efforts,” said William Hallan, President and CEO of Michigan Retailers Association. “This holiday season, we are asking all Michiganders to make a deliberate effort to make purchases from at least three local retailers.”

An MRA-commissioned study shows that Michiganders annually spend \$18.5 billion online and outside of Michigan.

“Keeping local businesses alive is critical to Michigan’s economy. Of all the years to keep your dollars in Michigan, this is the year to do it,” said Hallan. “Many of these business owners are barely making ends meet. They need your support now more than ever.”

Recognizing that the 30 percent capacity limitation mandated by the the state may deter consumers from visiting brick and mortar

locations, Hallan is encouraging consumers to investigate if stores are offering curbside pickup or online shopping.

“Many small mom and pop shops have added new shopping options like an e-commerce platform, curbside pickup, and home delivery in addition to in-store shopping,” said Hallan.

With retail sales rebounding strongly due to continued consumer resilience, the National Retail Federation today forecasted that holiday sales during November and December will increase between 3.6 percent and 5.2 percent over 2019.

As MRA reported early this fall, half of retailers were cautiously optimistic in believing their sales will continue to rise through December.

“Based on the increased sales activity we saw this fall, we believe that Michiganders will do more to help local stores everywhere to stay open,” said Hallan.

The campaign coincides with MEDC’s Support Local campaign (see page 17).

Our advice? Promote the “buy nearby” message by taking the poster about the Shop 3 Challenge on the opposite page and putting it in your window!



Take the **SHOP 3 CHALLENGE!**



Michigan Retailers Association is issuing the Shop 3 Challenge. Join us in buying gifts from at least three Michigan stores this holiday season.

Here's why:

- Michiganers annually send **\$18.5 billion** annually to out-of-state retailers.
- If you switch just **1 in 10** of those out-of-state purchases to a Michigan retailer, you'd help keep **\$1.2 billion** dollars in OUR economy.
- Retailers rely on the holiday season for up to **25%** of their revenue.
- Studies show as many as **60%** of stores, restaurants and bars could close due to the pandemic.
- 100%** of retailers are ready to serve you, most with lots of safe options: curbside, home delivery, e-commerce and shopping in person.

**You have the power
to prevent empty storefronts.**
Take the Shop 3 Challenge!



The catch-all drawer

Tidbits
to make
business
easier

JAN. 1 KICKS OFF APPLICATIONS FOR MRA SCHOLARSHIPS

Michigan Retailers Foundation, a division of Michigan Retailers Association, kicks off its annual college and professional training scholarship competition on Jan. 1, 2021 for the 2021-2022 academic year.

The Foundation plans to award 26 scholarships this year, ranging from \$1,000 to \$1,500.

The Foundation added two new scholarships, including:

- **W. Bruce and Joyce M. Rogers Legacy Scholarship** established by W. Bruce Rogers, a long-time retail advocate.
- **Bill Golden Legacy Scholarship** established by Bill Golden, co-president of Golden Shoes in Traverse City.

The Foundation invites all high school seniors and current college students (freshman through junior-year) who are dependent children or full or part-time employees of MRA members to participate. Recipients are selected based on outstanding academic performance and extracurricular activities, regardless of financial need.

The International Scholarship and Tuition Services, a third-party administrator, selects recipients on behalf of the Foundation.

Students may apply online at MRA's website, retailers.com, under the Member Benefits tab. Applications will be accepted through April 1, 2021. Members should watch their mail for more details.

Since its inception in 1999, the Foundation has awarded more than 500 scholarships to Michigan students, totaling more than \$577,750.

To check eligibility, students may contact Rachel Schrauben at rschrauben@retailers.com or call 800.366.3699 ext. 346.

CROSWELL STORE CELEBRATES ANNIVERSARY

Paul and Suzanne Westbrook of Westbrook True Value Hardware in Croswell were recently recognized for 65 years in the hardware business. The Westbrooks were honored with the Golden Hammer Award from vendor Estwing Manufacturing.

Pat Harrington, who nominated the store, presented the award. Harrington is director of program development for the Michigan Retail Hardware Association, an MRA division. "I've known Paul for 30 years. I'm glad to be a part of this celebration," said Harrington. "It is quite unusual for someone to achieve over 50 years in the hardware business."

Members of the Westbrook's extended family have operated a hardware store at the same location since 1888.

REFER A NEW MEMBER, EARN \$100

Put some cash in your pocket for the holiday season through our member referral program. Typically, you get \$50 for a successful member referral, but we're doubling down. Reach out to MRA's Harmony Clouse at sales@retailers.com or 517.327.8998 to let us know that you've referred someone; if they join MRA before Dec. 31, 2020, you'll get \$100, and the new member gets a free YETI tumbler!

MRA MEMBER SPEAKS AT GOV. WHITMER PRESS CONFERENCE

MRA member Kendra Patterson was featured in a press conference last month with Gov. Gretchen Whitmer to talk about the importance of buying nearby. We were pleased to see that the governor understands that keeping stores open and encouraging shoppers to buy local is crucial to Michigan's future. Here is part of Kendra's statement:

"Yes, it's tempting to go online right now. But no one wants to see empty storefronts in our local shopping plazas and downtowns. Retailers are ready to serve you in ways that make you feel safe, whether that's shopping in person, curbside or home delivery. Retailers have proven that they can follow protocols and operate safely. We want to welcome and accommodate you, however you feel comfortable." Thank you, Kendra!



Patterson

MRA ENCOURAGES SHOPPERS TO ONLY BUY WHAT THEY NEED

MRA partnered with Michigan Department of Agriculture and Rural Development Director Gary McDowell and Meijer's Todd Weer, Senior Vice President of Stores, to stem panic buying this holiday season. A release was sent to media before Thanksgiving to encourage shoppers buy only what they need in order avoid shortages experienced earlier this year. MRA President and CEO Bill Hallan issued this statement:

"Retailers across the state continue to work hard to restore and maintain product levels in stores to meet the demand in communities. Consumers need to know that stores, particularly grocery stores, will remain open. Consumers should plan for essentials in weekly increments to ensure that supply levels remain steady over the next few weeks. As retailers continue to do their part to keep retail environments safe to shop, we are asking consumers to do their part by limiting quantities to ensure there is enough for everyone."

New Members

Total Health Companies LLC, Auburn Hills

Pere Marquette Rod & Gun Club, Baldwin

Ground Control Michigan LLC, Bangor

Martin Howard dba Country Drugs, Bay City

S & C Transport Inc., Belleville

Blythefield Country Club, Belmont

Betsie Riverside Resort, Benzonia

Southwestern Michigan Dust Control Inc.,
Bloomington

Zion Christian School, Byron Center

Michigan Protein Inc., Cedar Springs

Discount Tire & Battery, Crystal

Chiliboys LLC dba Lou's Coney Island, Detroit

Driven Grow LLC, Frederic

Stoepker & DeVries CPA LLC, Grand Rapids

In-Vin-Co Inc., Grand Rapids

Blarney Stone Broadcasting Inc., Grayling

Highland Family Dentistry, Highland

DC Storage Sales & RV Services, Hudsonville

Total Life Changes LLC, Ira Twp.

Marino's Inc., Jackson

Parnall Food Market Inc., Jackson

Trim Michigan Ave Salon, Kalamazoo

Martin Spring & Drive Inc., Kalamazoo

United Way of the Battle Creek & Kalamazoo Region,
Kalamazoo

Kentwood Family Dentistry, Kentwood

Blue Water Air Compressor Inc., Kimball

Erin Doan Insurance Agency Inc., Ludington

Travon Inc. dba Table 14, Ludington

Scott Ciullo Inc., Marquette

World Wide Carrier US Inc., Marysville

West Michigan Power Cleaning Systems Inc., Muskegon

Property Care Management LLC, Ossineke

Auto-Tech-AMS Inc., Oxford

S A Torello Inc., Port Huron

Gohm Insurance Restoration, Saginaw

Foreward Health, Spring Lake

Lease Corporation of America -LCA Bank Corp., Troy

Neuner's Service Center Inc., Warren

City Farm Warren Inc., Warren

Tastefull Vegan Frozen Desserts LLC, Wyoming



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