

IMPACT OF FUEL COSTS ON  
SALES REPRESENTATIVES

**HON. DONALD A. MANZULLO**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 6, 2001*

Mr. MANZULLO. Mr. Speaker, I rise today to offer the attached comments of the National Alliance of Sales Representatives Associations on the impact of rising energy costs on small businesses. As Chairman of the Small Business Committee, I will continue to review the issues raised in the attached letter.

THE NATIONAL ALLIANCE OF SALES  
REPRESENTATIVES ASSOCIATIONS,  
*Atlanta, GA, August 2, 2001.*

Subject: Impact of Increasing and Volatile  
Energy Costs on Sales Representatives

Chairman DONALD MANZULLO,  
*House Small Business Committee,*  
*Washington, DC.*

Mr. CHAIRMAN: As Chairman of the Bureau of Wholesale Sales Representatives and President of the National Alliance of Sales Representatives Associations I have the opportunity to discuss the impact that increasing and volatile energy costs with many other sales representatives. What follows are a summary of my experiences but they are typical of what is happening to sales representatives across the country. The National Alliance of Sales Representatives Associations (NASRA) is based in Atlanta and represents more than 10,000 sales representatives who work in industries like apparel, shoe, gift, furniture, and other related sectors.

THE IMPACT OF RISING FUEL COSTS

When energy costs wildly fluctuate as they have in the last four months, sales representatives who are independent business owners, find that they have to absorb the rising energy costs with no ability to pass any of the cost increases on to their customers. As a result a season that has already been hurt due to a slowing economy goes into the proverbial tank as we are all forced to absorb cost increases that cannot be reflected in our commissions.

Here are some personal illustrations of how these costs increases have affected my business. My territory consists of Pennsylvania, Maryland, New Jersey, Delaware and The District of Columbia.

I travel in excess of 50,000 road miles per year and I make a minimum of five trips annually to key areas of my territory. In addition, I attend twenty to twenty five trade shows.

My travel is done in a mini van racked for the purpose of housing my samples. Naturally the added weight decreases fuel efficiency but nevertheless the vehicle is critical to my business. Within 30 minutes of my home you can presently find gasoline prices ranging from \$1.65 to \$1.16 for regular unleaded and I am aware that prices across the country have been even higher.

Some sales reps have chosen to purchase diesel fuel motor homes for the purpose of efficiency. During the past few months, diesel prices in my area have ranged from \$1.70 to \$1.31. At recent prices it makes the investment in travel a real issue. Most diesel vehicles are commercial, busses and trucks and the trucking industry has requested they be allowed to pass on these increased costs. Commissioned sales representatives who drive diesel or gasoline powered vehicles do not have the ability to pass on rising costs nor petition congress for such rebates.

RIISING FUEL COSTS AFFECT IN OTHER AREAS

If it were only the rising cost of fuel perhaps the impact would not be so great. These same rising costs effect every phase of my business and my life.

1. The hotels I use have added energy surcharges without notice.

2. Food and restaurant prices have gone up due to transportation costs.

3. Airlines, busses and trains have also added energy surcharges.

4. The convention centers and hotels that host our trade shows have new energy clauses in their leases.

5. Retail prices on my products have increased because of rising production and shipping charges. When retail prices rise retail slows which directly impacts my wholesale business.

CALIFORNIA IMPACTS SALES REPRESENTATIVES  
NATIONALLY

As a final insult many sales representatives including myself have been affected by the energy crisis in California. My business begins with samples. Recently, I have had delays in getting samples, especially from California. This is due largely to rolling black outs which has slowed production. If I do not have my samples shipped on time so that I can display them at the trade shows my time and money invested in trade shows is lost.

At this time I cannot plan my business because the costs keep changing. They never go down and yet my income does not increase proportionately. A business that is run without the ability to plan is doomed to failure.

All costs rise with rising energy prices. Where does it end? It seems to end with me.

On a more personal note our family had to make a very difficult decision. After more than 30 years in a business he loved my husband has left the industry. There can be no doubt he was literally forced out by these rising costs. Unfortunately, more and more of my colleagues are making similar decisions. It is well known small business is the engine for our country. What will happen when we are unable to run the engine?

SOLUTIONS

Congress needs to look for long-term solutions to maintain some level of stability in energy costs. The quick fixes have been meaningless to me. We need a long view energy policy. We MUST put stability ahead of volatility so that small business owners can plan.

Mr. Chairman I wish to thank you for looking into this issue and for your assistance to the National Alliance of Sales Representatives.

Sincerely,

SANDRA HANLON BLOOM.

A TRIBUTE TO SIR ARTHUR  
GILBERT

**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 6, 2001*

Mr. LANTOS. Mr. Speaker, it is with a heavy heart that I rise today to pay tribute to a dear friend, an extraordinary man, and a giant in the art world, Sir Arthur Gilbert, who passed away on September 2, of this year.

Born in 1913, Arthur's family emigrated from Poland to London where they operated a furrier business. After deciding not to enter the

family business, Arthur chose to work with his wife, Rosalinde Gilbert, a struggling dress designer. He adopted her surname for business reasons, and the two of them quickly made a small fortune producing and marketing her evening gowns. In 1949, they decided to leave the damp and cold of London for the warm California sun, and they moved to Los Angeles, intending to retire.

Instead of retiring, Arthur made a second fortune in real estate. Arthur "never made money just for the sake of making money," as he liked to say, but he will be remembered not for how he made money, but rather how he spent it. His passion for collecting art came about almost accidentally, while looking for decorations for his new home in Los Angeles. A friend suggested to him that he needed some silver to dress up the living room, so he purchased, in his words, a "schmaltzy cabinet by the 18th century silversmith Paul de Lamerie." It was also this time that he bought his first micromosaics, which are images created by tiny threads of glass. Arthur became quite enamored with micromosaics, and eventually purchased over 200 pieces.

Mr. Speaker, the New York Times (September 4, 2001) noted in its obituary of Mr. Gilbert that "in time his collection grew to comprise several collections. The silver and silver-gilt items include scores of ornate tankards, dishes, candelabra and cups that once decorated the royal and aristocratic dinner tables of Europe. His gold collection was made up of some 20 gold snuff boxes, which like the 260 micromosaics, and his 80 portrait miniatures, are best appreciated through a magnifying glass."

Arthur Gilbert was justifiably proud of his collection, and frequently he personally led tours through the museums which housed his collection. As his collection continued to expand, it eventually became too large for the space constraints at the Los Angeles County Museum of Art, where it had been housed for some time. In 1996, Arthur accepted an offer to house his collection in the newly renovated Somerset House, an 18th century palace in London, where it is now displayed. He called it "Britain's heritage regained," since many of the pieces originally belonged to British aristocrats. The collection—valued at over \$200 million—has been open to the public since May of last year. In appreciation of this lavish bequest, Arthur Gilbert, who never renounced his British citizenship, was knighted in 1999.

In addition to his donated art collection, both Arthur and Rosalinde Gilbert were benefactors of numerous charities and organizations. These include the Arthur and Rosalinde Gilbert Center for the Advancement of Scientific Research. They have contributed generously to the February 1941 Foundation—an extraordinary foundation created to thank the Dutch people for assisting Jews fleeing Nazi persecution and downed Allied pilots during World War II.

Mr. Speaker, I believe the Los Angeles Times (September 4, 2001) captured the essence of this outstanding philanthropist, when it quoted him: "Whether you collect snuff boxes or matchboxes, don't buy because it's going up in value but because you like it or it will enhance your life—then give it away." I invite my colleagues to join me in paying tribute to Sir Arthur Gilbert, an outstanding Californian and a generous philanthropist.