R.C. 2091

To the Members of the Board

RE: New York Workers Compensation
   Establishment of Code 8747 for Showroom Salespersons

The Rates Committee has adopted, and the New York State Insurance Department has approved, effective October 1, 2005, for new and renewal business, the establishment of Code 8747 for salespersons who work in display showrooms.

Effective October 1, 2003, inside salespersons were removed from Code 8742. Prior to that time, both inside and outside salespersons were assigned to this code. A review of the classification procedures in other jurisdictions revealed that Code 8742 applied solely to salespersons, collectors or messengers that work in the field and not to salespersons who work at an employer’s business location, therefore, the assignment of Code 8742 to inside salespersons was discontinued to be consistent with the procedures followed in other jurisdictions.

Following the classification change, a further review of this matter revealed that there were certain industries where a salesperson met with a buyer and displayed samples in a room that contained a table and chairs with items displayed either on the wall or on a rack. Under this scenario, the buyer selects the items and quantities that he/she may want and the order is processed by the salesperson. No merchandise is sold on a cash and carry basis from the showroom. The merchandise is subsequently shipped to the customer by the manufacturer or a distributor from a location other than the showroom location.

Other types of showrooms that differ from the sample showrooms described above are a plumbing supply showroom which usually has stock inventoried at the same location or a wholesale operation that displays items such as fabric and lace, which is usually operated from a storefront location.

Due to this unique situation, Code 8747, as shown on the attached Page 78a, was adopted for salespersons of a showroom or salesroom. The footnote of the phraseology limits the scope of the intent of the classification. This change is not intended to abrogate the change made in 2003, but rather to recognize a unique situation which requires individual consideration by the Board and its membership.
The rate for Code 8742 will be used for Code 8747 until the new code develops its own experience.

Printed manual pages will be distributed as soon as they become available.

Very truly yours,

Monte Almer

President

CD:tg
Encl.
SHIP SCALING:

Coverage under U.S. ACT 6874F

Coverage under STATE ACT ONLY 6884

Code 6884 may be used only upon specific assignment by the Rating Board.

SHIRT MFG. 2501

SHODDY MFG. 2211

SHOE FINDINGS MFG. 2688

Applies to the mfg. of tongues, linings or facings.

SHOE FORM or Last MFG. 2790

SHOE or Boot MFG. NOC 2660

SHOE or Boot PATTERN MFG. 4282

Includes designers, drafting employees and cutters. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4282 are conducted as a separate and distinct business. Catalog printing to be separately rated as Code 4299 "Printing."

SHOE REPAIR SHOP 9585

SHOE SHINE PARLOR 9585

SHOE STOCK MFG. 2688

Includes counter, heel or sole cutting.

SHOOTING GALLERY & Drivers 9180

Includes ticket sellers or collectors and applies to amusement devices not otherwise classified.

SHORING—ALL EMPLOYEES—& Drivers 5703

Caisson or cofferdam work or shaft sinking to be separately rated as Code 6252.

SHOULDER PAD MFG. 2501
SHOWROOM SALESPERSONS 8747

Applies to insureds who are engaged in operating a display showroom or salesroom who sell from samples, sample boards, catalogs and/or displays. All other employees, other than Standard Exception employees, are assigned to the appropriate dealer or manufacturing classification unless specifically directed by the classification wording.

Salespersons, at a display showroom or salesroom location which also has a sales inventory, storage area, warehouse facility or where sales are conducted over-the-counter or on a cash-and-carry basis, are assigned to the appropriate store, dealer or manufacturing classification.

Cannot be assigned to any location where a store, dealer or manufacturing classification applies.

Does not contemplate the demonstration of any type of industrial or mobile equipment.

In order to qualify for Code 8747 – Showroom Salespersons, the following conditions must be met:

1. The operating location must be a display showroom or salesroom only. The merchandise displayed cannot be sold to individuals.

2. There is no warehousing of inventory or any type of over-the-counter sales conducted at the same location.

3. All items displayed by the showroom must be received, warehoused, shipped or delivered from a separate location. The warehouse workers or drivers are assigned to the classification that applies to the business conducted at the separate location.

4. The salesperson's duties must be limited to selling exclusively from product displays, samples, sample boards, books or catalogs.
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