



Redefining Convenience Services

2017 MIDYEAR REPORT

Redefining Convenience Services

The collaborative work of NAMA's dedicated and visionary members, board and staff helped deliver a strong start for 2017. At the midyear mark, NAMA is experiencing the payoff from the organization's bold yet thoughtful strategy to redefine the convenience services industry. From unprecedented OneShow and Fly-In participation to advocacy successes stemming from continually enhanced relationships with elected officials, NAMA's collective strength is moving the needle, making significant improvements for businesses throughout the industry.

GOVERNMENT AFFAIRS

Visibility in Washington

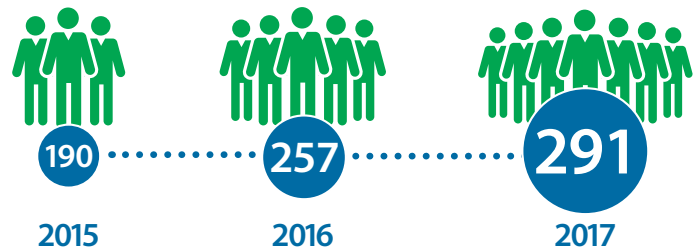
The organization's third annual Fly-In in Washington, DC, drew a record turnout and made significant inroads in communicating NAMA's position on important legislative and regulatory issues.

NAMA's contingent of nearly 300 members from 40 states demonstrated both the growing enthusiasm for the Fly-In and recognition of its value. Participants met with nearly half of all congressional offices, including 89% of the Senate and 35% of the House — 6% more meetings than last year. But the numbers don't tell the full story.

Participants also reported deeper, more productive conversations around key issues including regulatory flexibility for small businesses and a permanent repeal of the estate tax, as well as calorie disclosure and use of refrigerants in vending machines (see next page).



NAMA Fly-In A Growing Movement



Number of participating members at the NAMA Fly-In



A representative from the White House greeted Fly-In participants. George Sifakis, director of the Office of Public Liaison, spoke and took Q&A from the audience.



NAMA CEO Carla Balakgie set the stage with inspirational remarks.



More personal and in-depth dialogue were the hallmarks of NAMA's 241 meetings on Capitol Hill.



➤ Breakthrough media relations for this year's Fly-In, with an editorial by Carla Balakgie in [The Hill](#), followed by a profile on Eric Dell in Roll Call, amplified visibility for the industry.

Fly-In Attendee Feedback

"Gives our industry recognition in Congress."

"Brings together a great group of industry professionals for an outstanding cause."

"Rejuvenates our base and makes them aware of the issues and challenges we all face."

National Priorities

REFRIGERANTS IN VENDING MACHINES

NAMA petitioned the EPA to extend the deadline for a required change in vending machine refrigerants. Citing the burden to businesses, NAMA requested an additional three years (January 1, 2022 vs. the EPA's date of January 1, 2019). NAMA staff and machine manufacturers met with senior EPA officials during the Fly-In and are optimistic that the extension will be granted.

CALORIE DISCLOSURE

NAMA joined allied trade associations to request that the FDA extend the compliance date for vending machine labeling in addition to addressing outstanding issues involving font size for front-of-pack calorie declarations and calorie declarations for gum, mints and rolled candies. In meetings with elected officials during the Fly-In, NAMA received a favorable response including verbal commitments of support on these issues, boding well for the industry.

State Successes

Much of NAMA's advocacy success comes from dedicated members working hard at the state level on issues affecting the entire industry. Following are some 2017 achievements:

BLIND VENDING CONTRACTS

Work by NAMA and the Northwest Automatic Vending Association has ensured continued business for vending operators in Oregon. The state was pushing to

eliminate all subcontracting and take over administration of the blind vending program. Besides negatively impacting subcontracted vending operators across the state, NAMA successfully argued that the state lacked the necessary resources to support the program. Due to these efforts, legislation was passed to ensure the program continued as designed.

TAX PARITY

Minnesota Governor Mark Dayton signed a budget bill that included tax parity for the state's vending operators. NAMA and the Minnesota Automatic Merchandising Council worked diligently for two years on this legislation, which extends the tax exemption on the sale of food products in grocery stores, convenience stores and catering trucks to vending machines. As a result of this work, vending operators will no longer be forced to absorb the sales tax or pass it on to consumers.

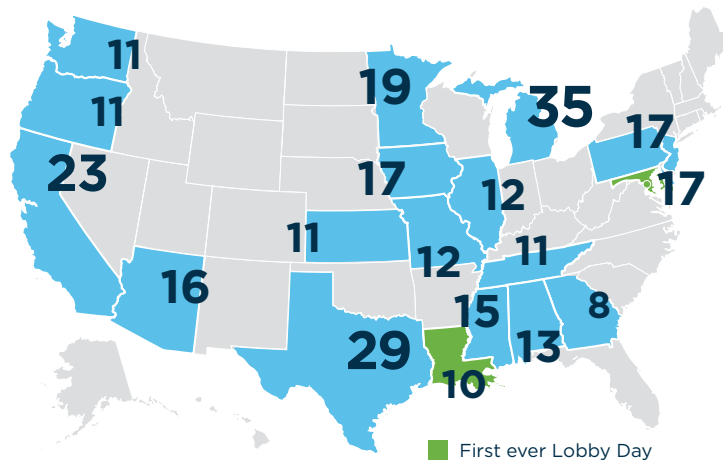
MICRO MARKET OPERATIONS

Thanks to NAMA and the Georgia Automatic Merchandising Council, a favorable memorandum of understanding was issued in Georgia, sparing micro market operators from being targeted for additional sources of revenue. The MOU will: 1) adopt the definition of micro markets as unattended retail operations; 2) allow vending operators to submit one plan for micro market licensing purposes (rather than a separate plan for each market), avoiding installation delays; and 3) not charge additional fees for licensing and inspection.

For further state highlights, see the Summer issue of [InTouch](#).

2017 LOBBY DAYS

A record 287 NAMA members have traveled to their state capitols to advocate for the industry this year.



AL:	13
AZ:	16
CA:	23
GA:	8
IA:	17
IL:	12
KS:	11
LA:	10
MD/DC:	17
MI:	35
MN:	19
MO:	12
MS:	15
OR:	11
TN:	11
Tri-State (PA, NJ, DE):	17
TX:	29
WA:	11



Georgia members with Rep. Randy Nix (center) Rep. Charles McCall (far right).

INDUSTRY OUTREACH

Member Communications

The organization's reach grew on social media, as more member companies posted on Twitter and other networks. NAMA-related tweets have been viewed by more users so far this year, particularly on important advocacy issues like tax reform.

Video also has elevated NAMA's profile in key areas of interest. The most watched videos on the organization's YouTube channel, with nearly 1,000 views, are OneShow media highlights, a OneShow message from Carla Balakgie and new FitPick videos.

Nearly 100 press releases, e-blasts and other communications continued the dynamic flow of news to the industry, keeping pace with past year's outreach. Engagement from members was up in Q1/Q2, with open rates as high as 42%, well above the standard rate for nonprofits (25%), according to email marketing benchmarks.

InTouch Award

InTouch, NAMA's quarterly publication, was recognized in May as a Gold Winner in the 2017 Hermes Creative Awards. The international competition recognizes excellence in traditional and emerging media and honors creative professionals and agencies for outstanding achievement. NAMA was in good company in the Gold category, which also included AARP, Allstate, Fidelity Investments, Hewitt, Hilton and The Washington Post.



Email Open Rates



Average for nonprofit industry: **25%**
Average for NAMA: **42%**

PUBLIC OUTREACH

FitPick Videos

As public interest in health and nutrition continues to pick up steam, NAMA expanded its suite of FitPick tools to meet the increased demand for relevant, credible resources. With support from the NAMA Foundation, two engaging new videos were produced and debuted on fitpick.org.

"NAMA's Nutrition Story" tells the story of the organization's efforts to be part of the nutrition solution, and "FitPick 101" gives an overview of the program for operators and how to get started.



> Watch the videos:
NAMA's Nutrition Story
FitPick 101

Media Coverage

Leveraging OneShow to elevate awareness of the convenience services industry, NAMA secured more than 30 minutes of dedicated television coverage on consumer-driven innovation, technology and new products in key industry verticals. [Watch a video](#) of the highlights.

A 2017 highlight: more robust coverage featuring a broader number of member companies on FOX and CBS affiliates, including PepsiCo, MARS, Vagabond Vending, The Venders, DropWater, 1SourceVend, SensorSwarm, Wizzan Mobility, 365 Retail Markets,



Vistar, Vendors Exchange, OrangeFresh and Jack Links.

Two in-depth stories also ran in the Las Vegas Sun, a positive result from years of relationship building with Las Vegas-based media.



NAMA on the Air

- ▶ **30+ minutes** of OneShow broadcast coverage
- ▶ **All** industry verticals featured
- ▶ Over **1 million** viewers
- ▶ **Hot topics:** innovation, technology, new products

ESSENTIAL RESOURCES

Route Driver Research

With support from the NAMA Foundation, the association published its first-ever research report on route drivers, including perspective from drivers as well as insights from clients across industry verticals. Route drivers, a bellwether of service quality, are on the front lines and often the most frequent point of contact with clients. The NAMA report serves as a starting point for conversations leading to improved client service and, ultimately, a better experience for consumers.

Industry Census

NAMA's 2016 Industry Census results, now being compiled, will detail significant industry trends, including growth metrics for micro markets. This data is an important resource to shape discussions with elected officials and other influencers, helping to demonstrate the impact member businesses have on jobs and the economy. The full census report is scheduled for release in Q3.



▶ [Purchase the report](#)

SIGNATURE EVENTS

OneShow

By all accounts, NAMA's 2017 OneShow was a grand slam, perhaps summed up best by attendee Rob Slaughterbeck of Laughter Cafe, Inc.: "The excitement and energy at the OneShow made the rest of Las Vegas seem tame in comparison."

A record number of exhibitors, the most attendees in five years and packed educational sessions came together to create a dynamic experience for members, their businesses and the industry. Highlights included an appearance by beloved former First Lady Laura Bush; record attendance of 400+ at the "What's Trending in Vending, Micro Markets and Refreshment Services" panel presentation; and show floor buzz around innovative products and payment methods. A popular stop was the new VENDThis! area, showcasing cell phone accessories, makeup and other non-traditional items.



As part of the association's continuing evolution, Carla Balakgie unveiled a new identity for NAMA's signature annual gathering. The OneShow is now called The NAMA Show, with the tagline "Meet with Convenience." This new moniker honors the enduring legacy of the show while aligning it with NAMA's fresh new brand and image.

A STRONG
SHOWING
4,600
ATTENDEES

76

FIRST-TIME
EXHIBITORS

37

COUNTRIES
REPRESENTED

310

EXHIBITING
COMPANIES

"We were excited to hear about the innovations in cashless pay, mobile pay, and the ability to communicate with customers on the home screen."

—Jennifer Skidmore, J&J Vending



"I received some really good leads and want to come back next year."

—Brian Hubbard, Coffee Snacks

MEMBERSHIP

NAMA welcomed 120 new members in the first half of 2017 — more than all of 2016. The association now has more than 1,000 member companies, nearly 100 more than at this time last year.

The accelerated growth reflects the new sense of energy and enthusiasm about the industry, driven by NAMA's strong advocacy outcomes, improved service and clearer demonstration of the organization's value to businesses.



ORGANIZATION

Following the retirement of longtime COO Dan Mathews in April, NAMA recalibrated the organization around three main business lines — External Affairs, Programs & Services, and Operations. NAMA also welcomed new staff in education, government affairs and the NAMA Foundation, expanding its pool of expertise NAMA is here to serve you! [Click here](#) to see the team.



ON DECK THIS FALL



November 6-8 | Grapevine, TX

Focus: Education, networking and business development in the OCS channel

Theme: Workplace Café of the Future

Keynote: Futurist and innovation expert Jim Carroll

Expected participants: 880+

Expected exhibitors: 115+

[➤ Learn more and register](#)



December 6-8 | Orlando, FL

Focus: C-suite strategy and peer exchange

Theme: Transformational leadership

Keynoters: Former Popeye's CEO Cheryl Bachelder, emotional intelligence expert Travis Bradberry, futurist Mike Walsh

Immersive learning at Disney Institute

Limited to 100 participants

[➤ Learn more and register](#)